

PASTORAL TRANSITIONS

Procedures of Committee on Ministry

The purpose of this document is to provide the core information for the many steps of Pastors and Associates receiving a call and concluding a call in a local Congregation. Pastors, Sessions and Pastor Nominating Committees will need this document as well as the PCUSA's document called "On Calling a Pastor" which can be downloaded at <http://www.pcusa.org/ocap>.

Committee on Ministry (COM) of the Presbytery of Los Ranchos looks forward to partnering with the Session and the Pastor Nominating Committee (PNC) or Associate Pastor Nominating Committee (APNC) to be a guide through the process.

Contact the Office of Stated Clerk in the Presbytery office as early as possible to begin any of the steps. Committee on Ministry will provide a person to serve as LIAISON with your PNC or APNC. The liaison will be the link to Committee on Ministry and Presbytery staff and will serve to facilitate the process.

EXECUTIVE SUMMARY OF THE PROCESS AND CHAPTER TITLES:

- I. CONGREGATION** votes to dissolve the Pastoral relation.
- II. SESSION** works with COM to obtain an Interim Pastor/Transitional Pastor
- III. SESSION** conducts a Congregational study, after the departure of the installed Pastor.
- IV. CONGREGATION** elects a Pastor Nominating Committee or Associate PNC.
- V. PNC or APNC** searches for new Pastor or Associate Pastor.
- VI. PNC or APNC** identifies a candidate and obtains COM approval.
- VII. CONGREGATION** elects the Pastor or Associate Pastor.
- VIII. PASTOR OR ASSOCIATE PASTOR** begins the call and is installed by Presbytery.
- IX. APPENDIX**

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CHAPTER I

CONGREGATION VOTES TO CONCLUDE/DISSOLVE THE PASTORAL RELATION

The power to establish and dissolve Pastoral relationships (Pastor, co-Pastor, Associate Pastor, designated Pastor) belongs to the Presbytery. Just as the establishment of a Pastoral relationship requires the vote of the Congregation and Presbytery on the call and the terms of call, the dissolution of the Pastoral relationship requires the vote of the Congregation and Presbytery on the dissolution and its terms. Presbytery's vote is the action which dissolves the relationship.

A. GENERAL PRINCIPLES

1. The Committee on Ministry (COM) is Presbytery's instrument for working with Pastors and Congregations concerning the ending of Pastoral relationships as well as establishing and maintaining them.
2. Both Pastors and Congregations have the right to request that Pastoral relationships be dissolved, remembering that Presbytery has the final authority.
3. The effective date of the dissolution ends all responsibilities of the Pastor to the church and the church to the Pastor. Therefore, the dissolution date should be set for the end of any accrued vacation. Presbytery may allow exceptions to this with specifically stated detail in the approved terms of dissolution.
4. Study leave time, expense allowances, and unused sabbatical time and funds are intended to benefit the church as well as the Pastor, and, therefore, are not considered earned benefits requiring compensation at the end of a Pastoral relationship.
5. Terms of dissolutions include, but are not limited to, all financial agreements (salary and benefits, loan repayment, shared equity, expense reimbursement, medical reimbursement), manse usage, use of office and equipment, etc. COM requires the use of the model DISSOLUTION OF PASTORAL RELATIONSHIP, ENHANCED SEVERANCE AGREEMENT AND GENERAL RELEASE. See Appendix I-A.
6. Salary and benefit continuation provisions will ordinarily include the understanding that the church's obligation ends, or is reduced on a one for one basis, when the departing Pastor secures alternate employment. (Salary continuation reduced by amount of alternate employment.)

B. CATEGORIES OF DISSOLUTION OF THE PASTORAL RELATIONSHIP

1. Resignation: The Pastor requests that the relationship be dissolved in order to accept another position, retire, or for some other personal reason. There are no special terms of dissolution other than the fulfillment of the contractual agreement, i.e., unused vacation, repayment of housing loans, etc.
2. Negotiated Termination: Either the Pastor or the Session may request that COM assist in negotiating a peaceful and appropriate end to a relationship which they feel is no longer workable. This may be the result of funding limitations, changing ministry environment, poor performance, or any other situation that brings into question the viability of the Pastoral relationship. In determining the specific terms of the dissolution, consideration must be given to the reason for separation, the financial situation and overall health of the Congregation, and the specific circumstances of the Pastor. Salary and benefit continuation will be negotiated but will not normally exceed six months and the cash equivalent of unused earned vacation.

3. Dissolution for cause: The Pastoral relationship may be dissolved as a result of judicial action or Presbytery determining that “the church’s mission under the Word imperatively demands it.” There are no special terms of dissolution other than the fulfillment of the contractual agreement, i.e., salary and benefits paid up to the date the relationship is dissolved, cash equivalent of unused earned vacation, etc.

C. STEPS FOR PASTOR AND SESSION

1. The Pastor communicates the intention to resign to the Committee on Ministry before making the announcement public. An Associate Pastor should also inform the Pastor/Head of Staff.
2. The Pastor works with the Session to reach agreement on dissolution date and plans for the fulfillment of all obligations, taking into account accrued vacation, salary and other contractual agreements.
3. As soon as practicable, after the Pastor has announced his/her resignation, he/she shall arrange with the Moderator of the COM for a meeting with Session to be conducted by representative(s) of COM or appropriate Presbytery staff. The purpose of this meeting is to share the steps to be followed as outlined by the COM. The Presbytery has the responsibility and power to guide through Pastoral transitions.

Included in this first meeting is a review of the Presbytery’s “Separation Ethics Policy” and the boundaries Presbytery expects the former Pastor, Session, and Congregation to observe and respect. It may include negotiating a “Covenant” with the “former Pastor” and arranging for a Pastoral letter to be sent to the Congregation. See Appendix I-B and I-C.

4. **The Session calls a Congregational meeting and notifies** the Congregation in writing of the pending change in the Pastoral relationship and any special terms or conditions. The notice of the called meeting should indicate the purpose:

The Session calls a Called Meeting of the Congregation of _____ church _____ to act on the request of our Pastor (Associate Pastor) to dissolve the Pastoral relationship effective _____ date _____ and to forward this recommendation to Presbytery.

See next page for outline of Congregational meeting.

5. In preparation for the Congregational meeting COM encourages the appointment of an **alternate** moderator for the meeting. **Arrangements for this shall be made with the COM’s Moderator.**
6. The COM and the Presbytery Stated Clerk shall be notified of the action of the Congregation. Presbytery action is necessary to complete the dissolution.
7. The Session, through its proper committee, will immediately make advance arrangements for the supply of the pulpit, at least for a few Sundays following the vacancy.
8. The Board of Pensions shall be notified of the changes being made.
9. Each church shall pay the 12% portion of pension during the vacancy, based on the former Pastor’s salary. This is not for the benefit of the former Pastor, but is part of the overall actuarial plan of the Board of Pensions, approved by the General Assembly.
10. All contractual obligations and responsibilities shall be completed.
11. Both the Pastor and the church should move to the next steps after appropriate farewells.

12. A small group of elders appointed by Session will work with COM to secure the services of an Interim Pastor or Stated Supply Pastor. See Chapter II.

D. OUTLINE FOR CONGREGATIONAL MEETING TO DISSOLVE PASTOR RELATIONSHIP

1. Moderator opens meeting with prayer
2. Moderator reads the call for the meeting. Clerk of Session is asked if a quorum is present. (Clerk of Session serves as Clerk of Congregational Meeting. If not present, Moderator appoints a Clerk.) Only the purpose named in the call can be considered at a special meeting. If consideration is to be at annual meeting, proper notice must be given.
3. Pastor (or Associate) presents the request for dissolution. He/She may, but need not, be excused by the Moderator.
4. Motion is made and seconded that the Congregation concur with the Rev. _____ in requesting the Presbytery to dissolve the Pastoral relationship now existing between the Pastor and this church, effective _____. The pulpit to be declared vacant on _____. (Financial terms of dissolution are to be shared with the Congregation and approved).
5. Remarks from Pastor and questions from the Congregation.
6. Vote on the motion
7. Will all financial obligations have been met by the termination date?
8. Explanation of the Boundaries Covenant. Clerk of Session and Pastor sign the covenant.
9. Session should explain the next steps in moving forward.
10. Adjourn with prayer.

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CHAPTER II

SESSION WORKS WITH COM TO OBTAIN AN INTERIM PASTOR/TRANSITIONAL PASTOR

A. FUNCTION OF COMMITTEE ON MINISTRY (COM)

The function of the COM is to be of assistance to the Session of the church which is currently without a Pastor. The Session has direct access to the COM through the moderator appointed by the Presbytery, and through the COM liaison assigned to the church when the PNC/APNC has been elected.

B. PULPIT SUPPLIES – CHURCH WITHOUT AN INSTALLED PASTOR

The ordinary process for supplying the pulpit is for a committee of the Session, or a person named for that purpose, to secure pulpit supplies, in consultation with the COM. The Presbytery has a list of potential pulpit supplies available. *See the Presbytery website.*

C. FORMATION OF INTERIM PASTOR SEARCH COMMITTEE (IPSC)

1. COM representative meets with Session to inform them of procedures to form an (IPSC). *See Section D below for descriptions.*
2. Congregational Meeting to dissolve relation. Pulpit is declared vacant. *See Chapter I*
3. Session appoints an Interim Pastor Search Committee.
4. COM representative guides IPSC through the search process. Concurrently, if not before, Personnel Committee/Session has written a position description for the Interim and set boundaries for salary negotiations.
5. IPSC presents nominee and terms of call to Session for vote. Candidate is usually present to meet with the Session and excused from the meeting for the vote.
6. Session forwards to COM for approval the Terms of Call for the Interim and membership in Presbytery if Interim not currently a member. After a favorable vote, one year contract is signed with Interim Pastor.

D. TEMPORARY PASTORAL RELATIONS and INTENTIONAL INTERIMS

Recognizing that there are different roles and tasks to be undertaken in different Temporary Pastor Relationships, the Presbytery of Los Ranchos has affirmed the following “Temporary Pastoral Relationships” G-2.0504b.

“Intentional Interim” - An Intentional Interim is called by the Session to serve as Pastor, co-Pastor, or Associate Pastor when the Congregation is without an installed Pastor. An Intentional Interim relationship may not be established or dissolved without concurrence of the Presbytery. An Intentional Interim Pastor must have successfully completed Basic Interim Ministry education, offered by several interim ministry education sites of the Presbyterian Church (USA) as Week I and Week II, or begin obtaining such during their first year of service as an Interim Pastor. Additional training is available in specialized skills (e.g., conflict management, ‘after Pastor’ training, etc.) in this specialized field of ministry. Intentional Interims are contracted to guide the Congregation in engaging in those tasks necessary to equip and enable the Congregation to welcome their next installed Pastor. The Intentional Interim’s contract is for up to 12 months, is renewable with approval of Presbytery, and shall include provision for financial support at the conclusion of their

service. **Intentional Interims may not, under any circumstances, be considered as the next installed Pastor of the church they are serving.**

Temporary Interim Pastors - With the approval of Presbytery, Session may contract with individuals (teaching elders, candidate or commissioned ruling elder) to serve as a Temporary Interim Pastor, Temporary Interim Associate Pastor, or Temporary Interim Co-Pastor. Normally, these calls will be to a position in which there are not the “transitional issues” that require an Intentional Interim (e.g., Associate positions or following an extended Intentional Interim, when Pastor is temporarily unable to perform Pastoral functions, or as a “bridge” until an Intentional Interim can be called, etc.). Interim contracts are for up to one year, may be renewed with the approval of Presbytery, and may or may not include provisions of G-2.0504c about eligibility to serve as next installed Pastor or Associate.

Supply Pastors - Supply Pastors serve Congregations in which there is no active search for an installed Pastor (e.g. there is no Pastor nominating committee in place, the church is not paying vacancy dues for a Pastoral position, and the Congregation does not anticipate calling a Pastor to an installed position). Supply Pastors are appointed by Presbytery in consultation with the Session, and their services shall be governed by a contract of not more than 12 months at a time, renewable with the approval of the Presbytery. Normally, they will serve as Moderator of the Session and Congregation. If the Congregation votes to create an installed position, the Supply Pastor shall be governed by the provisions of G-2.0504c.

First Responder – A form of Temporary Interim. These are trained Interim Pastors who have taken advanced work to become “First Responders.” They may serve: between departure of installed Pastor and arrival of contracted Intentional Interim; while a Pastor is on leave—for medical, study, or other reasons; following sudden death or chronic illness of Pastor. The defining nature of this position is that it shall be for 2-4 months—and may only be extended two additional months.

E. ASSOCIATE PASTOR(S) (remaining on staff)

If your church now has an Associate Pastor on its staff, it is in order for the Session to realign his/her duties and compensation during the period you are without a Pastor. The status as Associate Pastor does not change, but he/she may be asked to perform some of the former Pastor’s functions or be relieved of some previous duties to assume additional Pastoral duties.

The official relationship of an Associate Pastor to a church is not dependent upon that of a Pastor, but **an Associate Pastor is not eligible to succeed immediately the Pastor in a church which they have served together**, except as provided in G-2.0504c.

F. LEADERSHIP OF THE CHURCH DURING THE INTERIM

During the period when the church is without an installed Pastor, the Session must assume additional, full leadership responsibility for the life of the church. The Interim Pastor will also support the Session. This need not be a period to “mark time.” Rather, it can be a time for honest evaluation of your church and a time of spiritual renewal.

INTERIM PASTOR CONTRACT/COVENANT

The following Covenant Agreement between
The Session of _____ Presbyterian Church

And

The Reverend _____

And

Los Ranchos Presbytery through its Committee on Ministry

Is for the purpose of providing Interim Pastoral services to

_____ Presbyterian Church within the bounds of
Los Ranchos Presbytery

The Reverend _____ shall be designated Interim Pastor of
_____ Presbyterian Church

Effective Date: _____

1) DUTIES AND RESPONSIBILITIES:

An Interim Pastor is a minister invited by the Session of a church without an installed Pastor to preach the Word, administer the Sacraments, and fulfill Pastoral duties for a specified period not to exceed twelve months at a time, while the church is seeking a Pastor.

The Interim shall perform those duties and responsibilities set forth in the Position Description developed by using the document entitled "Interim Pastor Duties and Responsibilities."

2) GOALS FOR THIS MINISTRY:

The fundamental goals for this ministry shall be (1) to work with the Congregation to examine its history in an effort to discover its present identity, (2) to help the Congregation identify current issues it faces and develop ways to resolve them, and (3) to prepare the Congregation for the arrival of the next installed Pastor. One of the ways these goals are achieved is through a Congregational study process in partnership with Los Ranchos Presbytery.

3) ACCOUNTABILITY:

The Interim shall have completed at least Level I, Interim Pastor Training provided by the PC(USA), or its equivalent. If such training has not been completed, the Interim shall undertake such training with the costs to be shared by the Interim, the Congregation and the Presbytery.

The Interim shall be a member of the Los Ranchos Presbytery. During the length of this Covenant, the Interim shall be accountable to the Session and to Los Ranchos Presbytery through its Committee on Ministry. The Session agrees to participate in a process for reviewing the Interim's performance in accordance with the procedures adopted by the Presbytery Committee on Ministry.

4) NOT A CANDIDATE:

In keeping with the Book of Order (G-2.0504b), it is understood the Reverend _____ shall not become a candidate for the current Pastoral vacancy of _____ Presbyterian Church.

5) LENGTH OF SERVICE:

The Session, the Interim, and the Committee on Ministry agree that this Covenant shall continue for one year or, if sooner, until the arrival of a called Pastor.

This Covenant shall commence _____.

This Covenant may be terminated by the Session, the Interim, and the Committee on Ministry upon thirty (30) days written notice. The Covenant may be extended by agreement of all parties.

6) TERMS OF CALL:

The Interim is employed on a full-time basis and will be compensated at the annual amount as follows:

(Begin typing amounts just to the right of the "\$" and amounts will line up)

CHAPTER III

SESSION CONDUCTS A CONGREGATIONAL STUDY

A. THE CONGREGATIONAL STUDY PROCESS

It is the policy of the Presbytery, whenever a church is without an installed Pastor that the Session and Congregation shall engage in a Congregation Study/Vision Process. The study process is designed to help the Pastor nominating committee and the Session understand their church and the community it serves. It helps to determine the qualifications, gifts and experience desired in the Pastor to be called. The material from the study process helps the Pastor nominating committee prepare the Ministries Information Form (MIF) which is used in the denomination's "matching" of ministers who might be interested in a call with particular churches, and with Pastors reviewing churches in which they might be interested.

Contact the Office of Stated Clerk, Presbytery of Los Ranchos to begin the process.

EMAIL ADDRESS: fclaassen@LosRanchos.org

Phone: Elvira Ortez at 714-956-3691 ext. 125

A Committee on Ministry (COM) representative will attend a Session meeting to explain the procedure. Session will appoint a committee of 8 to 12 people to conduct the study. The committee reports to Session for comments, and then obtains Session approval on the final version. The study is submitted to the Congregation for review and comment.

