A LETTER OF AGREEMENT

BETWEEN

THE WARDENS AND VESTRY OF

______________ CHURCH

AND

THE REVEREND _______________

Who has been elected Rector with the understanding that this tenure is to continue until dissolved by mutual consent or by arbitration and decision as provided by the relevant Canons of the Diocese of Kentucky and of the General Convention.

PREAMBLE

The Rector shall lead ______________ Church as pastor, priest and teacher, sharing in the councils of this congregation and of the whole Church, in communion with our Bishop. By word and action, informed at all times by the Holy Scriptures, the Book of Common Prayer, and the Constitution and Canons of the General Convention and our Diocese, the Rector shall proclaim the Gospel, love and serve Christ’s people, nourish them, and strengthen them to glorify God in this life and in the life to come.

This ministry will be further described in a Rector Position Description which meets the mutual approval of the Rector, Wardens and Vestry, to be completed between the seventh and twelfth month of their ministry together. When the Rector Position Description has been thus completed, it shall be considered a part of this Letter of Agreement.

Section A. Times of Work and Leave

1. The Rector’s work includes not only activities directed to the parish and its well-being, but also labors on behalf of the Diocese and community. The rector’s scheduled workweek is five days, usually measured as ten to twelve units of mornings, afternoon, or evenings in various combinations reflecting the demands of this ministry. In general, no more than three evenings per week are expected. The Rector is expected to preserve at least one continuous twenty-four period each week solely for personal and family use.

2. The Rector will have the following periods of leave at full compensation:
   a. National Holidays, to be taken so as not to interfere with worship for major occasions.
   b. One month Annual Vacation, consisting of twenty-three workdays, which shall included five Sundays.
   c. Professional Development Leave, at the rate of two weeks per year.
Section B. Compensation

3. The Rector's annual cash salary will be $_________, paid monthly on or before the first (1st) day of the month, to be reviewed and adjusted annually. Upon the Rector's request, the Vestry will designate a portion of the total cash salary as “Housing Allowance” under the Federal Internal Revenue Code. [Optional: The Rector shall be responsible for his own Self Employment Contributions Act (“SECA”) payments.]

4. The Vestry shall pay the following benefits:
   a. Church Pension Fund Assessment on the sum of the Rector’s total annual cash salary, including Housing Allowance.
   b. Up to $________ a year towards Health and Hospital Insurance. The Vestry will not provide duplicate coverage if insurance is provided independently through the employment of the Rector’s spouse that is equivalent or better than the coverage provided by the Vestry.
   c. Workers Compensation Insurance, as provided by State Law.
   d. A $50,000 Life and AD&D insurance policy obtained through the Church Pension Fund.

Section C. Expenses

The Vestry shall pay the following expenses incurred by the Rector in fulfilling the duties of office:

5. Travel expenses, at the rate of $______ per month, to be reviewed annually against actual cost.

6. The normal expenses of the church’s office operation, such as telephone, postage, office equipment, supplies, secretarial services, etc.

7. Cell phone expense at $______ a month that shall be published to insure the Rector's ready accessibility in case of the emergencies.

8. A Professional Development Allowance of $________, per year, to be reviewed annually, set aside January 1 of each year in a special account, and paid to or on behalf of the Rector toward expenses incurred in relation to Professional Development Leave. Unexpended portions of this allowance shall be allowed to accumulate for use in succeeding years up to six years.

Section D. Discretionary Fund

In accordance with the Canons of General Convention, a Discretionary Fund is to be established under the Rector’s sole control from special donations and gifts given the Rector for the purposes of the Discretionary Fund.

Section E. Supplementary Compensation

The Rector shall not charge fees for performing any rites of the Church (for example, baptisms, marriages, funerals) for members of Church. The Rector may, however, receive income from other sources, such as:

9. Sacramental services on behalf of persons not in any way related to Church.

10. Fees and honoraria for professional services performed on personal time for groups unrelated to ________ Church, or for sermons, books or articles published outside the parish.
Section F. Use of Buildings
In addition to use and control of the Church and Parish buildings for the discharge of duties of the Rectors office, as provided by canon law, the Rector shall have the right to grant use of the buildings to individuals or groups from outside the parish, following guidelines approved by both Rector and Vestry.