At the end of the study, the Session may recommend that the Congregation should seek a Pastor whom the Presbytery designates for a particular function or term of service (Book of Order G-2.0504a). This role is rare but sometimes helpful. See below for a fuller description of the policies governing such a Pastorate.

B. UNDERSTANDING PASTOR OR ASSOCIATE WITH A DESIGNATED TERM

Pastor or Associate Pastor with a designated term can be full or part-time. A Teaching Elder can be called to a Pastor or an Associate Pastor position established by the Presbytery for a term of not less than two nor more than four years. The Session, Congregation and Teaching Elder all must have agreed to be considered for a designated Pastoral relationship. The Congregation, on recommendation of Session and with Committee on Ministry approval, elects a Pastor Nominating Committee to interview applicants and report back to the Congregation the nominee. This committee will only interview Teaching Elders who have agreed to this type of Pastoral call and referred by Committee on Ministry.

The search process for positions with a designated term is considerably shorter than the normal search process. Committee on Ministry will provide the PNC/APNC a limited list of Personal Information Forms on people which COM feels would be good Pastors for that church, and who have agreed to serve in a call with a designated term. The committee will do the interviewing, listening to sermons, etc. in the same manner as regular a PNC would do. The committee will make the offer to the candidate of their choice from among the names they received from COM, negotiate the terms of call and present the candidate to the Congregation for election.

After the second year, the call is renewable for periods of not more than twelve months. The terms of call may not be changed except by consent of Presbytery. If the Designated Pastor is not called as installed Pastor after 3.5 years, the relationship shall be terminated at the end of the contract then in place.

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If there was an open search process in the initial call to the Pastor with Designated Term, after at least two years of service, and with the concurrence of the Committee on Ministry, the Session may recommend that the Pastor with Designated Term become the next installed Pastor. This recommendation is taken to the Congregation for a vote. If the Congregational action is affirmative, the Presbytery shall act on a request to approve the new Pastoral relationship and install the Pastor or Associate Pastor.

C. IN SUMMARY:

1. COM approves this shortened search process for the specific church.
2. The Congregation votes to agree to participate in this type of Pastoral relationship. In order to vote with understanding, COM presents to Session and then the Congregation the information about this designated Pastoral position and the unique call process.
3. The Congregation elects a Pastor Nominating Committee (PNC)
4. The PNC considers ONLY those applicants referred by Committee on Ministry. These Teaching Elders must agree to be considered for a designated Pastoral position.
5. The Congregation elects the designated Pastor or Associate for a term of not less than two years nor more than four years.
6. Presbytery installs the Pastor, who is moderator of Session, or Associate Pastor.
7. An Intentional Interim serving the Congregation is not eligible for consideration as the Pastor with a designated term.
8. After at least two years of service, the Session may recommend that the Pastor become the next installed Pastor. Presbytery and the Congregation must concur with the recommendation. Session and Presbytery may also continue the Pastor relationship up to four years with a clear understanding that the individual will not be called as the installed Pastor.
9. If the call is terminated before the end of four years, then the usual dissolution procedures for an installed Pastor shall be followed. Otherwise, the relationship ends at the end of four years with no further termination provisions.

CHAPTER IV

CONGREGATION ELECTS A PASTOR NOMINATING COMMITTEE OR ASSOCIATE PASTOR NOMINATING COMMITTEE

The Pastor Nominating Committee (PNC) or Associate Pastor Nominating Committee (APNC) is a committee elected by the Congregation at a Congregational meeting. The PNC/APNC shall be representative of the whole Congregation. Care must be taken to consider representatives without regard to race, ethnic origin, sex, marital status, age or disabilities.

A. DIVERSITY AND REPRESENTATION IN MINISTRY

It is the policy of the Presbytery of Los Ranchos to provide equal opportunity in employment for all qualified and qualifiable persons; to prohibit discrimination in employment because of race, color, national origin, sex, age, marital status, or disabilities.

Committee on Ministry desires to provide a positive way to approach the goal of equal opportunity employment of pastors by our presbytery and congregations. No outside party or statute can force a Pastor Nominating Committee (PNC) or congregation to vote for a pastoral candidate they do not want. However, automatic rejection of possible candidates prior to reading Personal Information Forms (PIF) and/or interviewing is both a denial of equal opportunity in ministry and a severe limitation on the work of the Holy Spirit within a congregation.

BOOK OF ORDER

The following excerpts from the Book of Order shape the policies of the Presbytery of Los Ranchos for diversity and representation when employing pastors of the church.

Foundations of Presbyterian Polity – F-1.0403

“As many of you as were baptized into Christ have clothed yourselves with Christ. There is no longer Jew or Greek, there is no longer slave or free, there is no longer male and female; for all of you are one in Christ Jesus. And if you belong to Christ, then you are Abraham’s offspring, heirs according to the promise” (Gal. 3:27–29).

The unity of believers in Christ is reflected in the rich diversity of the Church’s membership. In Christ, by the power of the Spirit, God unites persons through baptism regardless of race, ethnicity, age, sex, disability, geography, or theological conviction. There is therefore no place in the life of the Church for discrimination against any person. The Presbyterian Church (U.S.A.) shall guarantee full participation and representation in its worship, governance, and emerging life to all persons or groups within its membership. No member shall be denied participation or representation for any reason other than those stated in this Constitution.

General Principles of Councils – G-3.0103

The councils of the church shall give full expression to the rich diversity of the church’s membership and shall provide for full participation and access to representation in decision-making and employment practices (F-1.0403). In fulfilling this commitment, councils shall give due consideration to both the gifts and requirements for ministry (G-2.0104) and the right of people in congregations and councils to elect their officers (F-3.0106).

Each council shall develop procedures and mechanisms for promoting and reviewing that body’s implementation of the church’s commitment to inclusiveness and representation. Councils above the session shall establish by their own rule committees on representation to fulfill the following functions: to advise the council regarding the implementation of principles of unity and diversity, to advocate for diversity in leadership, and to consult with the council on the employment of personnel, in accordance with the principles of unity and diversity in F-1.0403. A committee on representation should not be merged with another committee or made a subcommittee of another

committee.

IMPLEMENTATION

Committee on Ministry will take the following steps to encourage “full expression to the rich diversity” within this denomination when it partners with congregations in the search process:

Sessions – COM representative will explain to sessions the importance of diversity and representation in selecting members for the PNC/APNC.

Congregation – COM representative will explain to congregations the importance of diversity and representation in electing a PNC/APNC and encouraging that committee to uphold the importance of diversity and representation as they search for the pastor or associate pastor.

Pastor (or Associate Pastor) Nominating Committee – COM representative will present during the orientation process of the first meeting, the importance and responsibility of the committee to diversity and fair representation as they read PIF and hold interviews. After the committee’s nominee has been elected by the congregation, the PNC/APNC will complete a form showing the diversity of persons considered.

B. THE SESSION INITIATES THE ELECTION:

A COM representative will meet with Session to discuss recommendations for the *size and representation* on the PNC/APNC. The COM representative will also present an overview of the work of the PNC/APNC to help the Session understand the process and the various qualities needed in persons serving on the committee.

1. Size of PNC/APNC:

Session will recommend to the Congregation the size of this nominating committee. It is suggested that it be between seven (7) and nine (9) members (except for very large and very small Congregations). Seven allows for not everyone making every meeting or one person not able to complete service and requires greater commitment. Anything above nine, becomes difficult to manage, consensus hard to achieve and it’s easier to miss a few meetings. It should be large enough to be representative, yet small enough to be able to work together without need for an Executive Committee. Note, that with seven person committee, at least one person should be a currently serving Session member. With a nine member committee, two currently serving elders should be on the committee.

2. Qualities in PNC/APNC Members:

It is very important that the members of the PNC/APNC represent the whole Congregation (Book of Order G-2.0802). They will be reading and evaluating Personal Information Forms (PIFs), listening to sermons and interviewing people based on their knowledge and understanding the needs of the Congregation.

PNC/APNC members should be spiritual leaders in the Congregation and active members in the life and work of the Congregation.

Some of the committee members will take on leadership responsibilities of the PNC/APNC when they elect their own officers. Some members need to be proficient at interviewing; some should have skills in hospitality and event planning when the on-sight interviews happen.

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Every member must be able to honor complete confidentiality and understand that serving will be a huge commitment of time. Most committees meet weekly and it is very important that a significant majority of the members be present at each meeting. There will be homework assignments between meetings. During the final stages, there may be additional time required, usually on week-ends, and may include trips out of town.

3. Possible methods by which PNC/APNC might be nominated:

- The Session itself may choose to place in nomination representatives that reflect a cross-section of the entire Congregation, its board and organizations. Session usually appoints a work group of three to do all the work and bring a report to a future Session meeting.
- The Church Nominating Committee can be asked by the Session to prepare and present a list of nominees. This assumes a strong, healthy, representative Nominating Committee.
- The Session names organizations of the church to submit to Session two names to consider. The persons should not also be on Session, Deacons or Trustees that are also putting forward names. Session will choose from these names the nominees to present to the Congregation.
- The Session names a work group of three or four people from the Congregation who will create a position description for PNC members; solicit people to submit their name and reason they want to be elected; then the work group filters the names to insure full representation of the Congregation and presents the nominations to the Congregation.

C. THE CONGREGATIONAL MEETING TO ELECT:

1. Preparation for the Meeting:

The Session shall call a Congregational meeting to elect the PNC/APNC. Public notice of time, place and purpose of the meeting shall be given in advance according to the church's policy, but at least ten days in advance, which shall include two successive Sundays. The names of nominees shall also be announced and publicized in advance of the meeting. Nominees should be present at the time of election.

The Moderator of the meeting is to be the Presbytery appointed moderator of Session or his/her nominee.

Individuals planning to nominate a person(s) from the floor must consult with them in advance to secure their permission to place their name in nomination and their willingness to serve if so elected.

Arrange in advance for the COM liaison to be present at the Congregational meeting. After the election those elected and the liaison can meet briefly to set a date and time for the orientation meeting, which is led by the liaison.

2. Procedures for Meeting and Voting:

Clerk of Session prepares written ballots in advance which are used if there are nominations from the floor. The Clerk or Moderator should ask people to serve on a Tally Committee if written ballots are used.

After the opening prayer at the Congregational meeting, the Moderator confirms that a quorum is present, explains the purpose of this meeting and reminds those present that only church members will be allowed to vote.

An elder reports to the Congregation Session's recommendation on size of PNC/APNC, the list of the nominees and explains the Session's process for selecting the nominations. Information should be given about each nominee if it has not been included in the call for the meeting.

Ask for nominations from the floor. If any, confirm with the nominee that they were contacted in advance and do agree to serve if elected.

Allow for discussion of the motion. Vote by voice vote only if number of nominees equals size of committee recommended by Session. If number of nominees exceeds recommended size of the committee, the vote is by ballot with each person allowed to vote for the number of people equal to the Session's recommendation on the size of the committee. Ballots are distributed (if not done previously) and the voting process is explained.

Ballots are considered void (are not counted) if too many names are listed, if there are other notations/marks on the ballot which would identify it as unique or if it is a blank ballot. Be sure congregants understand this before the voting starts.

The Tally Committee collects all the ballots and takes them to another room to count them. During this time, the Congregation could sing hymns or announcements could be made.

Moderator of the Tally Committee brings the written results to the Moderator of the meeting, who reads the results to the Congregation.

The Congregational Meeting is closed with prayer. Moderator instructs the newly elected PNC/APNC members to gather at the front of the room to meet the COM liaison and set the date for the first full meeting, which will be orientation.

D. DIVERSITY AND REPRESENTATION IN MINISTRY REPORT ON SEARCH PROCESS

When the search process has been completed the chairperson of the PNC/APNC will complete the form found on the next page and submit it to the Presbytery.

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Diversity and Representation in Ministry Report on Search Process

TO: Moderator of Committee on Ministry
 Presbytery of Los Ranchos

CC: Committee on Representation

FROM: Name of Church _____, City _____

PNC Chairperson: _____

Title of Position: Pastor _____ Associate Pastor _____

Date position was first advertised or posted on CLC? _____ Date nominated to congregation? _____

Name of person nominated to congregation _____

The nominee is female? _____ The nominee is of what ethnicity? _____

Number of PIFs received _____

Number of persons interviewed (by phone, SKYPE, in person) _____

Number of persons offered the position _____

GENDER	CONGREGATION	SESSION
FEMALE		
MALE		
AGE	CONGREGATION	SESSION
25 AND UNDER		
26 – 45		
46 – 55		
56 – 65		
OVER 65		
RACE	CONGREGATION	SESSION
ASIAN		
AFRICAN		
AFRICAN AMERICAN		
BLACK		
HISPANIC		
MIDDLE EASTERN		
NATIVE AMERICAN		
WHITE		
OTHER		
DISABILITY	CONGREGATION	SESSION
HEARING		
SIGHT		
MOBILITY		
OTHER		

SIGNED: _____ Date: _____
 Chairperson of PNC/APNC

Note: Keep a completed copy and send completed copy to the Stated Clerk’s Office at Presbytery.

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CHAPTER V

PNC or APNC SEARCHES FOR A NEW PASTOR OR ASSOCIATE PASTOR

A. FIRST PNC or APNC MEETING

The first meeting is moderated by COM liaison who leads an orientation about the search process. At the end of the orientation, the PNC/APNC will elect its own officers. After this meeting, the COM liaison will attend committee meetings as an advisor, not a voting member.

B. COMMITTEE RESPONSIBILITIES

The primary responsibility of the committee is to nominate a candidate to become Pastor or Associate Pastor of the church. You are not responsible to fill the pulpit now or to search for the Interim, if that has not been accomplished.

It is very important that every member of the committee understand that **all matters discussed** shall be absolutely confidential. Do not reveal details, deliberations, names of ministers under consideration or any comments to anyone, inside or outside the church. It is important for family members of persons on the committee to understand the importance of this very strict confidentiality.

C. PREPARE MINISTRIES INFORMATION FORM (MIF)

This document may be obtained online at <http://www.pcusa.org/resource/ministry-information-form/> in Word or PDF format. Download Parts I and II and also the “Skills List” which will be useful in filling out the MIF. Become familiar with Church Leadership Connections (CLC) information on the website as many frequently asked questions are answered there. The CLC home page is <http://oga.pcusa.org/section/mid-council-ministries/clc/> where you can download “On Calling A Pastor,” another helpful resource for this process.

1. Complete the MIF using information in the Congregational study of your church. Pay particular attention to the Skills choices as they are the “primary matching” characteristics used in choosing suitable candidates by the CLC system. Pages 28-33 of “On Calling A Pastor” offers additional instructions.
2. The completed MIF needs Session approval that also includes the approval of the maximum total compensation. The PNC/APNC will use this compensation maximum much later in the final negotiation process.
3. After Session approves the MIF, it is forwarded to Presbytery for approval by COM. Email a copy to StatedClerk@losranchos.org or mail to Stated Clerk, P. O. Box 910, Anaheim, CA 92815-0910.
4. COM or Presbytery assigns a login ID and password to the PNC/APNC.
5. The PNC/APNC enters the MIF on-line; CLC generates an email message to the Clerk of Session and COM requesting their certification of the approvals of the MIF.
6. When all approvals have been certified, the MIF will appear on the Opportunities Search of the PCUSA website <http://oga.pcusa.org/section/mid-council-ministries/clc/>. The first matchings will be appear on the church’s login page as a Referral List.

PRESBYTERY OF LOS RANCHOS

D. CONVERSATIONS WITH SESSION ABOUT PASTOR COMPENSATION AND COMMITTEE EXPENSES

1. In submitting the MIF to Session for approval, consider carefully the total compensation package that is appropriate for a Pastor with the skills and experience you are seeking and the cost of living in your community. Research the median salaries in Los Ranchos on the website. In addition to salary and housing, will Social Security offset be offered or some type of deferred income? Conversations with Session also would include assistance with housing such as shared equity in the purchase of a home or capital contribution toward a down payment. Your committee must understand any limits the Session has on these expenditures.
2. Ask Session to set aside at least \$10,000 to \$15,000 for the work of the committee. Most of these expenditures will come near the end of the search, when inviting potential candidates to come for a week-end visit and interview. (Think airfare, hotels, car rental, meals) These funds should be moved to a separate account handled only by PNC members, with a full accounting given to Session after the Pastor is called. The funds do not include moving expenses for the new Pastor.

E. RECEIVING PASTORAL INFORMATION FORMS (PIFs)

1. While waiting to receive the PIFs, the PNC/APNC should discuss and determine how to evaluate the PIFs. Read again the Congregational study and MIF that was submitted to be reminded of the theological orientation, skills, experience, gifts and leadership style that you are searching for. Each member will be reading every PIF on their own time. During a meeting, how will each person share their perspective on each PIF? Remember, it is not unusual for a PNC to receive 200, 300 and more PIFs. Later discussions will become longer. Also determine how to track all the committee decisions.
2. One early communication to the Congregation should provide information on how church members could suggest a person to be considered for Pastor/Associate Pastor. The request should be in writing, with information about the person's qualifications and where they are currently serving. It is important to also communicate to the Congregation that you will NOT be able to report back to them the committee's actions on a name so suggested. Committee members must also not give verbal reports back to church members who have made suggestions.
3. The PNC/APNC will receive names of candidates from many sources beside members of the Congregation. Many PIFs will be "self-referrals" sent to the committee electronically and in the mail, from persons who saw the MIF online.
4. PIFs are prepared by ministers in a standard format, giving basic biographical information, theological view and particular strengths in various aspects of church leadership and life. The PIFs are maintained by Church Leadership Connection (CLC) in the denomination offices in Louisville, KY. This is a service provided by the denomination.
5. CLC does not endorse or recommend ministers to the committee. The responsibility for selection belongs to the committee and Congregation in conjunction with the Committee on Ministry and Presbytery, which must approve the selection.