Section G. Mutual Ministry Review
The Rector, Wardens and Vestry agree to an annual discussion and mutual review of the total ministry of the parish, in order to:

- Provide the Rector, Wardens and Vestry opportunity to assess how well they are fulfilling their responsibilities to each other and to the ministries they share.
- Establish goals for the work of the parish for the coming year.
- Isolate areas of conflict or disappointment which have not received adequate attention and may be affecting mutual ministry adversely.
- Clarify expectations of all parties to help out any future conflicts in manageable form.

A mutually agreed upon third party shall be engaged to facilitate the mutual ministry review process.

Section H. Other Agreements
11. _____ Church will pay $_________ towards moving expenses.
12. The moving date shall be in the week of ______________. The Rector shall begin duties in the parish shall not later than ______________, unless delayed by adverse circumstances.
13. All pay and benefits shall become effective on ______________
14. This Letter of Agreement, and its related Position Description, shall be made part of the minutes of the next Vestry meeting following its signing, and copies shall be given to each new Vestry member.
15. In the event of the Rector’s death, the Vestry agrees to continue payment of the Rector’s Cash ‘ Salary, and appropriate Health and Hospital Insurance to the Rector’s surviving direct dependents for a period of three months.
16. This Letter may be revised only by mutual agreement at the time of annual mutual ministry review, except that compensation and expenses revisions shall be mutually agreed upon in a separate budget process.
17. If the Rector and Vestry disagree concerning interpretation of this Letter of Agreement, either party may appeal for mediation to a mutually agreed upon third party, the Bishop remaining the final arbiter.

___________________________________________
Date

___________________________________________
Rector

___________________________________________
Senior Warden

Reviewed

Canon to the Ordinary

Approved

Bishop

Embracing Christ, Engaging the World
A LETTER OF AGREEMENT

BETWEEN

THE WARDENS AND VESTRY OF
__________________________ CHURCH

AND

THE REVEREND ____________________

Who has been appointed Priest-in-Charge/Interim Rector with the understanding that this tenure is to continue at least _______ months, beginning (date) __________ and continuing until shortly before the arrival of the new Rector, or until dissolved according to the conditions provided herein. This agreement shall be subject to the Constitution and Canons of the Diocese of Kentucky and the Constitution and Canons of the Episcopal Church, USA.

PREAMBLE

The Priest-in-Charge/Interim Rector shall lead ________ Church as pastor, priest and teacher, sharing in the councils of the parish, the Diocese of Kentucky (hereafter, “the diocese”) and those of the whole Church, in communion with the Bishop of Kentucky. By word and action, informed at all times by Holy Scripture, the Book of Common Prayer, and the Constitutions and Canons of The Episcopal Church, and the Diocese of Kentucky, the Priest-in-Charge/Interim Rector shall proclaim the Gospel of Jesus Christ, love and serve Christ’s people, nourish and strengthen them to glorify God in this life, and in the life to come.

Section I - Developmental Task During the Interim Period

The interim period between settled pastoral leaderships is seen as an opportune time for renewal and reenergizing parish life and mission as well as laying the foundation for, building and strengthening healthy relationships in the community of Christ known as the parish. Beyond maintaining effective ministries during this period, the Vestry and Priest-in-Charge/Interim Rector shall work together to prepare for a healthy transition to the impending rectorship. Specific tasks to be addressed shall include, but not be limited to:

A. Coming to terms with the history of the parish and its relationship with the previous clergy and his family.

B. The members of the parish and in particular the vestry leadership, taking an intentional look at the type and style of leadership they have observed and exercised during the past rectorship and what role, if any, they played in encouraging that leadership style and the current state of the parish.

C. Discovering the parish’s unique identity with its dreams apart from the previous rector and his leadership.
D. Dealing with the various shifts in leadership roles and responsibilities that have evolved since the departure of the previous rector, those that will naturally occur during times of transition, and being intentional about allowing new leaders to come forward with the support and encouragement of the parish family.

E. Renewing, reworking, and maintaining a healthy relationship with the Diocese of Kentucky so that each may be to the other a more effective resource and support.

F. Working with the Bishop of Kentucky in the calling process as outlined in diocesan procedures.

G. Building a commitment to the leadership of the new rector in order to prepare to move into the future with openness, shared leadership responsibilities, a commitment to ministry, and a clear understanding of the roles and responsibilities of each.

Section II - Vestry Responsibilities

It shall be the understanding of the vestry that all ministries, other than those canonically reserved for ordained, are mutual ministries of the laity of the parish and the Priest-in-Charge/Interim Rector. The vestry shall lead the laity to support and cooperate with the interim rector in the pursuit of parish goals and in the performance of the Developmental Tasks during the Interim Period as described in Section I of this document and the Preamble.

The vestry is the legal agent for the parish in all matters concerning its corporate property and in its relationship with the interim rector. The vestry shall properly support the Priest-in-Charge/Interim Rector, personally and organizationally, as well as in the financial obligations made herein.

Section III - Priest-in-Charge/Interim Rector’s Responsibilities

The interim rector represents and extends the ministry which is the bishop’s pastoral and canonical responsibility for congregations in leadership transition. The Priest-in-Charge/Interim Rector shall lead the parish as stated in the preamble and shall:

A. Work with the vestry and other lay leaders to maintain the regular schedule of worship services and preaching, Christian education, pastoral care, and pastoral offices (weddings, funerals, baptisms, etc...) calling upon the sick and shut in, visiting newcomers, and ongoing administrations of the parish.

B. Supervise all parish staff in the exercise of their responsibilities and ministries, for which they have accountability to the interim rector.

C. Function as chair of the vestry and support the vestry in their responsibilities.

It shall be the major goal of the Priest-in-Charge/Interim Rector’s ministry to prepare the congregation for the coming of the next rector. To this end, the Priest-in-Charge/Interim Rector shall:

A. Assist the parish in dealing with its grief and associated issues. These could be issues that have arisen from the former rector’s departure, divorce, the death of a daughter, the proper relationship with the family and other unresolved issues that might interfere with the type of healthy relationship we are called to have with each other as members of the body of Christ known as Church.

B. Deal with all internal conflicts and help heal divisions that may have occurred within respect to the departure of the previous rector, his personal family struggles, and other conflicts that may be identified.

C. Assist the vestry, lay leaders, and staff in making such changes as may be needed to align parish life and administration with generally accepted standards in of the church and diocese.

The Priest-in-Charge/Interim Rector shall communicate regularly with the diocesan staff member/consultant assigned by the bishop to work with the parish in the calling process. However,
the Priest-in-Charge/Interim Rector shall not serve on, or work directly/indirectly with the search committee as it develops the parish profile, position description, or in soliciting and screening of candidates. Further, the Priest-in-Charge/Interim Rector shall not be eligible to be a candidate for rector.

Section IV - Times of Work and Leave

A. The Priest-in-Charge/Interim Rector’s work includes not only activities directed to the parish and its wellbeing, but also labors on behalf of the Diocese and community. The Priest-in-Charge/Interim Rector’s scheduled workweek is five days, usually measured as ten to twelve units of mornings, afternoon, or evenings in various combinations reflecting the demands of this ministry. In general, no more than three evenings per week are expected. The Priest-in-Charge/Interim Rector is expected to preserve at least one continuous twenty-four period each week solely for personal and family use.

B. The Priest-in-Charge/Interim Rector will have the following periods of leave at full compensation:
   a. National Holidays, to be taken so as not to interfere with worship for major occasions.
   b. One month annual vacation, consisting of twenty-three workdays, which shall include five Sundays.
   c. Professional Development Leave, at the rate of two weeks per year.

Section V - Compensation

A. The Priest-in-Charge/Interim Rector’s annual cash salary will be $________, paid monthly on or before the first (1st) day of the month, to be reviewed and adjusted annually. Upon the Priest-in-Charge/Interim Rector’s request, the Vestry will designate a portion of the total cash salary as “Housing Allowance” under the Federal Internal Revenue Code. [Optional: The Priest-in-Charge/Interim Rector shall be responsible for his own Self Employment Contributions Act (“SECA”) payments.]