PRESBYTERY OF LOS RANCHOS

F. EVALUATE APPLICANTS

1. By a process of evaluating PIFs, holding telephone interviews, listening/watching sermon recordings, reference checks, visiting personal websites, etc. the list of candidates will be prioritized and a determination will be made as to which candidates will constitute the “short list” or top 2 to 4. Even as the evaluating process becomes more focused, the committee will still be receiving new PIFs to read.
2. During the first contact with a potential candidate who is rising toward the short list, the first question should inquire of their degree of interest in the position. The committee could make arrangements for a phone or SKYPE interview, or even send a list of supplemental questions that will be sent to all who are being considered for the short list. The questions are usually specific to the Congregation. The goal is to use consistent techniques to evaluate candidates to determine who will be invited for a personal visit with the committee.
3. Assign one or more committee members to begin checking primary references and report back to the committee at the next meeting.
4. The committee should decide if it will send a packet of “promotional” materials to the candidates that are interviewed by phone or SKYPE?

G. DEVELOP SHORT LIST

1. Of the finalists, the committee will conduct a thorough, face-to-face interview with them. The Pastor and spouse are invited for a week-end (usually) to visit the area, meet informally with the committee and formally for the interview. Much planning is involved to prepare for this:
 - a. Hotel accommodations
 - b. Planning informal meals or activities for the committee and the potential candidate to get to know each other. All committee members should be present for these important times with the interviewee.
 - c. PNC/APNC must carefully plan in advance the questions to be asked, so that most of the same questions can be asked with each potential candidate who comes for the onsite interview. Read their PIF again to be prepared.
 - d. Consider mailing a packet of information about the church and community well in advance to the person being interviewed. Think about ways to demonstrate positive aspects of the community and church.
 - e. Ask COM if they want to interview this candidate for membership while the candidate is in town. (COM prefers to interview only the final candidate.)
 - f. Schedule time for a realtor to show housing in the area.
2. Does the committee wish to use a neutral pulpit in Los Ranchos Presbytery to hear your candidate preach? The COM liaison with the help of the Stated Clerk, will give instructions on how to make these arrangements.
3. PNC/APNC is responsible for all transportation costs, housing (preferably a good hotel where they can have “private space”), meals and other costs for this visit. The spouse will not be part of the formal interview time, so think of possible activities for the spouse during the interview.

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Steps F-1 through G-3 will continue to be repeated throughout the process until the committee determines the final candidate. Keep the Congregation posted on the progress, but never mention names.

H. SELECT FINALIST

1. When the committee is seriously considering a particular minister, before she/he is asked or any negotiations have begun, contact COM and the Stated Clerk to request that the clearance check be completed.
2. The Presbytery requires formal police and financial background checks on all potential members of the Presbytery. Candidates need to be made aware of this policy. (The release form is on the next page.)
3. Also, the PNC/APNC and any candidate need to be aware of the Presbytery's procedures regarding whether the minister is unable or unwilling to comply with any of the denominations standards. If the minister has not already signed the release form, it must be done now and sent to the Presbytery office and Stated Clerk.

Instruction for final negotiations begins in the next chapter.

AUTHORIZATION & RELEASE
Please Read Carefully Before Signing the Authorization

DISCLOSURE

In considering you for employment and, if you are employed, in considering you for subsequent promotion, assignment, reassignment, retention, or discipline, **Presbytery of Los Ranchos** may request and rely upon one or more consumer reports or investigative consumer reports about you that we obtain from a consumer reporting agency, such as **IntelliCorp Records, Inc.**

For explanation purposes:

- A “consumer report” is a written, oral or other communication of any information by a consumer reporting agency bearing on your credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living which is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in making an employment-related decision about you. Such information may include, for example, credit information, criminal history reports, or driving records; and

Under the Fair Credit Reporting Act (15 USC at 1681-1681u) as amended, FCRA, before we can obtain a consumer report or investigative consumer report about you for employment purposes, we must have your written authorization. Before we take adverse action on the basis, in whole or in part, of information in that report, you will be provided a copy of that report, the name, address, and telephone number of the consumer reporting agency, and a summary of your rights under the FCRA.

AUTHORIZATION

I have read and understand the foregoing Disclosure, and authorize the Company to obtain and rely upon consumer reports or investigative consumer reports in considering me for employment and, if I am employed, in considering me for subsequent promotion, assignment, reassignment, retention, or discipline. By my signature below, I authorize the Company to obtain any such reports and to share the information received with any person involved in the employment decision about me.

I do _____ do not _____ authorize you to contact *my current* employer for Employment and Reference Verifications

I also agree that this Disclosure and Authorization in original, faxed, photocopied, or electronic (including electronically signed) form will be valid for any consumer reports or investigative consumer reports that may be requested about me by or on behalf of the Company.

Applicant Signature

Date

Under California Civil Code 1786.16(a) (2) and 1782.33, the following disclosure is provided:

You have the right to request from **Intellcorp Records, Inc.**, upon proper identification, the nature and substance of all information in its files on you, including the sources of information, and the recipients of any reports on you, which the agency has previously furnished within the three-year period preceding your request. You may view the file maintained on you by the agency during normal business hours. You may also obtain a copy of this file upon submitting proper identification and paying the costs of duplication services. Upon making a written request, you may receive a summary of your report via telephone.

Personal Data

Last Name First Name Middle Name

Current Address Dates Lived Here

Addresses for the Past Seven Years: (include street, city, state, zip code) Dates of Residence:

Date of Birth Other Names Used (including maiden name)

Social Security Number Driver's License # State

Current Email Address

I certify that all elements of the personal data I have provided are true, accurate and complete. I understand and agree that any omission, false statement, misleading statement, or answer made by me on my application or any supplements to it and in any interviews will be sufficient grounds for rejection of employment and my discharge after employment.

Printed Name

Applicant Signature

Date

CHAPTER VI

PNC or APNC IDENTIFIES A CANDIDATE AND OBTAINS COM APPROVAL

(Negotiate the Call; COM approved Ask Session to Call Congregational Meeting)

Now is the most exciting and intense time for the PNC or APNC, negotiating the call with the final candidate. Look again at the financial information on the Ministries Information Form (MIF) and come to a preliminary decision on the total effective salary to offer the nominee. The PNC/APNC cannot negotiate a total effective salary beyond the amount allocated by the Session. If there is need to do this, Session approval must be obtained, but without disclosing the name of the nominee. That disclosure will happen after the negotiations have been successful.

For additional information, see “A Guide to Negotiating Pastoral Compensation” at the end of this chapter (pages VI-10 to VI-12).

A. TOPICS TO CONSIDER IN NEGOTIATIONS:

- Salary
- Housing and Utilities Allowance
- Shared Equity Agreement-if applicable Note: Contact Presbytery office for guidance. The housing issue needs to be fully researched as to potential costs that may require arrangements such as shared equity or other capital contributions toward down payment. These may be needed if the candidate does not have sufficient equity or resources to find adequate housing.
- Deferred Income (annuity, life insurance, IRA)
- Social Security offset
- Moving costs
- Annual Vacation (minimum 30 days, including normal days off, with 4 Sundays)
- Study Leave for Continuing Education (minimum 2 weeks/year; cumulative to 6 weeks)
- Attendance at Presbytery’s Annual Pastors’ Retreat
- Sabbatical leave
- Military service leave
- Effective date of the call
- Reimbursable Expenses:
 - Auto expenses
 - Study Leave Education Expenses
 - Books and journals
 - Business expenses
 - Medical and dental supplement
- Tentative Schedule for Next Steps:
 - COM/Presbytery approval
 - Date for Congregational meeting for PNC report to Congregation
 - Possible date for dissolution of nominee’s current position

When negotiations are successful, and the terms of call are within the Session approved range, begin preparations for the COM examination.

PRESBYTERY OF LOS RANCHOS

B. EXAMINATION BY COMMITTEE ON MINISTRY (COM)

The final candidate must be examined by COM before being recommended to the Congregation by the PNC/APNC. This can be docketed through the Stated Clerk. No Congregational meeting may be called to vote on the call until COM has approved the individual for Presbytery membership. It is the responsibility of the PNC/APNC in coordination with the com liaison to make sure that the FOLLOWING FORMS ARE SENT TO PRESBYTERY ONE WEEK BEFORE THE COM MEETING:

1. **Authorization & Release Information** – see pages V-5, V-6
2. **Form for Reporting Terms of Call to COM** – see page VI-3, VI-4
3. **Personal Information Form (PIF) of the Candidate**
4. **Statement of Faith** – if the candidate prefers one more comprehensive than in the PIF
5. **Proof/Certificate of sexual misconduct prevention training**
6. **Acknowledgment Form & “Mandated Reporter” Certification**
(Signed receipt Sexual Misconduct Prevention & Response Policy VI-5)
7. **Presbytery Standing Rules – Signed Receipt** (See page VI-6)
8. **Personnel Policies for Clergy – Signed Receipt** (See Appendix VI-A)

By the time you are bringing the candidate to meet with COM, please have prepared and bring to COM FOUR originals of the Pastor Call Form. These are the legal contract documents. See VI-7, VI-8, and VI-9 for the form.

C. PASTORAL CALL FORM INSTRUCTIONS: (See pages VI-7, VI-8, and VI-9.)

Prepare four originals of the same form, each being three pages long. (This form is available electronically from the Presbytery office, and a sample is included in the Appendix of this document as VI-A.) When all the signatures have been secured, one copy will go to the Pastor, one to the church, one to Los Ranchos Presbytery and one to the Presbytery where the Pastor is currently a member.

One person on the PNC/APNC is to be assigned the responsibility to complete the forms in time to bring to COM on the day of the interview. Forms requires the Pastor’s full name, effective date, all financial terms approved by PNC/APNC and Presbytery and to be approved by the Congregation. Any unique wording needs to be included or attached to all copies.

After the COM meeting, be sure to take the Pastor Call forms so that at the conclusion of the Congregational meeting the Moderator can sign all copies, as well as members of the PNC/APNC.

The Pastoral Call forms are now sent to the Stated Clerk, Presbytery of Los Ranchos, P. O. Box 910, Anaheim, CA 92815-0910. The Stated Clerk will secure the additional signature from the other Presbytery. When returned, two copies will be returned to the church: one for the Pastor and one for the permanent files of the church.

The signed Pastoral Call form should be filed in a safe location at church as it is the legal contract with the Pastor.

PRESBYTERY OF LOS RANCHOS
COMMITTEE ON MINISTRY

Pastor Nominating Committee Request to Presbytery COM to Call Pastor/Associate Pastor
[To be submitted to Stated Clerk prior to interview with COM)

Church: _____ Position: _____

Name of nominee: _____

Nominee's Presbytery: _____

Date of proposed Congregational meeting: _____

Moderator of Congregational meeting: _____

The Call to be effective (date): _____

Terms: Annual salary: \$ _____
Housing:..... \$ _____
Utilities: \$ _____
Value of manse (if provided) (30% of Salary) \$ _____
Deferred Income (e.g. 403b, annuity, etc.)..... \$ _____

\$ _____

Total of above lines ("EFFECTIVE SALARY"/pension base)

Moving costs:..... Full?: _____ Up to Limit of: \$ _____
Taxable Social security offset (if any) \$ _____
Vacation (30 days; 4 Sundays)..... _____
Professional Development Leave:..... _____
(Minimum is two weeks annually, cumulative to six weeks)
Annual Pastors' Retreat (3 days) _____
Full pension (36.5% of Effective Salary in 2017) \$ _____

We further promise and obligate ourselves to reimburse your professional expenses, subject to the terms of the Accountable Reimbursement Policy adopted by the Session of the Congregation, up to the following amounts:

AUTOMOBILE EXPENSES: (Vouchered @ IRS rates) \$ _____
[Minimum—vouchered & reimbursed]
PROFESSIONAL DEVELOPMENT:..... \$ _____
(Cumulative to \$3,000) [Minimum—\$1,000.00]
BOOKS AND JOURNALS: \$ _____
BUSINESS EXPENSES: \$ _____
MEDICAL SUPPLEMENT: \$ _____
(Flexible Spending Arrangement/Cafeteria Plan)
OTHER (specify): \$ _____

Have the diversity and inclusiveness requirements of equal opportunity in ministry been met? YES__ NO__

MANDATORY SALARY MINIMUM

Minimum Cash Salary \$50,400.00 in 2017 (3% increase over 2016)

For additional salary guidance, see the Presbytery Approved **MINIMUM FOR A CALL** document on website www.losranchos.org under Resources.

The following instructions reflect the means for taking maximum advantage of Internal Revenue Service regulations that consider clergy "Employees" for income tax purposes and "self-employed" for social security purposes. Check stubs should clearly indicate housing separate from salary and entered on line 14 of W-2's. "Housing Allowance" includes all expenses (e.g. drapes, furnishings, cleaning supplies, taxes, insurance, etc.) [inc. Rent] necessary to maintain a home--even if a manse is provided. Any housing allowance NOT spent to provide a house is considered taxable income. The Session resolution itemizing housing and salary may be a "percentage basis of salary" (e.g. "40% of cash salary") and may continue indefinitely, but must properly be restated each time the terms of call change and at the beginning of each fiscal year for IRS purposes.

If a manse is provided, the fair market value of manse, added to utilities and furnishings, must equal at least 30% of salary plus deferred income (if any), for pension dues computation. Pension dues are calculated on "Effective Salary".

Business related expenses should be part of a Session's Accountable Reimbursement Policy that reimburses properly vouchered expenses. If so, they are not reported to the IRS. If provided as a monthly amount, without vouchered itemization, they must be reported to the IRS as salary on form W-2. Medical Supplements, to be tax exempt, must be part of a Session adopted "Flexible Spending Plan" or "Cafeteria Plan" which meets IRS regulations.

ACKNOWLEDGMENT FORM & "MANDATED REPORTER" CERTIFICATION

PREVENTION AND RESPONSE POLICY: SEXUAL MISCONDUCT

By my signature I acknowledge that I have received a full and complete copy of the "Prevention and Response Policy: Sexual Misconduct" of the Presbytery of Los Ranchos.

By my signature, I further understand that I am a "mandated reporter" as that term is defined in the California Child Abuse and Neglect Reporting Law and have certain reporting obligations pursuant to California Penal Code Section 11166 as well as certain confidentiality obligations under subdivision (d) of Section 11167. I certify that I have been provided a copy of California Penal Code Sections 11165.7, 11166, and 11167 and have reviewed them. {Relevant sections follow. The full document is attached separately}

I also acknowledge that I understand that it is the expectation of the presbytery that I have read the above documents and am familiar with the behavioral boundaries created by these documents, the consequences of violating those boundaries, and the procedures that will be followed if allegations of sexual misconduct are made by me or against me. I further understand the education and training requirements established by this policy and the consequences of failure to attend such opportunities.

Signature

Name Printed

Date Signed

Witness

New ministers seeking membership in the Presbytery of Los Ranchos must provide proof of prior sexual misconduct prevention training or participate in such training within the first two years of their call.

ACKNOWLEDGEMENT OF RECEIPT OF “THE STANDING RULES”
OF THE PRESBYTERY OF LOS RANCHOS

“I acknowledge that I have received a copy of the current “Standing Rules” of the Presbytery of Los Ranchos and understand that I am responsible for knowing their content.”

Date

Minister’s Signature

Print Name

Return to

Elvira G. Ortez
Presbytery of Los Ranchos
PO Box 910
Anaheim, CA 92815-0910

PASTORAL CALL

(For Pastor or Associate Pastor)

The _____ Presbyterian Church (U.S.A.) PIN# _____ of _____, CA belonging to the Presbytery of Los Ranchos (PIN 360-352), being well satisfied with your qualification for ministry and confident that we have been led to you by the Holy Spirit as one whose service will be profitable to the spiritual interests of our church and fruitful for the Kingdom of our Lord, earnestly and solemnly calls you,

(Name)

to undertake the office of

of this congregation, promising you in the discharge of your duty all proper support, encouragement, and allegiance in the Lord.

Effective Date of the Call (date work is to begin): _____

That you may be free to devote yourself full time (part time--specify terms: _____) to the ministry of the Word and Sacrament among us, we promise and obligate ourselves to pay you the following: (Complete those agreed upon.)