B. The Vestry shall pay the following benefits:
   a. Church Pension Fund Assessment on the sum of the Priest-in-Charge/Interim Rector’s total annual cash salary, including Housing Allowance.
   b. Up to $________ year towards Health and Hospital Insurance. The Vestry will not provide duplicate coverage if insurance is provided independently through the employment of the Priest-in-Charge/Interim Rector’s spouse that is equivalent or better than the coverage provided by the Vestry.
   c. Workers Compensation Insurance, as provided by State Law.

Section VI - Expenses

The Vestry shall pay the following expenses incurred by the Priest-in-Charge/Interim Rector in fulfilling the duties of office:

A. Travel expenses, at the rate of $________ per month, to be reviewed annually against actual cost.

B. The normal expenses of the church’s office operation, such as telephone, postage, office equipment, supplies, secretarial services, etc.

C. Cell phone expense at $________ a month that shall be published to insure the Priest-in-Charge/Interim Rector’s ready accessibility in case of the emergencies.

D. A Professional Development Allowance of $________ per year, to be reviewed annually, set aside January 1 of each year in a special account, and paid to or on behalf of the Priest-in-Charge/Interim Rector toward expenses incurred in relation to Professional Development Leave.
Section VII - Discretionary Fund
In accordance with the Canons of General Convention, a Discretionary Fund is to be established under the Priest-in-Charge/Interim Rector’s sole control from special donations and gifts given the Priest-in-Charge/Interim Rector for the purposes of the Discretionary Fund.

Section VIII - Supplementary Compensation
The Priest-in-Charge/Interim Rector shall not charge fees for performing any rites of the Church (for example, baptisms, marriages, funerals) for members of ________Church. The Priest-in-Charge/Interim Rector may, however, receive income from other sources, such as:

A. Sacramental services on behalf of persons not in any way related to Church.
B. Fees and honoraria for professional services performed on personal time for groups unrelated to ________ Church, or for sermons, books or articles published outside the parish.

Section IX - Use of Buildings
In addition to use and control of the Church and Parish buildings for the discharge of duties of the Priest-in-Charge/Interim Rector office, as provided by canon law, the Priest-in-Charge/Interim Rector shall have the right to grant use of the buildings to individuals or groups from outside the parish, following guidelines approved by both Priest-in-Charge/Interim Rector and Vestry.

Section X - Mutual Ministry Review
The Priest-in-Charge/Interim Rector, Wardens and Vestry agree to an annual discussion and mutual review of the total ministry of the parish, in order to:

A. Provide the Priest-in-Charge/Interim Rector, Wardens and Vestry opportunity to assess how well they are fulfilling their responsibilities to each other and to the ministries they share.
B. Establish goals for the work of the parish for the coming year.
C. Isolate areas of conflict or disappointment which have not received adequate attention and may be affecting mutual ministry adversely.
D. Clarify expectations of all parties to help out any future conflicts in manageable form.
E. A mutually agreed upon third party shall be engaged to facilitate the mutual ministry review process.

Section XI - Other Agreements
A. ________ Church will pay $__________ towards moving expenses.
B. The moving date shall be in the week of ___________. The Priest-in-Charge/Interim Rector shall begin duties in the parish shall not later than ____________ unless delayed by adverse circumstances.
C. All pay and benefits shall become effective on ______________.
D. This Letter of Agreement, and its related Position Description, shall be made part of the minutes of the next Vestry meeting following its signing, and copies shall be given to each new Vestry member.
E. If the Priest-in-Charge/Interim Rector and Vestry disagree concerning interpretation of this Letter of Agreement, either party may appeal for mediation to a mutually agreed upon third party, the Bishop remaining the final arbiter.

Date

Interim Rector

Senior Warden

Embracing Christ, Engaging the World
Reviewed

Canon to the Ordinary

Approved

Bishop