ANNUAL SALARY:\$ _____
To be paid: Monthly: ____; Semi-Monthly: ____; Weekly: ____; Bi-Weekly _____

USE OF THE MANSE: ("Fair Market Value"/30% of Salary for Pension)\$ _____

ANNUAL HOUSING ALLOWANCE:\$ _____

ANNUAL UTILITIES ALLOWANCE:\$ _____

DEFERRED INCOME: (Annuity, Life Insurance, IRA, Retirement Savings, etc.).....\$ _____

TAXABLE SOCIAL SECURITY OFFSET:\$ _____

Moving Costs: (check one) FULL: ____ or Clergy Policy ____ OTHER: ____ (Please specify)\$ _____

ANNUAL VACATION: (Minimum 30 days, including normal days off, with 4 Sundays)..... _____

ANNUAL STUDY LEAVE FOR CONTINUING EDUCATION: _____
(Minimum 2 weeks per year cumulative to 6 weeks)

Annual Pastors' Retreat (3 days)..... _____

SICK DAYS: (Up to 12 days)..... _____

and we will pay regularly in advance to the board responsible for benefits a sum equal to that requisite percent of your effective salary which may be fixed by the General Assembly of the Presbyterian Church (U.S.A.) for participation in the Benefits Plan of the Presbyterian Church (U.S.A.), including both pension and medical coverage, or any successor plan approved by the General Assembly, during the time of your being and continuing in the pastoral relationship set forth in this call to this church.

_____ We further promise and obligate ourselves to reimburse your professional expenses, subject to the terms of the Accountable Reimbursement Policy adopted by the session of the congregation, up to the following limits:

PASTORAL CALL (cont'd)

AUTOMOBILE EXPENSES: (*minimum--vouchered amount @ IRS rate must be paid*).....\$ _____

STUDY LEAVE EDUCATION EXPENSES: (*cumulative to 6 weeks*) (*Minimum \$1,000*).....\$ _____

ANNUAL PASTORS' RETREAT EXPENSES:\$ _____

BOOKS & JOURNALS:\$ _____

BUSINESS EXPENSES:\$ _____

MEDICAL SUPPLEMENT: (*"Flexible Spending Arrangement"/Cafeteria Plan*)\$ _____

OTHER: (*Please specify*).....\$ _____

OR

_____ "We further obligate ourselves to reimburse you for business/professional expenses incurred in the conduct of your ministry, including expenses for continuing education, travel, etc., according to the Accountable Reimbursement Plan of this congregation and subject to the budget limits adopted from time to time by the Session--and which meet or exceed then current Presbytery minimums. PNC Moderator initial if this includes an IRS approved Medical Supplement: _____."

We further promise and obligate ourselves to review with you annually the adequacy of this compensation and of the expense reimbursements limits shown above.

In addition, we promise to provide:

In testimony whereof we have subscribed our names this _____ day of _____, A.D. 201_: [Signatures of persons elected by the congregation to sign the call]

Having moderated the congregation meeting which extended a call to _____
 _____ for ministerial services, I do certify that the call has been made in all respect according to the requirements of the Form of Government, and that the persons who signed the foregoing were authorized to do so by vote of the _____
 Presbyterian Church (U.S.A.) of _____, California.

(Moderator of the Meeting)_____

CERTIFICATION OF THE CALL

of the Rev. _____
to _____ Presbyterian Church

A. BY THE CHURCH'S PRESBYTERY

1. ACTION OF THE COMMITTEE/COMMISSION ON MINISTRY

This Call has been reviewed by the Committee on Ministry. The Committee recommends that the Presbytery approve (not approve) this call. This is a Commission action: Yes____ No_____.

Date of Action: _____
RE Deborah Mayhew, Committee on Ministry Chair

2. ACTION BY THE PRESBYTERY

This call was approved by the **Presbytery of Los Ranchos** (its Commission _____)

Date of Action: _____
Rev. Forrest Claassen, Stated Clerk

B. BY THE MINISTER'S/CANDIDATE'S PRESBYTERY

1. ACTION OF THE COMMITTEE/COMMISSION ON MINISTRY

This call has been reviewed by the Committee on Ministry. The Committee recommends that the Presbytery find it expedient (not expedient) to release _____ to accept this call. This is Commission action: Yes____ No_____.

Date of Action: _____
(Chairperson, Committee on Ministry)

2. ACTION BY THE PRESBYTERY

The Presbytery of _____ (or its Commission _____) hereby finds it expedient (not expedient) to release _____ to accept this call and therefore has placed (has not placed) this call in the minister's/candidate's hands.

Date of Action: _____
(Stated Clerk)

C. ACCEPTANCE OF THE CALL

This is to certify that I have received and accept this call.

Date of Acceptance: _____
(Signature)

A GUIDE TO NEGOTIATING PASTORAL COMPENSATION

FOR PASTORS AND PASTOR NOMINATING COMMITTEES

Because of IRS regulations with substantial tax implications for ordained ministers (including the handling of vouchered, reimbursable expenses), along with the coverage provided by the Board of Pensions program, it is important that ministers and pastor nominating committees have a basic understanding of how to get to the best possible compensation package for each party. The following is intended as a guide to facilitate negotiations in hopes that when Terms of Call reaches the Committee on Ministry, all critical elements are included in a form that is agreeable to all parties.

EFFECTIVE SALARY

This is the Board of Pensions term which we also employ to refer to the following elements of a compensation package:

- Cash Salary
- Housing Allowance/Value of Manse
- Utilities/Furnishings
- Deferred Income (403b, Annuities, etc.; Deductions from Cash Salary)
- Social Security offset greater than 50%
- “Other” Income (Severance; church paid “gifts,” vouchered allowances)

“Effective Salary” is the figure used for calculating Board of Pensions dues. This is the mandatory amount, paid by the church, for coverage for ministers for:

- Medical coverage
- Pension (defined benefit)
- Disability
- Life Insurance
- Salary Continuation

For current information on the percentage basis, go to <http://pensions.org>.

MINIMUM SALARY:

Presbytery establishes a “minimum salary” for all full-time, ordained ministers in the presbytery. This is an “Effective Salary” figure and no church may pay less than this amount without specific exception from presbytery. For current minimums call the Presbytery office at 714/956-3691 ext. 125.

HOUSING:

The most substantial tax benefit available to ordained ministers is that the amount designated by the church for “housing” is not subject to income tax. [It is for Social Security taxes—see below.] The amount actually spent for obtaining and maintaining a home is not included as income when filing for taxes. Payments, insurance, taxes, maintenance, improvements, upkeep, utilities, are all eligible to be included as “housing.” Always make sure the Call includes more income designated “housing” than will actually be spent: the excess simply becomes additional income—but if you under estimate, you cannot switch “cash salary” to “housing.”

However, ordained ministers, who are considered “employees” for income tax purposes (and thus subject to a W-2, are considered “self-employed” for Social Security purposes and must pay

PRESBYTERY OF LOS RANCHOS

7.65% of adjusted income (including housing) for Social Security. [Board of Pensions allows a church to provide up to 7.65% SS offset without it being considered “effective salary”—but IRS considers the offset “income” for tax purposes.]

DEFERRED INCOME

The Board of Pensions provides an excellent 403b program with Fidelity Investments. Ministers are encouraged to participate—and churches are encouraged to provide matching funds. It is one of the critical financial tools for insuring adequate income in retirement. Ministers can designate “cash salary” go to 403b; church pays that amount as part of Pensions billing, and the amount is not taxable.

In addition, certain life insurance and annuity programs can be sheltered from taxes. An insurance agent or financial advisor/planner can assist with these programs.

OTHER INCOME

Please consult the presbytery regarding tax and Board of Pensions implications and consequences for other forms of income—especially “gifts” to the pastor—to insure minimum tax exposure. Note that below market loans result in “imputed income” which must be treated as income. “Allowances” (expenses covered by other than vouchered, reimbursable process) are income.

OTHER BENEFITS

Presbytery mandates that ordained ministers receive one month’s vacation and two weeks of professional study leave per year. [The study leave can accumulate—if not used—up to six weeks.] Pastors with long tenures and who have been ordained a long period of time often will seek an additional week of vacation.

Professional Study Leave: Presbytery mandates Terms of Call include \$1000 minimum financial reimbursement for Study Leave. This should be set up as a vouchered, reimbursable arrangement. Your church may want to consider offering more than the minimum to attract more competitive candidates.

Travel Reimbursement: Churches are expected to have a vouchered, reimbursable program that covers the cost of all “business related” travel by pastors. An amount can be included in budgets—but if actual costs exceed budget, the church is responsible for paying the actual amount.

Medical/Dental Supplement: Many pastors will seek, and many churches will provide, a medical /dental supplement to offset the cost of Pension plan deductibles or non-coverage. Technically, this should only be done as part of an FSA 105 or 125 programs for all employees. Consult a professional tax advisor before entering into such an arrangement.

Professional Expenses/Book Allowances/Conferences: Many pastors will seek, and many churches will provide, budget items for the following kinds of expenses (preferably as vouchered, reimbursable accounts):

Professional: meals with parishioners, robe upkeep, professional organization dues, etc.

Books and Journals: cost of books, magazines, journals, and electronic media necessary to remain current in profession.

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Conferences: the cost of one day or short term events directly related to professional competence or expectations for upgrading specific knowledge or skills.

Moving Expenses: The Presbytery's Personnel Policies provide clear guidelines for the cost and reimbursement for travel expenses. The negotiated details of such an agreement must be spelled out in the Terms of Call form so that all parties have written verification of agreements.

NEGOTIATIONS

Pastors and pastor nominating committees are responsible for negotiating final terms of call. Any coverage that exceeds the maximums authorized by Session must be resubmitted to Session for review. [Note: The Pastor Nominating Committee, as a committee of the congregation, does not have to have Session approval of the Terms of Call—only the congregation can approve those terms. However, to avoid an embarrassing disagreement at a congregational meeting between a PNC saying it must have this amount and the Session arguing the church can't afford that amount—it is best to have Session's approval of amounts exceeding what was approved.] If necessary, an amendment for the Call Form can be attached, spelling out any unusual details to figures included in the Terms of Call. The terms must be approved by the presbytery (through its COM) for the Call to become official/legal, so keep presbytery informed of the negotiating process so that potential difficulties can be recognized and dealt with early in the process.

Remember: HOW the Terms of Call are set up can have thousands of dollars of consequences for the pastor and the church. The presbytery always stands ready to consult in the negotiating process to make sure that the final terms provide maximum advantages to all parties.

CHAPTER VII

CONGREGATION ELECTS THE PASTOR OR ASSOCIATE PASTOR:

A. PASTOR NOMINATING COMMITTEE (PNC or APNC)

1. When the PNC/APNC has chosen a candidate, negotiated terms and COM has completed the credentials interview, it shall request that the Session call a meeting of the Congregation.
2. If the financial terms are higher than those previously approved by Session, the Session must vote to approve the additional funds prior to calling the Congregational meeting or reporting to COM the terms of call.

B. SESSION CALLS THE CONGREGATIONAL MEETING:

Session votes to call a Congregational meeting. The notice for the meeting must be given on two successive Sundays.

1. For calling a Pastor it is better to have a longer “notice time,” so a mailing can be sent out with biographical information about the Pastor candidate.
2. Most churches have found it helpful to plan a gathering of the Session and Board of Deacons and/or Congregation to meet the candidate on Friday evening or Saturday afternoon prior to the Sunday Congregational meeting. Keep the event short, especially if the Pastor is preaching in worship on Sunday before the meeting to elect.

C. PREPARING A REPORT TO THE CONGREGATION:

1. The Congregation needs to be informed about the nominee and why the PNC/APNC chose this person. Prepare information to be mailed and emailed to the Congregation.
2. The PNC/APNC also needs to prepare the verbal report to be presented at the Congregational meeting. This is the opportunity to share with the Congregation what the PNC/APNC has learned about the nominee and why this person was chosen.
3. The PNC/APNC chairperson should also be preparing the formal motion upon which the Congregation votes. It will be important to consult with the Clerk of Session and Moderator about this motion.

D. PREPARATION FOR THE CONGREGATIONAL MEETING:

1. If it is not appropriate for the regular moderator of Session to moderate the meeting, the moderator should invite another minister of Presbytery or member of COM to moderate the meeting. There are times when COM will provide a moderator for a Congregational meeting.
2. The clerk of Session serves as the clerk of the Congregational meeting. If not present, the moderator nominates a clerk and the Congregation elects the clerk.
3. Ballots should be printed and ready for distribution only to active church members present. There is no absentee voting.
4. The PNC/APNC should have prepared the four original copies of the Pastoral Call form, which is three pages long. Some of the signatures will be applied at the end of the meeting.

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E. OUTLINE FOR THE CONGREGATIONAL MEETING:

1. Open with prayer.
2. Moderator reads the call for the meeting and asks the clerk to affirm that a quorum is present. Only the purpose named in the call can be considered at a special meeting.
3. The Chair of the PNC/APNC and other committee members present to the Congregation:
 - a. Brief explanation of procedure that has been followed
 - b. Helpful background information on the candidate to enable Congregation to vote intelligently and wisely.
 - c. Present the Terms of Call
 - d. Opportunity for Q and A to PNC/APNC
 - e. Opportunity for Q and A to nominee [Moderator can be helpful at this point by redirecting any inappropriate question to the PNC or re-stating the question in an appropriate manner.]
 - f. After a member of the PNC has escorted the nominee and family out of the room, an opportunity should be allowed for questions to the PNC without the nominee present.
4. Proceed to vote:
 - a. Motion is in order by the PNC/APNC chair that the nominee be elected as Pastor/Associate Pastor according to the terms of call.
 - b. Discussion
 - c. Moderator appoints the Tally Committee. (The clerk has previously prepared a list of members for this committee and indicated one as Chair.)
 - d. Moderator explains who can vote (all active members in good standing) and that a vote is “yes” or “no” and no other marks on the ballot.
 - e. Tally Committee collects the ballots and moves to another room to count them.
 - f. While ballots are counted, Congregation could sing hymns, announcements made, or the meeting is in recess until the count is finished.
 - g. Tally Committee gives a written report to the Moderator who reads the report.
 - h. If there is a substantial minority vote against the nominee, the moderator or member of the PNC/APNC shall inform the nominee of this before the nominee returns to the meeting.
 - i. The official vote is the ballot vote.
 - j. If the ballot vote was positive and the terms of call were not in the original motion, a motion to approve the terms of call should be made, debated and voted on verbally.
 - k. The Pastor-elect should be invited to return to the meeting and make any brief statement.

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- l. Moderator suggests a motion to dismiss the PNC/APNC with commendation for its faithfulness. Vote by Congregation. [COM recommends that the PNC/APNC continue as a support group to meet periodically with the new Pastor or Associate during the first year of the call. This does NOT replace Personnel Committee.]
- m. Motion to adjourn. Prayer
- n. Moderator and newly elected Pastor or Associate Pastor signs the call papers as do the members of the PNC/APNC. Use blue ink to distinguish them from any future copies that might be made.

F. SIGNED, PASTORAL CALL FORMS MUST BE RETURNED TO THE PRESBYTERY:

The four originals of the Pastoral Call form shall be returned to the Stated Clerk of the Presbytery as soon as possible. Be sure the moderator of the Congregational meeting and the newly elected Pastor have signed all four copies. As these are the official, legal documents, it is recommended they be mailed by registered/certified mail requiring signed acknowledgement of receipt to:

Stated Clerk
Presbytery of Los Ranchos
P. O. Box 910
Anaheim, CA 92815-0910

Or they may be personally delivered to the Presbytery Office.

When all copies are completed with all the other signatures, they will be distributed as follows:

1 copy each to:

Pastor
Clerk of Session for church files
Pastor's present Presbytery
Presbytery of Los Ranchos for the permanent file

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CHAPTER VIII

PASTOR OR ASSOCIATE BEGIN CALL AND ARE INSTALLED

A. PREPARING FOR THE PASTOR'S ARRIVAL

Although the PNC/APNC has been dismissed by vote of the Congregation, the committee should work with the Session preparing a welcome for the new Pastor or Associate Pastor. A minimum would be a welcome on the first official day in the office and the first Sunday. Some committees have also arranged for meals for the first few days when the Pastor and family arrive, assisted in unpacking if the home is ready or assisted in finding temporary housing when needed. Be creative. Ask the new Pastor and spouse how the committee can be of help to them in this move.

B. GUIDELINES FOR ORDINATION/INSTALLATION SERVICES

PNC/APNC should encourage the new Pastor to begin planning and preparing for the ordination and/or installation service and remind the Session of their responsibility to approve the offering which is sent to Presbytery for financial support for seminarians under care in the Presbytery. Session should also provide for a reception after the installation service.

The following is a guide in planning a meaningful ordination and/or installation service consistent with the Book of Order and requirements of Presbytery. Ordination/installation is an act of the whole church in worship of God. It is an official act of the Presbytery which completes the call process for the new Pastor.

C. GENERAL GUIDELINES:

1. Book of Order is the primary document governing ordinations and installation. Especially applicable are G-2.0701 to .0703, G-2.0805 and W-4.4005 and W-4.4006
2. Constitutional questions are in G-4.4003 and G-4.4006.b. No changes in the wording are permitted. Always consult the most current Book of Order to insure correct wording.
3. Because this service is an act of Presbytery, it is expected the service will be at a time other than regular hours of worship and not in conflict with other Presbytery events. Contact the Presbytery office as early as possible to confirm your service date and time.
4. Once a date and time are established with the Stated Clerk, and members of the Installation Commission have confirmed their ability to attend, you may send out invitations after a sample is approved by the Stated Clerk and/or COM Moderator or Moderator's designee.
5. Session should approve receiving the designated offering which will be received during the service. Offering will be sent to the Presbytery office and used to give financial aid to candidates under the care of Presbytery of Los Ranchos.

D. DUTIES OF THE PASTOR TO BE ORDAINED AND/OR INSTALLED

1. After checking the church calendar for a date and time for the service, contact the Presbytery Moderator to serve as Moderator of the commission to ordain/install and to confirm the date and time. If the Moderator is unable to preside, the moderator may suggest alternative times or alternative names to be appointed as Moderator of the commission. Also be in contact with the Presbytery Stated Clerk to confirm the date and time is not in conflict with other Presbytery events.

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2. It is the responsibility of the person being ordained or installed to arrange for participation in the service by all people who will be appointed to the Administrative Commission.
 - a. Commission must consist of at least 5 people: 2 teaching elders from Los Ranchos, 2 ruling elders from different churches in Los Ranchos, plus the Moderator. Commissions should reflect the diversity of the Presbytery per F-1.0403
 - b. Participants, especially commission members, shall assist in worship, including preaching, charge to person being ordained/installed, charge to Congregation, scripture, prayer and other parts of Reformed worship.
 - c. Additional teaching elders and ruling elders may be added to the commission as long as parity is maintained.
 - d. Additional participants are permitted, but are not part of the Commission. If participants are from other presbyteries, special invitations to Labor Inside the Bounds will be needed.
3. As soon as all participants are confirmed, complete and forward to the Stated Clerk the form titled "Ordination/Installation Plans". See page VIII-4. Committee on Ministry, which meets on the first Thursday of most months of the year, needs to approve the commission.

E. ADDITIONAL CONSIDERATIONS IN PLANNING THIS WORSHIP SERVICE

1. Worship bulletins should clearly mark where the Congregation participates. There will be people present who are not familiar with this church's usual customs.
2. Coordinate with the music professional(s)
3. Give very clear instruction to everyone on time limits.
4. Provide directions to the church for participants. Give clear instructions about where to meet and that all participants will gather at least 30 minutes before the service. Also inform participants about dress such as robes, stoles, colors, etc. Email a copy of the bulletin before the event.
5. When gathered before the service, walk through the service explaining where people sit, where the microphones will be that each should use, details of the processional and recessional. Have a hymnal and worship bulletin for each person.
6. Allow the Commission at least 10 minutes to conduct their business before the worship service.
7. The church is responsible to collect, count and deposit receipts, then to write and send a check to the Presbytery of Los Ranchos for the amount received.

F. DUTIES OF THE COMMISSION MODERATOR

1. Convene the Commission with prayer
 - a. Introductions and seating of corresponding members, if needed
 - b. Any motions needed for last minute changes
 - c. Vote to dissolve the commission with the benediction of the service

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2. Open the worship service establishing it as a Presbytery action
3. Ask the Constitutional Questions required by the Book of Order
4. Invite teaching elders and ruling elders to come forward for the laying on of hands
5. Offer the prayer of ordination and installation or installation
6. Pronounce the declaration of ordination/installation
7. Complete and return to Stated Clerk “Ordination/Installation Reporting” form, including names and churches of all participants. See page VIII-5.

G. WORSHIP SERVICE OUTLINE (* indicates elements required by Book of Order)

PRELUDE

*CALL TO WORSHIP

HYMN OF PRAISE

PRAYER OF CONFESSION

ASSURANCE OF PARDON

GLORIA PATRI or HYMN OF PRAISE

*SCRIPTURE READING

*SERMON

PRAYERS OF THE PEOPLE AND THE LORD’S PRAYER

*OFFERING

*SERVICE OF ORDINATION AND/OR INSTALLATION

*OPENING COMMENTS BY THE MODERATOR

*PRESENTATION OF THE CANDIDATE

*CONSTITUTIONAL QUESTIONS - See Book of Order W-4.4000.

Constitutional Questions to Pastor-elect – W-4.4003.a to h plus i.(3)

Constitutional Questions to Congregation by ruling elder – W-4.4006.b.1-3

*PRAYER AND LAYING ON OF HANDS

*DECLARATION BY MODERATOR

*WELCOME

*CHARGE TO PASTOR

*CHARGE TO CONGREGATION

*BENEDICTION BY NEWLY INSTALLED PASTOR

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ORDINATION AND/OR INSTALLATION PLANS

Person to be Ordained/Installed _____

Place: _____
(Church) (City) (Date) (Hour)

THE ADMINISTRATIVE COMMISSION

Minimum of two **ruling elders** representing different churches, **two teaching elders**, and the moderator. Members of the commission shall reflect the diversity of this Presbytery (**male/female; variety of ages, variety of ethnicity, etc.**).

1. Moderator _____
(Elder or Minister member of the Presbytery)

He/She shall:

- a. Preside
- b. Ask the constitutional questions
- c. Offer the Prayer of Installation
- d. Pronounce the Declaration of Ordination

TEACHING ELDERS OF THE COMMISSION:

TEACHING ELDERS OF THE COMMISSION (and church):

2. _____

5. _____

3. _____

6. _____

4. _____

5. _____

PARTICIPANTS IN THE SERVICE

FOR CLERGY GIVE PRESBYTERY OR DENOMINATION

Name _____ To Preach the Sermon _____

Name _____

Name _____

Name _____

I am to be installed at the time of Ordination: Yes ____ No ____

(Signature of Ordinand/Teaching Elder) (Date)

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ORDINATION/INSTALLATION COMMISSION REPORTING FORM

The Moderator of the Commission shall complete the following and return, with three (3) copies of the service, to the Stated Clerk's office within seven (7) days of the actual event.

Rev. Forrest Claassen
PO Box 910
Anaheim, CA. 92815

The Presbytery of Los Ranchos' Commission to Ordain / Install _____
was constituted with prayer by _____ at (time of day) _____
on _____, 20____, at the _____ Presbyterian Church of _____
_____, California.

Participants in the service were as follows (print or type names):

Moderator of the Commission: _____

Ruling Elders (list church): _____

Teaching Elders (list church): _____

Other participants (identify denomination, church, governing body, etc.)

Ecumenical Participant(s) _____

Other Participants _____

The service was closed with benediction and dismissal of the Commission at _____
(time)

by _____, Moderator.

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CHAPTER IX

APPENDIX

- I-A Dissolution of Pastoral Relationship, Enhanced Severance Agreement and General Release
- I-B Separation Ethics/Boundaries Covenant
- VI-A Personnel Policies for Clergy

APPENDIX I-A

DISSOLUTION OF PASTORAL RELATIONSHIP, ENHANCED SEVERANCE AGREEMENT AND GENERAL RELEASE

The following language was approved by the Committee on Ministry at its March 2013 meeting:

Severance Agreements: Final Reading

- 1) *Congregations and pastors shall use the presbytery's template for severance agreements. The presbytery will not approve any other severance contract.*
- 2) *The presbytery will pay the cost, up to \$1000, to modify the template to meet the specific terms and conditions of the church and pastor. Beyond that amount, the congregation and pastor shall determine who requires additional changes and that party will pay for the presbytery's attorney to complete the agreement.*

RATIONALE: In working with multiple severance agreements over the past 5 years, COM has determined that the template as presently drawn up by our attorney is a legal document covering all elements of a severance agreement necessary for the dissolution of a pastoral relationship. It saves the congregation and pastor 5-10 hours of legal expenses to create a document that may or may not be acceptable to the presbytery. However, we have discovered that the parties to such an agreement often believe they can improve upon this document. Since only the presbytery can dissolve a pastoral relationship, and since such approval is contingent upon having a severance agreement agreeable to the presbytery, it is appropriate that only the presbytery's document be used--and that the cost of modifications being a reasonable amount should be paid by the party/parties who will benefit from acceptable modifications

THIS DISSOLUTION OF PASTORAL RELATIONSHIP, ENHANCED SEVERANCE AGREEMENT AND GENERAL RELEASE ("Agreement") is entered into by and among the _ (the "Minister"), located at _, and the __, a California corporation (the "Church"), located at __, each identified as a "Party" and all jointly identified as the "Parties," dated as of _____ (the "Effective Date"). This Agreement has been offered to the Minister by the Church on _____ as approved by the Church congregation, and remains open to the Minister through _____ (the "Open Offer Date"), during which time the Minister is entitled to consider the meaning and effect of this Agreement and to discuss the contents and meaning of this Agreement, as well as the alternatives to signing the Agreement, with the Minister's attorney, as described in Paragraph 11(a) below. In the event that the Minister elects to enter into this Agreement, the Minister shall return a fully executed and notarized original of this Agreement to the Church on or before the Open Offer Date. The Parties expressly desire to resolve all differences which may exist between them including but not limited to those arising from the dissolution of the Pastoral Relationship with the Church. The Parties, in consideration of the mutual promises and covenants, and the acts or acts of forbearance done pursuant to those promises and covenants, as set forth in this Agreement, and for other good and valuable consideration, the adequacy of which is hereby acknowledged, now agree as follows:

1. The Pastoral Relationship. The Minister has been Pastor (the "Pastoral Relationship") for the Church. The Church gratefully acknowledges the ministry of the Minister in this capacity.
2. Dissolution of the Pastoral Relationship. The Church and the Minister wish to dissolve the Pastoral Relationship subject to the terms and conditions contained in this Agreement, and the Church agrees to the dissolution of the Pastoral Relationship on those same terms and conditions, with such dissolution shall be effective on the Effective Date. The Church and the Minister shall maintain the Pastoral Relationship under the present terms of call until the

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Effective Date.

3. Present Terms of Call. The Minister's present terms of call in annual amounts are as follows:

Salary	\$
Housing	\$
Travel	\$
Study Leave	\$
Pension Dues & Medical	Per the Board of Pensions

The parties acknowledge that the Minister has accrued but unpaid vacation pay as of the Effective Date of _____ and that the Minister accrued no further vacation pay after the Effective Date.

4. Return of Property. The Minister hereby acknowledges and represents that on or before the Effective Date, the Minister will have returned to the designated session representative credit cards; telephone credit cards; computer hardware and software; data, records, documents and files, in whatever format they exist be it electronic or hard copy; equipment (including any parts and accessories), keys (including but not limited to building, cabinets, office, desk), and any and all other property of the Church which is in the Minister's possession or under the Minister's control.
5. Former Pastor Policy. The Minister shall abide by the Presbytery of Los Ranchos SEPARATION ETHICS/FORMER PASTOR POLICY – WITH “BOUNDARIES COVENANT” (the “Former Pastor Policy”). The Minister will use best efforts to assure that members of the Minister's immediate family also abide by the Former Pastor Policy. The Minister further agrees that the Minister shall exercise restraint in any continuing friendships the Minister maintains with members of the Church, and shall not discuss with members or employees of the Church any matters concerning the Church or the Pastoral Relationship after the Effective Date. The Minister shall not attend worship at the Church pursuant to the Former Pastor Policy.
6. Existing Entitlements. Regardless of whether the Minister signs this Agreement, pay for the time worked for which the Minister has not received payment and all vacation pay accrued but unused through the period of employment will be paid in a lump sum minus applicable deductions at the Effective Date. The Minister is also entitled to receive any study leave payments, sick leave payments, or personal time off payments, if any, to which the Minister may otherwise be entitled under the Church's personnel policies, but any unused portions will not be paid upon termination. If the Minister signs this Agreement, the Minister acknowledges that this Agreement describes all wages due through the Effective Date, all leave (paid or unpaid), compensation, wages, bonuses, commissions, and/or benefits to which the Minister may be entitled and that no other leave (paid or unpaid), compensation, wages, bonuses, commissions and/or benefits are due to the Minister, except as provided in this Agreement. The Minister further acknowledges that Paragraph 3 above describes all vacation pay in lieu of vacation as has accrued or will accrue through the Effective Date, and all other payments (if any) as have accrued or will accrue as of the Effective Date, to the extent to which the Minister is entitled to payment, and that vacation pay will continue to accrue through the Effective Date only to the extent that the Minister performs services for the Church through the Effective Date. The Church shall pay expense reimbursements to the Minister, as supported by proper receipts and documentation, received by the Church on or before the Effective Date as may be approved in writing in a manner consistent with the Church's personnel and accounting policies. Other than as expressly provided in this

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Agreement, the Church shall not be obligated to make any other payments or reimbursements to or for the Minister including, but not limited to, payment of allowances for personal or professional expenses, mileage, car expenses, travel expenses, cell phone expenses, internet expenses, any fees or costs in connection with any continuing education, etc.

7. Enhanced Severance Compensation. In consideration for entrance into this Agreement, in addition to the amounts due under Paragraph 6 above, the Church will pay additional amounts (the "Enhanced Severance") (A) to the Minister equal to the Compensation Continuation Payments, as described in Paragraph 7(a) below, beginning on the last to occur of (the "Enhanced Severance Effective Date") (1) the Effective Date, or (2) three business days following expiration of the revocation period described in Paragraph 11(b) below without revocation of this Agreement by the Minister, and (B) as the cost of Medical Insurance Continuation Benefits, if any, as described in Paragraph 7(b) below. The Compensation Continuation Payments and the Medical Insurance Continuation Benefits as payable under the terms of this Paragraph 7 shall be considered by the Parties as "Enhanced Severance Compensation" to the Minister in consideration of all other provisions of this Agreement and to which the Minister would not otherwise have been entitled. No other allowances or amounts shall be paid to the Minister and the Minister acknowledges that none are due to him.

(a) "Compensation Continuation Payments" after _____, to or for the benefit of the Minister shall be payable as follows, subject to the terms of Paragraph 7(c) below: the Church shall continue to pay the Minister's Salary and Housing Allowance according to the salary and housing allowance terms of call described in Paragraph 3 above, at the same rates and in the same amounts on a *pro rata* basis for the period from _____ through _____ ("Salary and Housing Allowance Termination Date"). Together the Salary and the Housing Allowance payable after _____, through _____ as adjusted in accordance with the terms of Paragraph 7(c) below, shall constitute the Minister's "**Effective Salary**" for that period of time and the Church shall pay the amounts required by the Board of Pensions of Presbyterian Church (U.S.A.) for pension dues and medical dues (health insurance) in appropriate *pro rata* amounts on this Effective Salary, to the extent paid, for the Minister to the Presbyterian Church (U.S.A.) Board of Pensions. If there are no adjustments pursuant to the terms of Paragraph 7(c) below, the amount of Effective Salary for this period is estimated to be _____ and dues for the Board of Pensions are estimated to be _____. The Effective Salary shall be paid to the Minister according to the regular compensation payment schedule of the Church. Pension and Medical dues shall be paid to the Board of Pensions as and when due.

(b) If the Minister is not employed in a new position that provides medical health insurance before the Salary and Housing Allowance Termination Date, the Minister shall be entitled to continue the medical health insurance for the Minister and any covered family members through the Board of Pensions of the Presbyterian Church (U.S.A.) according to the terms and provisions of the medical health insurance policies now applicable to the Minister (the "Medical Insurance Continuation Benefits"). The Church will reimburse the Minister for the cost of any such Medical Insurance Continuation Benefits until the first to occur of (i) the date on which the Minister becomes insured under another health insurance plan, or (ii) _____. The Minister covenants that the Minister will notify the Church of the date on which the Minister becomes insured under another health insurance plan as a result of reemployment by the Minister, if it is prior to _____. The Minister acknowledges that the Church has fully explained

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the Minister's right under the Board of Pensions plan to convert medical benefits to an individual plan, that the Minister will execute the forms requested by the Church confirming this acknowledgment and otherwise as requested by the Board of Pensions, that the Board of Pensions is responsible for providing the Minister with enrollment forms, and that the Minister is responsible for all premiums relating thereto.

(c) If the Minister becomes employed at any time before the Salary and Housing Allowance Termination Date, the Church's obligation to pay any further Salary and Housing Allowance to or for the benefit of the Minister shall be limited to the difference between the Minister's new salary and housing allowance and the Minister's Salary and Housing Allowance from the new hire date through the Salary and Housing Allowance Termination Date to the extent the new salary and housing allowance is less than what the Minister would have received from the Church for that time period, and the Church's obligation, if any, to continue paying any medical continuation dues shall cease upon the Minister's medical coverage through the new position. Otherwise, all compensation shall cease as of the effective date of such employment (the "Termination Date"). The Minister covenants that the Minister will notify the Church of the date on which the Minister becomes employed at any time before the Salary and Housing Allowance Termination Date and the salary and housing allowance terms of such new employment. In no event shall the Church have any obligation to pay any effective salary for the benefit of the Minister after the Salary and Housing Allowance Termination Date, even if the Minister is not employed on a full or part-time basis after the Salary and Housing Allowance Termination Date.

8. General Release. The Minister, on the Minister's own behalf and on behalf of the Minister's heirs, executors, administrators, personal and legal representatives, successors and assigns agrees with the terms and conditions set forth in this Agreement and in consideration thereof hereby knowingly releases and forever discharges the Church, the Presbytery of Los Ranchos, and, as to each of them, all past and present affiliated, related, predecessor, successor, parent or subsidiary entities, and their collective past and present members, participants, moderators, elders, deacons, trustees, clerks, executives, representatives, employees, attorneys, officers, directors, insurers, accountants, predecessors, advisors, agents, successors and assigns (each of them individually and in such official capacities and their heirs, executors, administrators, successors, and assigns) (hereafter collectively referred to as "RELEASEES"), from (hereafter collectively referred to as "CLAIMS") any and all actions, proceedings, demands, damages, costs, expenses, attorneys' or other fees, liens, liabilities, suits or claims, of any kind, nature and character whatsoever, known or unknown, liquid or contingent, including any and all claims for attorneys' fees and costs which the Minister may now have, or has ever had, against RELEASEES, including but not limited to (a) any CLAIMS which arise in whole or in part from the Minister's employment with the Church, the Minister's call by the Church, the Pastoral Relationship, the severance of the Pastoral Relationship or the termination of that employment, including, without limitation, any CLAIMS, whether under any ecclesiastical law, rule, policy or provision or any federal, state and local laws governing terms and conditions of employment, wages and hours, employment discrimination, and any and all other matters; and/or (b) and/or any other dealings of any kind between the Minister on the one hand and RELEASEES on the other which have transpired prior to the date on which the Minister executes this Agreement. The Minister shall not pursue any action against the Church or any of the RELEASEES, whether in a civil or ecclesiastical forum for anything said, done or omitted before such execution date.

This Release completely releases RELEASEES with respect to any and all claims, rights,

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demands and causes of action including, but not limited to, breach of any employment contract or agreement, oral or written, whether express or implied in fact or law, claims under the Church's personnel policies, claims under the policies of the Presbytery of Los Ranchos, claims under *The Constitution of the Presbyterian Church (U.S.A.)*, including Part II thereof, the Book of Order, wrongful discharge, constructive discharge, breach of the covenant of good faith and fair dealing, intentional or negligent infliction of emotional distress, fraud, retaliation, misrepresentation, defamation, violation of public policy, violation of privacy, interference with prospective economic advantage, violations under the California Labor Code including the failure to pay wages due or other monies owed, failure to pay pension benefits, discrimination in violation of ERISA, discrimination on the basis of sex, race, religion, age, national origin, handicap, medical condition, disability or marital status, or any other terms of employment or other claims arising under federal, state or local constitutions, laws, or regulations, and federal, state or local civil rights laws and regulations. The Minister also waives and forever discharges RELEASEES, or any of them, from any and all claims for discrimination on the basis of age, race, national origin, and disability under the Age Discrimination in Employment Act and the Older Workers Benefits Protection Act, 29 U.S.C. § 621 *et seq.*, Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000(e), *et seq.*, the Americans With Disabilities Act, 42 U.S.C. § 12101 *et seq.*, and the California Fair Employment and Housing Act, California Government Code § 12940, *et seq.* The Minister also waives and forever discharges RELEASEES from any and all claims for violation of the Business and Professions Code § 17200, *et seq.*

9. Affirmations. The Minister understands that the Minister would not be entitled to receive the consideration specified in Paragraph 7 above except for execution of this Agreement and the fulfillment of the promises contained herein. The Minister further states that the Minister understands all provisions contained in this Agreement and that this Agreement was given for good and valuable consideration. The Minister affirms that the Minister has not filed, caused to be filed, or presently is a party to any claim, complaint, or action against RELEASEES in any forum or form. The Minister further affirms that, except as may be payable under Paragraphs 6 and 7 above, the Minister has been paid and/or has received all leave (paid or unpaid), compensation, wages, bonuses, commissions, and/or benefits to which the Minister may be entitled and that no other leave (paid or unpaid), compensation, wages, bonuses, commissions and/or benefits are due to the Minister. The Minister furthermore affirms that the Minister has no known workplace injuries or occupational diseases (other than any pending and filed claims under the workers' compensation laws, if any) and has been provided and/or has not been denied any leave requested under the Family and Medical Leave Act. The Minister represents that the Minister is currently unaware of any claim, right, demand, debt, action, obligation, liability or cause of action that the Minister may have against the Church or any of the RELEASEES which has not been released in this Agreement.

The Minister understands that the Church has relied upon the Minister's representations herein. Nothing herein is intended to or shall preclude the Minister from filing a complaint and/or charge with any appropriate federal, state, or local government agency and/or cooperating with said agency in its investigation. The Minister, however, shall not be entitled to receive any relief, recovery, or monies in connection with any complaint or charge brought against the Church or any of the RELEASEES which is being released pursuant to this Agreement. The Minister represents that the Minister has not assigned or transferred, or purported to assign or transfer to any person or entity, any claim or any portion thereof.

The Minister acknowledges that neither this Agreement itself nor the furnishing of the consideration for this Agreement shall be deemed or construed at any time or for any purpose as an admission of RELEASEES liability or responsibility for any wrongdoing of any kind,

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and the Minister shall not purport to be a prevailing party in any action.

10. Waiver of Unknown Claims. To effect a full and complete release as described above, the Minister expressly waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of the State of California, and does so understanding and acknowledging the significance of such specific waiver of § 1542. Section 1542 of the Civil Code of the State of California states as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

Thus, notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of RELEASEES, the Minister expressly acknowledges that this Agreement is intended to include in its effect, without limitation, all claims not known or suspected to exist in the Minister's favor at the time of signing this Agreement, and that this Agreement contemplates the extinguishment of any such claim or claims. The Minister knows of no actions at law or in equity nor administrative proceedings currently pending nor ecclesiastical proceedings currently pending which concern allegations based on or related to the Minister's employment or termination of employment by RELEASEES. The Minister warrants that the Minister has read this Agreement, including this waiver of California Civil Code Section 1542, and that the Minister has had the opportunity to consult counsel about this Agreement and specifically about the waiver of Section 1542, and that the Minister understands the Agreement and the Section 1542 waiver, and so freely and knowingly enters into this Agreement. The Minister acknowledges that the Minister may hereafter discover facts different from or in addition to those the Minister now knows or believes to be true regarding the matters released or described in this Agreement, and the Minister agrees that the releases and agreements contained in this Agreement shall be and will remain effective in all respects notwithstanding any later discovery of any such different or additional facts. The Minister hereby assumes any and all risk of any mistake in connection with the true facts involved in the matters, disputes, or controversies described in this Agreement or with regard to any facts which are now unknown to her relating to them.

11. Evaluation Period; Revocation Period - Notice.

- (a) Evaluation Period. The Minister understands that this is a full release of existing claims, whether currently known or unknown, including claims for age discrimination. The Minister is hereby advised to consult with an attorney prior to executing this Agreement and, by executing this Agreement, acknowledges that the Minister has been afforded at least twenty-one (21) days to consider the meaning and effect of this Agreement and to discuss the contents and meaning of this Agreement, as well as the alternatives to signing the Agreement, with the Minister's attorney.
- (b) Revocation Period. The Minister has the right to revoke this Agreement within seven (7) days of signing it. To revoke this Agreement, the Minister must send a written letter by certified mail to:

Kay Virginia Gustafson, Esq.
28863 Eagleton St.
Agoura Hills, CA 91301

The letter must be postmarked within seven (7) days of the date that the Minister signs this Agreement, and state, "I revoke my acceptance of our Agreement." If the Minister

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revokes this Agreement, the Minister will not receive the payment described in Paragraph 7 above. This Agreement shall become effective and enforceable after the expiration of the revocation period without a revocation by the Minister.

12. Miscellaneous.

- (a) Governing Law and Venue. This Agreement is made and entered into in the State of California and shall in all respects be interpreted, enforced, and governed under the laws of that state, except that parol evidence shall not be admissible to vary or modify any of the terms of this Agreement. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the Parties. The parties understand and agree that for the convenience of the parties and witnesses that any litigation in connection with this Agreement shall be determined by a court proceeding in California.
- (b) Tax Treatment. All payments to or for the benefit of the Minister shall be made without any deductions or tax withholding, except to the extent that the Minister has previously authorized such withholding, and the Minister shall be solely responsible for any taxes due on any amount paid to him. The Minister agrees to hold harmless and indemnify the Church against any penalties, fines, fees, assessments, or taxes that may be imposed by any taxing authority or any court as a result of said payment.
- (c) Integration. All of the agreements and representations of the parties hereto are contained in this Agreement and in the attached exhibits to be delivered hereunder, which constitute a single integrated written contract expressing the entire agreement of the parties hereto. No claims shall be made by any party based upon or relating to any agreement or representation not expressly contained herein, it being the intention of the parties to incorporate in this Agreement and in the attached exhibits their full and complete understanding regarding the settlement of their disputes and the termination and dissolution of all their business relationships. There are no agreements, written or oral, express or implied between the parties hereto other than the agreements set forth in this Agreement. The Minister acknowledges that, other than as expressly set forth in this Agreement, no representations of any kind have been made to the Minister by the Church, or by any of the RELEASEES to induce the Minister's execution of this document. The Minister further states that the only representations made in order to obtain the Minister's consent to this Agreement are stated above, that the contents of this document have been explained to the Minister in full and that the Minister is signing this agreement voluntarily.
- (d) No Admission of Liability. The Parties understand and agree that this Agreement is made and entered into solely for the purpose of dissolving the Minister's Pastoral Relationship with the Church on an amicable and certain basis and does not in any way constitute, and shall not be construed to constitute, an accusation or admission of liability of any sort on the part of any of the Parties. The Parties further expressly understand and agree that this Agreement shall not be admissible in any subsequent claim, charge, or cause of action between or among them, except in any claim, charge, or cause of action arising out of or relating to any alleged breach of this Agreement.
- (e) Successors and Assigns. This Agreement shall be binding upon each Party and upon each Party's heirs, administrators, representatives, executors, agents, successors and assigns, and shall inure to the benefit of the other Party and each of them, and to each Party's heirs, administrators, representatives, executors, agents, successors and assigns.
- (f) Severability. Each provision of this Agreement is severable. If any ecclesiastical entity, civil court or other governmental body of competent jurisdiction shall conclude that any

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provision or individual covenant of this Agreement is void, illegal, invalid or unenforceable, such provision or individual covenant shall be deemed ineffective, it shall in no way affect, impair or invalidate any other provision hereof, such other provisions shall remain in full force and effect, and this Agreement shall be construed and applied independent of the extent of such unenforceability without invalidating the remaining provisions and covenants hereunder.

- (g) Representation by Counsel; Fees and Expenses. The Parties represent that they were represented by or had the opportunity to be represented by counsel of their own choosing in the negotiations leading to and the preparation of this Agreement, that they have read this Agreement, that they are fully aware of, knows and understands its contents and legal effect, and that they freely and voluntarily enter into it without coercion, intimidation or threat of retaliation. Each of the parties shall pay that party's own fees and expenses in connection with the matters described in this Agreement and the negotiation, execution and performance of this Agreement. In view of such reading, counseling and understanding, and since each Party has also had the opportunity to negotiate fully the terms of this Agreement, its terms shall be interpreted and construed without any presumption or inference based upon or against the Party or Parties causing this Agreement to be drafted. The Minister expressly agrees and acknowledges the following: (i) that the Minister understands the terms and conditions of this Agreement; (ii) that the Minister has knowingly and voluntarily entered into this Agreement; (iii) that the Minister has been given a reasonable period to review and consider this Agreement before signing this Agreement; and (iv) that this Agreement, when signed by each of the Parties, is legally binding upon each and all of the Parties as well as their heirs, assigns, executors, administrators, agents, and successors in interest.
- (h) Attorneys Fees. If any lawsuit, arbitration or other action or any appeal from any of the foregoing is instituted to enforce and/or defend any of the terms of this Agreement or based upon the breach of this Agreement, then the prevailing party therein shall be entitled to recover from the other all losses, damages, costs, expenses and fees (including without limitation, court costs and reasonable attorneys fees) related thereto, whether by final judgment or by out of court settlement.
- (i) Modification and Waiver. No amendment, modification, waiver or termination to this Agreement shall be effective unless and until agreed to in writing and signed by all the Parties hereto. A waiver of any right under this Agreement must be in writing to be effective and signed by the waiving Party. No delay or omission on the part of either Party in exercising any right under this Agreement shall operate as a waiver of any such right or any other right.
- (j) Headings. The headings in this Agreement are intended for convenience of reference only and shall not affect its interpretation.
- (k) Further Acts. The Parties agree promptly and in good faith to execute and deliver such documents, and to do such acts and things as may be necessary or appropriate to carry out the purposes and intent of this Agreement, although such documents, acts, and things may not specifically be mentioned in this Agreement.
- (l) No Assignment. The parties represent that no other person or entity has any interest in the matters addressed in this Agreement, and that they have not assigned or transferred or purported to assign or transfer, to any person or entity, any claim or any portion thereof or interest therein.
- (m) Signatory Authorization. Each person signing this Agreement for the Church warrants and acknowledges that he or she is duly authorized to sign this Agreement on behalf of

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the party he or she purports to represent.

(n) Counterparts. This Agreement may be prepared in multiple counterparts, each of which shall be deemed to be an original, and all such counterparts together shall constitute one Agreement.

13. It is understood by all parties that the final implementation of this agreement is contingent upon the action of the congregation to approve the dissolution of the pastoral relationship and of the Presbytery of Los Ranchos to concur in the dissolution of the pastoral relationship.

PLEASE READ CAREFULLY. THIS DISSOLUTION OF PASTORAL RELATIONSHIP, ENHANCED SEVERANCE AGREEMENT AND GENERAL RELEASE INCLUDES A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS, INCLUDING CLAIMS FOR AGE DISCRIMINATION.

THE PARTIES HAVE READ AND FULLY CONSIDERED THE RELEASE AND ARE MUTUALLY DESIROUS OF ENTERING INTO SUCH RELEASE. THE TERMS OF THE RELEASE ARE THE PRODUCT OF MUTUAL NEGOTIATION AND COMPROMISE BETWEEN THE MINISTER AND THE CHURCH. THE MINISTER ACKNOWLEDGES THAT THE MINISTER HAS BEEN AFFORDED A REASONABLE AND SUFFICIENT PERIOD OF TIME TO CONSULT WITH AN ATTORNEY OF MINISTER'S CHOOSING PRIOR TO EXECUTION OF THIS AGREEMENT.

[Signatures follow on the next page.]

PRESBYTERY OF LOS RANCHOS

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement effective as of the day, month and year stated above.

Date: _____

Date: _____

MINISTER: _____

CHURCH:

[NAME]

PRESBYTERIAN CHURCH,
a California corporation

By: _____
[Name, Title]

By: _____
[Name, Title]

ACKNOWLEDGMENTS

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On __ ____, 201__, before me, _____, a notary public, personally appeared

_____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(This area for official notarial seal)

APPENDIX I-B

SEPARATION ETHICS: “ *When Pastor and Congregation Say Goodbye*

This document describes the process of pastoral transition as “**SEPARATION ETHICS.**” Certain values are important to consider during the often highly emotional experience of the dissolution of a pastoral relationship. Such values include

- effective leadership
- congregational health and stability
- the ability to deal with the pain, problems, and possibilities of separation
- the ability of the Session, lay leaders, and congregation to move positively and effectively into the next chapter of their life together.

Ethical and professional standards should be followed in order to transition from the professional pastoral ties between the former pastor and the congregation. When all parties are intentional about the closure tasks, it helps to create space for new relationships to be established. Because this work has the potential for a variety of difficulties,¹ the following policies have been adopted by the Presbytery of Los Ranchos to enhance the health and well-being of both pastors and congregations during pastoral transitions and to encourage healthy ways for congregations to relate to former pastors.² The following procedures are especially applicable when the former pastor continues to live in or near the community served.

Former pastors are required to follow the procedures set forth in this document and to live within the boundaries of their signed covenantal agreements.

BACKGROUND:

The relationship between a pastor and congregation is often deeply personal, built on an accumulation of shared transitional and transformational times in personal and corporate lives. It has evolved through teaching, preaching, sacraments, wedding, funerals, presence in times of crisis, praying with and for members, counseling, and shared leadership. The pastor has encouraged people in worship, equipped them for tasks, helped bring forth gifts, and prepared them for mission. Through these pastoral relations, there has accumulated elements of trust, confidence, admiration, affections, fondness, respect, and love. Ending such a relationship can be a trying and traumatic experience for both the pastor and members of the congregation. It means CHANGE, which can often be difficult to accept and integrate. The following policies are intended to help all parties say “goodbye.”

SAYING GOODBYE

The departing pastor must make sure parishioners know that her or his relationship as pastor of the congregation is coming to an end. It is essential that parishioners understand this is necessary for the congregation to be free to make the necessary changes in leadership without the departing pastor’s influence. Ordinarily it is the pastor’s responsibility to initiate and lead in this transitional process so that the separation is carried out with foresight and effectiveness. The session and Committee on Ministry also play vital roles throughout this transitional process.

The “Standards of Ethical Conduct for Ordained Officers in the Presbyterian Church (U.S.A.)” are applicable in the transition context, especially numbers 14 to 17.

¹ When the pastoral relationship is dissolved, the nature and character of the relationship changes. Both pastor and congregation must disengage from what was and establish clear boundaries that enable all parties to engage and establish new relationships.

² A “Former Pastor” is one who no longer serves as pastor, associate pastor, or in any temporary pastoral relationship (including Parish Associate) in a congregation once served, due to a call to other service, retirement, release from or termination from ordained office, involuntary termination, or conclusion of contract.

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14. *“I will deal honorably with the record of my predecessor and upon leaving a ministry or office, speak and act in ways that support the ministry of my successor”;*
15. *“I will participate in the life of a ministry setting I left or from which I have retired only as directed by presbytery”;*
16. *“I will provide pastoral services for a congregation I previously served only as directed by the presbytery and provide pastoral services to members of other congregations only with the consent of their pastor(s); and*
17. *“I will consult with the Committee on Ministry in the presbytery of my residence regarding my involvement in any ministry setting during my retirement.”*

I. THE ROLE OF THE COMMITTEE ON MINISTRY. The Committee on Ministry is responsible to oversee the transitional process and to facilitate and coordinate this process with the pastor, session, and congregation following the dissolution of a pastoral relationship. When this is done with sensitivity and pastoral care, it can reduce the anxiety of all parties and help build the foundation for the next chapter in ministry for the congregation, former pastor, and new pastor. To this end, the COM shall take an active roll in all transitions, including implementing the following policies governing the relationship between the former pastor and the congregation.

First Steps: Immediately upon knowledge of a pastor’s (impending) departure, the COM shall arrange to meet with the Pastor and Session to introduce these policies and to initiate any actions necessary to meet the requirements of the policy.

- 1.1 Pastoral letter A pastoral letter regarding these guidelines and the implications of the changed relationship (especially the need for boundaries) shall be shared with the congregation prior to the departure (**or as soon thereafter as practical**) of the pastor who is leaving or retiring. It is best if such a letter is initiated, written, and presented by the pastor. It shall be read in the worship service as near as possible to the last Sunday the pastor is present and shall be printed in the congregational newsletter and/or distributed to all members.

Sample: “Just as I have cherished the pastoral relationship we have had, I also cherish for you the opportunity to form a new pastoral relationship with those who will fill this position in the future. For this reason, I ask you to respect the professional boundaries of ministry and not ask me to officiate for weddings, funerals, baptisms, to make pastoral calls, or to provide counsel regarding personal situations or the life of the congregation. After your new pastor has been called and been here for sufficient time to have assumed the mantle of pastoral leadership, and if he or she and the session wishes to invite me to participate on occasion in the life of the church, I will gladly do so in support of your new pastor. Please let him or her take the initiative. I want only the best for this congregation and will do all that I can to insure the future health of your ministry and not to weaken the ministry of your pastor. Please continue to honor our respect and affection for one another by honoring these guidelines.”

- 1.2 Remaining in the Presbytery. Former pastors, who remain as members within the bounds of the presbytery, shall negotiate with the Committee on Ministry a **“Boundaries Covenant”** enumerating acceptable and unacceptable behaviors of all parties (including family members, when applicable). This document shall be signed by the former pastor, Session, and COM. The successor shall receive a copy of this covenant. The covenant shall be reviewed and renewed at least every five years, or whenever there is a substantial change in circumstances. A model for such covenant is provided at the end of this document.

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- 1.3 Continued Care for Pastor Remaining in the Presbytery. When a former pastor remains in the Presbytery, and especially when they remain in the community of the congregation served, the Committee on Ministry shall continue to provide pastoral care for the former pastor, shall insure their continued welcome in the work and ministry of the Presbytery, and shall respect the years of service in the presbytery and former congregation. Committee on Ministry shall actively engage in assisting the newly installed pastor to establish a healthy relationship with the former pastor.
- 1.4 Failing to Honor Covenantal Agreements If a teaching elder, even when retired, fails to honor the practices outlined in this policy and/or will not cooperate with the Committee on Ministry in establishing appropriate and acceptable behavior, the teaching elder may be subject to removal from the rolls of the presbytery according to the provisions of G-2.0509 (“Renunciation of Jurisdiction”).

II. THE ROLE OF THE FORMER PASTOR:

- 2.1 Pastoral Relationship Ends with Dissolution of the Relationship. The former Pastor shall cease all pastoral activity and services in and with the congregation served as of the termination date of their Call.

For this reason, the departing pastor should use every opportunity, prior to the last day of the relationship, to prepare the congregation for separation. This can include sermons, devotions, home visits, newsletters, devotions for meetings, sacraments, etc.
- 2.2 The “No Contact Norm” Former pastors shall not, except as provided in the “Boundaries Covenant,” perform pastoral functions at or for their former congregation until the end of the first year following their successor’s installation. Due care should be taken not to influence, directly or indirectly, through spoken, written, or electronic communication, the selection of groups chosen to nominate a successor, the selection of the successor, or the policies and practices of the successor. The former pastor best honors his or her ordination vows by exercising self-restraint regarding the business and spiritual well-being of the congregation. He/she may maintain friendships³ with members of the congregation but must avoid spoken, written, or electronic conversations regarding policies, practices, people, or programs of that congregation insofar as they might be perceived as attempting to influence decisions or relationships within that congregation. Under no circumstances may the former pastor make public statements or offer opinions critical of the interim or new pastor or pastoral staff.
- 2.3 The “No Triangling Norm” Former pastors should never tell a member of their former congregation that they can perform services only at the request of the present pastor. This places an unfair burden on the current pastor. An appropriate response, firmly communicated, is “*For the continued health of the congregation, it is inappropriate for me to perform any pastoral function now that I am no longer the pastor.*” If they do not accept this answer, it is best to refer them to the Stated Clerk or Moderator of Committee on Ministry for an interpretation of the policy.
- 2.4 Participate by Invitation Only. The former pastor may accept invitations to preach in the former congregation, to assist or substitute for the installed pastor, or engage in pastoral activities **after the new pastor has been installed for at least one year.** If the former pastor is approached prior to contact being made with the present pastor,

³ It is important that “friends” understand that the pastoral relationship has come to an end. It does not mean the friendship has to also. Friendships are priceless and are to be preserved, but the pastor must be clear about the new boundaries to prevent the friendship from becoming confused. No pastoral functioning is appropriate: weddings, funerals, chaplain type hospital visits, baptisms, etc.

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an appropriate response is “_____ (name) is now your pastor. It is inappropriate to continue this conversation until he/she has been consulted.”

[It is incumbent upon the former pastor to notify the interim or successor whenever such a request is received.]

- 2.5 Former Pastor and the Community: By virtue of their profession, interests, and family ties, former pastors may have actively participated in civic, ecumenical, educational, or governmental agencies within the larger community, often serving on boards or volunteering their time. The former pastor may desire these affiliations to continue beyond the end of his/her service to the congregation. Continuing as a member, attending functions as a participant, and/or volunteering in a non-pastoral role are appropriate, provided it is made clear that the former pastor’s participation is no longer associated with their previous position as an installed teaching elder or pastor of a specific congregation. However, given the power of the role and out of respect for the new boundaries that need to be established, former pastors should not, for at least one year after the installation of the new called pastor, perform any pastoral functions or role in the community that would be seen as functioning in a pastoral role **unless provisions for doing so are specifically mentioned in the “Boundaries Covenant” with the Presbytery.**
- 2.6 Pastor Emeritus. When a pastor retires from a congregation, the congregation may bestow upon him or her, the honorary title of “*Pastor Emeritus*” to convey their affection and gratitude. This may be done only after consultation with the Committee on Ministry, is subject to approval by the Presbytery, and takes effect only upon dissolution of the pastoral relationship. Former pastors are reminded that, even in this situation, the pastoral relationship has been dissolved—the relationship to the congregation AS PASTOR has ended and there are no responsibilities, expectations, or privileges attached to this title.
- 2.7 Family Members. Ordinarily, the presbytery has no jurisdiction over family members of the former pastor. However, if tensions emerge between the Session and/or subsequent pastor(s) and the former pastor (including the role of the former pastor’s spouse and/or family in the life of the congregation), the Committee on Ministry shall mediate and may determine it is in the best interests of all parties for the former pastor (and spouse and/or family) to establish a relationship with another congregation. Good judgment and restraint will go a long way toward preventing such situations. If specific concerns need to be addressed, they should be included in the “Boundaries Covenant.”
- 2.8 Former pastors and their family shall have access to the Committee on Ministry to assist in mediating situations where the new pastor is unable or unwilling to relate positively to a former pastor who continues to live in the community.

Special care shall be taken to clarify procedures for mediating any difficulties that MAY arise from behaviors of the former pastor, the new pastor, or the congregation.

III. THE ROLE OF SESSION AND CONGREGATION

With the departure of the former pastor, it is the responsibility of the Session to continue to communicate and interpret these policies to the congregation. This continues even after the new pastor is called and installed

- 3.1 If situations arise where these policies must be applied, the Session is expected to assist all parties in doing so in a fair, compassionate, and pastoral manner
- 3.1.1 This includes arranging for a meeting early in the newly installed teaching elder’s term, including a representative of the Committee on Ministry, to

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review this policy, the Covenant agreement, and the role of the Session in assisting the newly installed pastor in implementing the policy.

- 3.2 The Session It is the Session's responsibility to mediate when the congregation or former pastor does not respect the boundaries established under these policies or the Covenant Agreement. The Session should seek the assistance of the Presbytery and/or the Committee on Ministry in interpreting and mediating such situations.
- 3.3 The Congregation. Until such time as the newly installed pastor has had time to establish his or her leadership role, the congregation should be regularly reminded of the boundaries established under these policies and the "Boundaries Covenant." It is unfair to expect the newly installed pastor to have to interpret or enforce them.
- 3.4 When a pastoral relationship with a congregation ends, there are bonds of affection that continue to be cherished and valued. Friendships continue, but the professional pastoral relationship ends. In order to avoid difficult situations and to encourage the new pastoral relationship that needs to be established, Los Ranchos Presbytery requests that Session regularly remind the congregation of G-2.0905, "After the dissolution of the pastoral relationship, former pastors and associate pastors shall not provide their pastoral service to members of their former congregations without the invitation of the moderator of Session."

Also see "No Contact Norm" on page 3.

IV. THE NEWLY INSTALLED PASTOR

While the above policies are intended primarily to protect the congregation and newly installed pastor from inappropriate and unhealthy relationships with and by the former pastor, it is also incumbent upon the newly installed pastor to recognize the potential benefits of a healthy relationship with a former pastor, especially when that pastor remains in the community. The former pastor has information, relationships, history, and influence that can facilitate the leadership transition when applied in a pastorally sensitive manner. The newly installed pastor is thus encouraged to work with the Session and Committee on Ministry to take whatever steps are necessary to ensure that a positive working relationship is established with the former pastor.

BOUNDARIES COVENANT
Presbytery of Los Ranchos

{Normally this Covenant will be read and signed during a service of worship of the congregation. Copies shall be kept by the Pastor, Clerk of Session, and Presbytery.}

This covenant will guide the future relationship between the Rev. _____ (hereafter referred to as "the pastor") and the _____ Presbyterian Church of _____, California (hereafter referred to as "the church") who both understand and accept the terms of this covenant in order that the relationships with new pastoral staff can develop in positive ways.

This covenant is designed to set healthy boundaries in the process of separation from any further pastoral duties as of _____. Both Pastor & Session (on behalf of the congregation) mutually agree to support the following conditions of the covenant:

- 8. As of the above date, the pastor will relinquish all pastoral and administrative duties and will no longer function as part of the pastoral or administrative team of the church.
- 9. The pastor is determined to be supportive of future pastoral and lay leadership of the church and will refuse to receive or participate in any negative comments, conversations or activities that might undermine any program or person of the church.
- 10. Any future contacts that may occur between the pastor and the congregation will be as friends and not in a pastor/parishioner relationship. The pastor will not participate in any weddings, funerals, baptisms, nor engage in any hospital or pastoral visitation or serving of Holy Communion until at least one year after the installation of the new pastor. This is intended to allow the new pastoral relationship to develop.

[Exceptions to this provision must be agreed to prior to signing this Covenant.]

This covenant is offered to the church for the sole purpose of strengthening the ministry of the church in the future. It grows out of a deep gratitude for the special relationship that develops between pastor and congregation.

In signing, the parties indicate a commitment to abide by the above "Boundaries Covenant" and that they have received, understand, and will abide by the "Separation Ethics" policy of the Presbytery of Los Ranchos.

_____ Clerk of Session
 _____ The Pastor
 _____ Moderator of Committee on Ministry
 _____ Stated Clerk of Presbytery
 _____ Next Installed Pastor
 _____ Date Signed

Are there addendums to the Boundaries Covenant that have been approved? YES ___ NO ___

If yes, please attach them.

APPENDIX VI-A

**PERSONNEL POLICIES
FOR CLERGY**

(aka Clergy Policies)

OF

THE PRESBYTERY OF LOS RANCHOS

PERSONNEL POLICIES FOR CLERGY

(aka Clergy Policies)

PRESBYTERY OF LOS RANCHOS

These policies have been developed as a means of providing for the Sessions of the Los Ranchos Presbytery, a uniform set of personnel policies to guide them in their relationships with their pastors.

The policies were developed at the request of the Committee on Ministry by a special task force of five Elders, representing various churches in the Presbytery, and one clergy advisor, representing the Committee on Ministry.

In the policies we have used the term "pastor" to include all pastors and associate pastors.

WHERE THE TERMS "SHALL" OR "WILL" APPEAR, THIS SHALL BE SEEN AS PRESBYTERY POLICY.

WHERE THE TERM "MAY" APPEARS,, THIS SHALL BE SEEN AS SUGGESTIVE ONLY.

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PERSONNEL POLICIES FOR CLERGY

Presbytery of Los Ranchos

I. SALARY

Basic Considerations

When a pastor is called to a church, the local church in the Call promises the pastor a fair salary so that the pastor may "devote herself/himself full time to the ministry of the Word among us.

"The Session further promises and obligates itself" to review with the pastor annually the adequacy of this compensation. (**Book of Order, G.14-0506**) This review shall be recorded in the Session and Congregation minutes. (Book of Order, G-7.0302.a)

1. The church needs to recognize that the typical Presbyterian pastor graduating from seminary has completed training equivalent in other professional fields to a Master's Degree or a Doctor's Degree.
2. Many pastors come from seminary carrying heavy tuition indebtedness. Committees calling pastors should discuss with them the implication for repaying these loans and how that fits into proposed salaries.
3. Pastors typically work a minimum of fifty (50) hours per week. Some will work 60-70 hours per week. This is a heavy drain on time and energy, often taking the pastor away from critical family needs. Local churches must consider with their pastors the level of stress which may be placed upon the pastoral family resulting from inadequate salary levels.
4. Sessions must stress the importance of adequate stewardship by all members of the church to sustain a fair salary for the pastor. They should not make the pastor carry the burden of poor congregational stewardship.
5. Sessions of our Presbytery should recognize that the cost of housing in this presbytery is among the highest in the nation.
6. Pastors need to recognize their calls are calls of "servanthood to God" and not of financial gain. There is a balance which pastors and churches must maintain between what is needed for the pastor to work in the ministry of the church, and what the local church can support
7. Guidelines for Salary Levels
 - a. Each year the Presbytery establishes a minimum salary level for all full-time pastors. **NO SALARY SHALL BE BELOW THIS LEVEL.** For information on what this minimum level is, please call the Presbytery office. (714) 956-3691
 - b. The Presbytery publishes annually the salary level of pastors within the Presbytery according to the size of the church. This is a helpful guide for comparisons.
 - c. For those churches which have exhausted all other means to maintain the minimum salary level established by Presbytery, they may apply to the Executive Presbyter for aid from the Presbytery Supplement Samaritan Fund.
 - d. Part-time Clergy Compensation:

In accordance with California Labor Code, new requirements have been implemented effective January 2000. The code requires that any individual employed in a salaried part-time position must be paid a monthly salary equivalent to at least twice the minimum wage for full time employment; this minimum is not pro-rated for part-time work. (The required salary is set as a multiple of the minimum wage, so future increases in the state minimum wage will result in corresponding increases in the threshold salary.)

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Therefore, if part-time clergy are compensated less than this minimum amount monthly, then they cannot be compensated on a salaried basis. They must be paid on an hourly basis and they must maintain a time sheet and be paid for actual hours worked.

8. Tax Reporting Requirements

Our denomination considers the majority of our clergy to be employees for Federal Income Tax purposes, and as such, a W-2 should be issued. This does not mean that the clergy are employees for Social Security Tax purposes (see Section V, Social Security/Self-Employment Tax).

II. HOUSING

Important Considerations

1. The Personnel Committee needs to recognize that the housing costs in the Los Angeles and Orange County areas are among the highest in the nation, both for rental and purchase.
2. There is great value in having the pastor living within and identifying with the same parish community in which most of the members live. The Session's Personnel Committee needs to think through carefully the question of what is equitable for a pastor and family to live within the geographical parish area.
3. Most housing costs now consume more than 40% of the total family income.

Basic Guidelines

1. Under the Internal Revenue Code, an ordained pastor may exclude any housing allowance from income for tax purposes, if it is designated *in advance* and paid as part of compensation when that allowance is used for:
 - a. Rent of a home.
 - b. Purchase of a home, including down payment, mortgage, legal fees, fees for searching the title, installment payments, interest, taxes, fire and home liability insurance premiums, repairs, etc.
 - c. Expenses for maintaining a home (other than for costs of food) such as utilities, furnishings, repairs, cleaning services, and landscaping.
2. The Internal Revenue Service has ruled that an ordained pastor may exclude from her/his gross income "only an amount equal to the fair rental value of the home, including furnishings and appurtenances such as garage, plus the cost of utilities" or can exclude "the amount of compensation used for: (1) furnishings, running expenses and real estate taxes to the extent they do not exceed the fair rental value and, (2) utilities."
3. Prior to the last session meeting of each year, each pastor shall complete and submit to her/his Personnel Committee a request for an appropriate housing allowance for the coming year. Based upon this data the Personnel Committee and the Session will approve specific amounts to be designated for housing allowance for the up-coming year for each pastor. THIS ACTION SHALL BE RECORDED IN THE SESSION MINUTES.
4. If the total amount designated for housing allowance is not fully used for housing it is the pastor's responsibility to include the balance as gross income in computing tax liability for the year in which it is received.
5. If the church provides a manse, it shall be attractive, modern, well-arranged and large enough for the pastor's family needs. There should be a committee of the Session or Trustees to work with the pastor (and spouse) to see that the manse is well maintained.

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- a. If a manse is provided, the Personnel Committee shall think through some provision, such as an annuity, for the pastor to develop a savings plan to provide for housing when the pastor retires, there being no possibility of building equity in a manse.
- b. If a manse is provided, the Board of Pensions requires an amount be added to effective salary for the calculation of dues. Contact the Board of Pensions for details at 1-800-PRESPLAN.

III. RELOCATION ASSISTANCE

The Presbytery of Los Ranchos requires congregations to assist clergy with moving expenses.

The church will reimburse clergy for certain expenses. The reimbursement policies are based on IRS conditions for deductible expenses. The schedule of allowance and assistance is as follows:

NON-TAXABLE REIMBURSEMENTS

- a. moving costs up to a limit of 12,000 pounds of packing and crating household goods and personal effects;
- b. in-transit insurance;
- c. temporary storage up to a limit of one year;
- d. moving costs for one personal car;

TAXABLE REIMBURSEMENTS

- e. house hunting travel expenses for the pastor and spouse (one round trip covering a period not to exceed 5 days) including lodging and meals;
- f. transfer travel expenses for final trip of the family (based on air travel);
- g. temporary housing expenses at the new location (not to exceed 30 days);
- h. If the church reimburses the pastor for the cost of selling old residence, cost of buying or leasing new residence and/or terminating old lease (up to \$4,000), it is a taxable reimbursement.

The expenses noted in "h" above include attorney's fees, escrow fees, appraisal fees, real estate agent's commissions, title costs, and "points" paid for service other than interest.

IV. HOUSING ASSISTANCE

Pastors who are moving into the area may require assistance in the purchase of a home. Sessions may wish to consider entering into an agreement with the pastor for either second mortgages and/or swing loans. (short term between closings of buying and selling escrows).

Such loans shall be given to the pastor upon approval of the Session **and the Presbytery Committee on Ministry** and are permitted only to the extent that the funds are necessary to complete the down payment required on a home or to supplement the primary mortgage. It is expected that the pastor will use all other means to provide financing before seeking such assistance.

Such loans are not transferable by the pastor and shall be payable in full if the pastor sells the home prior to the scheduled repayment date of the loans, or **within six months from the time of the dissolution** of the pastoral relationship. These loans must be interest bearing. If a church waives the interest due in any year, a taxable event occurs for the pastor. The amount of interest forgiven must be added to the pastor's salary and reported on the W2.

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V. PROFESSIONAL COSTS

Many pastors experience professional costs other than car expenses and study leave expenses. Sessions may want to establish a separate "professional cost" category which would include such items as:

1. Attendance at Presbytery, Synod, General Assembly.
2. Attendance at professional conferences.
3. Books and professional journals which are used as essential tools for ministry.
4. Administrative costs for such items as meetings, special retreats and personnel expenses for the staff when involved in carrying out their duties.

VI. SELF-EMPLOYMENT TAX/SOCIAL SECURITY

1. Pastors are considered by the Internal Revenue Service as "self-employed" for Social Security purposes, and therefore the entire Social Security tax is to be paid by the pastor. This is referred to as "Self-Employment Tax."
2. The base upon which a pastor pays Self-Employment Tax (Social Security) includes:
 - a. Cash salary
 - b. Housing allowance
 - c. Utilities and other Internal Revenue Service allowable expenses if paid separately from housing
3. Since the pastor is self-employed, the church cannot withhold Social Security tax from the pastor's compensation. Many churches do reimburse the pastor a percentage of the self-employment (Social Security) tax. If the pastor desires, the church may deduct an amount each pay day to be remitted to the pastor quarterly for payment of estimated taxes OR paid directly to the taxing agency as income tax withholding.

100% of any self-employment tax reimbursement amount paid to the pastor must be added to the total salary upon which income taxes and Self-Employment Taxes are to be paid.

4. For current rates and earnings limits for Self-Employment tax, contact the local Internal Revenue Service office.
5. Some pastors have filed with the Internal Revenue Service to be exempt from Social Security payments. It should be noted:
 - a. Participation in Social Security is now obligatory unless one objects to participation by reason of religious principle or conscience. Financial considerations are not a legal basis for waiving participation (i.e. feeling that one would be financially ahead by investing in another program.)
 - b. A member of the Presbyterian Pension Plan, who does not participate in Social Security and is not eligible for Medicare Part A and Part B will not be eligible for the Board's Medicare Supplement coverage after retirement.

VII. PENSION-MAJOR MEDICAL

The Call of each pastor requires that she/he shall be enrolled in the Board of Pension's pension and major medical plan of the Presbyterian Church (USA).

The Session shall remit QUARTERLY to the Board of Pensions the required dues based upon the following:

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- a. \$ _____ Annual cash salary
- b. \$ _____ Housing allowance
- c. \$ _____ Deferred compensation
- d. \$ _____ Utility and furnishing allowances
- e. \$ _____ Bonuses, unvouchered allowances, gifts from employer
- f. \$ _____ Other allowances (e.g., medical deductibles, SECA allowances in excess of 50% of estimated obligation, etc.)
- g. \$ _____ Manse amount (must be at least 30% of lines a-f for Members who qualify for the IRS housing allowance exclusion)

Failure to make the required quarterly payment seriously jeopardizes the pastor's retirement benefits. Aid-receiving churches which are in arrears TWO quarters or more will have pension dues deducted from their monthly check.

The percentage of dues paid on the pastor's total salary is established by the Board of Pensions. The Presbytery office will have this information.

If the church pulpit is vacant due to the leaving of a pastor, there is a fixed percentage established by the Board of Pensions which shall be remitted. This is referred to as Vacancy Dues and is currently 12%. Churches which are in arrears in vacancy dues or pension payments will not be allowed to call an installed pastor.

Churches employing retired pastors should check with the Board of Pensions regarding required post-retirement payments.

All local churches and pastors should have a copy of the **Terms of the Benefits Plan of the Presbyterian Church (USA)**. This may be secured from the Board of Pensions. Call the presbytery office for the name and phone number of the area representative.

Pastors are reminded that a Board of Pensions Service/Salary Change form be completed any time there is a change in the terms of call.

VIII. MEDICAL REIMBURSEMENT

Because the Major Medical Plan of the Board of Pensions does not fully reimburse a pastor for medical expenses, many churches have established a medical reimbursement fund upon which the pastors and their families may draw each year. If a church wishes to follow this practice, the amount of the fund shall be established annually, as a part of the annual compensation review. The fund shall be used only for the same type of deductibles which are covered by the Major Medical Plan of the Board of Pensions. Unused funds at the end of each year, or at the dissolution of the pastoral relationship, remain with the church.

IX. MATERNITY-PATERNITY LEAVE

In addition to other benefits, a pastor is entitled to a leave in the period immediately prior to and following the arrival (birth, adoption, or guardianship) of a child as follows:

1. The pastor(s) shall apply for the leave at least one month in advance of the expected arrival of the child, specifying the amount of time desired. The leave ordinarily should be unbroken, except for any period absence caused by medical problems.
2. If the pastor is female and the primary care-giver, the leave may be up to four (4) months. The leave may include a period of time in advance of the expected arrival and also a period of time following the arrival.

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The first month of the leave will be at full pay. The remaining leave will be at seventy-five (75%) percent of the pastor's salary (cash salary, housing and utilities).

3. If the pastor is male and the secondary care-giver a leave may be granted upon approval of the Session of up to 30 days. The leave may include a period of time in advance of the expected arrival and also a period of time following the arrival.

Compensation for the leave will be at 100% of the pastor's salary (cash salary, housing and utilities).

4. Any approved leave beyond the employer's reimbursement period may be without pay.
5. Upon completion of the leave, the pastor will be entitled to return to their position. The position will not be filled during the leave except on a temporary basis.
6. Any salary increase action for which the pastor(s) may become eligible in the course of the leave will be effective upon return to employment.

X. SICK LEAVE

Pastors will receive twelve (12) working days of sick leave each calendar year cumulative up to 120 days to be used in case of illness.

At the time of termination of employment a pastor shall have no claims for pay in lieu of unused sick leave.

The certification of a medical doctor may be required for the payment of sick leave benefits.

XI. DISABILITY BENEFITS

If a pastor remains disabled by illness or injury after exhausting all accumulated paid sick leave benefits, the pastor will also be entitled to the following:

1. A pastor is eligible for disability benefits as a participating member of the Benefits Plan of the Presbyterian Church (USA). Disability benefits commence after 90 days of disability.

Disability benefits equal 60% of the pastor's effective salary on the date disability began.

2. Churches are responsible for the pastor's compensation for the first 90 days of disability. This should include pay for unused sick leave.
3. Benefit coverage (except vacation and sick leave accrual) and service credit will continue during the entire leave, with the cost of benefits paid by the church.
4. Upon completion of the pastor's disability leave, the pastor will be entitled to return to the position. The position will not be filled during the leave except on a temporary basis.
5. Any salary increase action for which the pastor may become eligible in the course of the leave will be effective upon return to employment.
6. These disability benefits are designed to meet the requirements of state governments which have legislated such benefits. For current information on disability benefits, contact the Board of Pensions area representative.

XII. WORKER'S COMPENSATION

All pastors in all churches shall be covered by worker's compensation insurance, in accordance with the laws of the State of California, to provide for benefits in case of an on-the-job accident.

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XIII. TRAVEL AND AUTO COSTS

A pastor's work includes much travel for hospital and home visitations, as well as travel for governing body responsibilities. These travel costs shall be reimbursed as part of the terms of the Call to the pastor. Auto expenses are not to be added to the 1099 or W-2 form if the reimbursement is done in accordance with an accountable reimbursement plan, but each pastor must account to the church for travel expenses.

Auto expenses are constantly increasing and such reimbursements should reflect this. It is recommended that the current I.R.S. mileage rate be established as the amount reimbursed. Reimbursement in excess of the I.R.S. mileage rate, must be added to the pastor's W-2 as additional compensation. For more information about accountable reimbursement plans, contact the Presbytery office.

XIV. PROFESSIONAL EVALUATION

Every pastor shall have an annual performance review with the Session's Personnel Committee. (A personnel committee shall consist of at least three members.)

The Session is also required by the **Book of Order** (G-10.0102) to review the adequacy of the pastor(s) salary. It is recommended this be done at a time separate from the performance review with several months between the two evaluations.

Such evaluations should be supportive and encouraging to help the effectiveness of the pastor. Criticism should be constructive. It is to be remembered that people function better under proper encouragement.

Each church shall have a current job description for each pastor, against which the pastor may be evaluated for work completed and effectiveness of her/his ministry.

Evaluation tools may be secured from the Presbytery office.

XV. STUDY LEAVE

A study leave of at least two weeks per year shall be provided for all full-time pastors as part of the terms of Call. Normally the study leave should be taken each year. The study leave may be accrued up to six weeks (three years). Unused study leave funds may be accumulated up to three years. Contact the Presbytery office for the minimum study leave allowance.

The purpose of the study leave is to enhance the professional abilities of the pastor which shall be mutually beneficial to both the pastor and the church. The goal is for self-development in the work of ministry and not for vacation, recreation, or leisure. Study leave should equip a pastor for the work not only in the local church, but the whole Church. Hence a study leave may have immediate and direct relevance broader than the current pastoral position.

Each pastor shall present the plans and rationale for each study leave to the Session for discussion, approval, and the timing of the leave.

In the event of termination of service, any accumulated study leave time and allowance shall be forfeited. Pay in lieu of this study leave will **not** be provided.

A written report of each study leave shall be given to the Session at the next meeting following the conclusion of the study leave.

Provision must be made in planning the study leave to cover the pastor's work during the absence.

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XVI. EXTENDED SABBATICAL LEAVE

To enable pastors to give extended study to subjects which will contribute to the work of their church and to their own technical or professional development, an extended sabbatical leave with salary continuation only may be granted within the following guidelines:

1. Ordinarily, the Pastor must have completed six (6) years of credited service in the local church, with the sabbatical leave to be taken in the seventh year of ministry. At the discretion of the session, sabbatical leave may be granted earlier.
2. At least seven years must have elapsed since any previous extended sabbatical leave.
3. A written plan of study with identified goals must be approved by the Session in consultation with the Presbytery Committee on Ministry. This must be done long enough in advance so that budget and staff needs will be met.
4. The maximum length of extended sabbatical leave will be four (4) months. It may be taken in conjunction with earned vacation within a particular year, but may not be combined with annual study leave since a pastor is not eligible for both types of leave within the same year.
5. The ongoing work of the particular church and its total functions will be primary factors in considering the granting of extended sabbatical leaves.
6. The local church may, but is not required to be financially responsible for the pastor's expenses of sabbatical leave.

XVII. VACATION

1. A vacation with pay is provided for all pastors. It is a necessary time of rest, refreshment, and relaxation for health and work performance.
2. It is the responsibility of the Personnel Committee and the pastor to see that vacation time is used annually in order to have an effective ministry.
3. Vacation is to be kept separate from study leave, attendance at conferences, or weekly days off.
4. Pastors are encouraged to take vacation in a large enough block of time (at least one week) for the refreshment which is necessary for effective renewal.
5. Pastors in Los Ranchos Presbytery have as part of their Call one month of vacation. This is to be defined as thirty (30) calendar days, including their normal days off during the vacation period.
6. The church shall be financially responsible for coverage of all pastoral functions including preaching.
7. The pastor shall not be called back for parish duties during this vacation period.
8. Vacation time may be accumulated up to a maximum of 60 days with the written permission of the Session. Once a maximum of 60 days has been accrued, there will be no future accruals of vacation time until some is used. Under no circumstances will more than 60 days of vacation time be allowed to accrue. Unused vacation benefits are payable in full to the date of the dissolution of the call.

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XVIII. WEEKLY TIME OFF

1. Pastors are expected to take at least one full, uninterrupted day off each week.
2. There has been an unusually heavy week, pastors are encouraged to take an extra day off during the next week to compensate. This is not considered vacation day.
3. The Committee on Ministry of the Presbytery considers a normal pastoral week to be fifty (50) hours.

XIX. HOLIDAYS

1. Holidays to be observed are:

New Year's Day
Martin Luther King, Jr. Birthday
President's Day
Good Friday
Memorial Day
Independence Day
Labor Day
Thanksgiving Day and the following Friday
Christmas Eve Day
Christmas Day
New Year's Eve Day

2. If a pastor works on a designated holiday, another day shall be recognized as a day off, to be scheduled within two weeks of the holiday.
3. When a holiday falls on a Saturday or Sunday, it will be observed as a holiday on the nearest Friday or Monday respectively.
4. When a holiday occurs on a pastor's day off, it will be observed either the day before or the day following.

XX. PULPIT SUPPLY FEE

1. The church shall establish an adequate budget reserve to cover the costs of a substitute for the pastor when required during periods of vacation, study leave, and other absences.
2. A guest preacher shall be reimbursed for travel expenses in addition to a minimum honorarium of \$100.00.

XXI. FEES FOR BAPTISM, WEDDINGS AND FUNERALS/MEMORIAL SERVICES

Pastors should not expect any compensation from church members for performing baptisms, weddings, funerals or memorials.

XXII. SAVINGS PLANS AND ANNUITIES

The local church and pastor may wish to enter into some type of arrangement whereby money is withheld from the pastor's salary and placed into a long-range savings plan.

There are various tax-sheltered plans and annuities which are available for such purposes. One specific plan has been designated by the Internal Revenue Service as a "Tax-sheltered Annuity Program for Employees of Public Schools and Certain Tax-exempt Organizations."

Tax code provisions of any such plan must be closely followed by the Session and the pastor.