

LETTER OF AGREEMENT

among

_____ Church

and

the Ecclesiastical Authority of the Diocese of El Camino Real

and

The Reverend _____

who has been elected as

Rector of _____ Church

_____, California

effective _____

with the concurrence of the Bishop/Ecclesiastical Authority of the Diocese of El Camino Real, to serve with the understanding that this tenure is to continue, in accordance with the Canons of the Episcopal Church and the Canons of the Diocese of El Camino Real, until such time as it is dissolved, by mutual consent or by arbitration and decision as provided by the Canons of the Episcopal Church.

The members of _____ Church agree that the relationship between the Rector and the congregation shall be one in which they are joined together in a venture and bond of common faith and purpose. The Rector shall lead as presbyter, sharing in the councils of this congregation and of the whole church, in communion with our Bishop. It is our understanding that _____ Church is a baptismal community, the Body of Christ, in which each person is given gifts to do God's work. Therefore, the Rector shall support the members of the congregation in living out their baptismal ministry of bearing witness to Christ and carrying on His work of reconciliation in the world. In particular, the Rector is expected to be with the congregation to proclaim the Gospel, to administer the sacraments, and to bless and declare pardon in the name of God. The Rector's work includes not only activities directed to this congregation and its well being, but also activities on behalf of the Diocese and the community.

The ministry of the Rector is outlined in the goals and expectations developed during the search process. They will be reviewed within the first year, when a Position Description will be developed and approved by the Rector and the Vestry. When completed, the Position Description shall be considered a part of this Letter of Agreement.

1. Times of Work and Leave

1.1 The Rector's scheduled work week is five days, usually measured as ten to twelve units of mornings, afternoons, and evenings in various combinations reflecting the demands of this ministry. In general, no more than three evenings per week are expected. The Rector is expected to preserve at least one continuous twenty-four hour period each week solely for personal and family use.

1.2 The Rector will have the following periods of leave at full compensation:

- 1.2.1 *[Eleven or Twelve]* national holidays, to be taken so as not to interfere with worship on major occasions.
- 1.2.2 Four full weeks of annual vacation which shall include *[four/five – choose]* Sundays. Vacation is not cumulative and new vacation will not be earned until prior vacation has been taken.
- 1.2.3 At least one week of continuing education leave each year, which may not be accrued nor paid as compensation.
- 1.2.4 *[One is a minimum and up to four has been given; three weeks accrual a year is recommended, to be taken after the fourth year]* week/s per year of service in this congregation for sabbatical leave, to be available after the third year, and cumulative through the sixth year, but not carried over thereafter without agreement by the Vestry. Sabbatical leave is for the welfare of both the Rector and the parish and is to be taken during the tenure of the Rector, not at termination, and will not be paid as compensation. Sabbatical arrangements shall be made well in advance in consultation with the Vestry, to insure benefits for the congregation as well as for the Rector. The anticipated expenses incurred by the parish for sabbatical time should be planned by the Vestry well in advance of leave-taking.
- 1.2.5 In the event of illness, injury, or disability, salary will be continued according to the Diocesan short and long term disability plans. A physician's certificate may be required.
- 1.2.6 In addition to mandated clergy conference and clergy days, up to six days of spiritual retreat is provided, not to include a Sunday.

2. Compensation

2.1 The Rector's compensation package will be reviewed and adjusted each year to reflect comparable salaries in the geographic area and at least the minimum salary schedule voted by Diocesan convention.

2.2 Cash Stipend: The Rector's annual cash stipend will be \$_____ per year.

2.3 Housing:

2.3.1 If there is a Rectory.

The Rector shall have full use of the Rectory and grounds as his/her personal residence. No activities will be planned at the Rectory without the invitation of the Rector's household. Expenses connected with the Rectory shall be as follows:

- Utilities shall be contracted for and paid directly by the Rector, including telephone
- Expenses for repair, remodeling and major appliances shall be paid by the parish in accordance with an annual plan and budget mutually agreed upon by the Rector and Vestry. Within that plan and budget, the Rector may authorize emergency expenditures, up to \$_____ per month, reporting them within ten days to the Vestry. Rector shall not undertake any remodeling or renovation without prior written consent of the Vestry.
- Maintenance of Rectory grounds (such as lawn care) is at the expense of the parish. Major alterations to the basic landscaping plan, and any grounds maintenance items shall be cleared through the Vestry

2.3.2 If there is a Housing Allowance.

If the Rector does not live in church provided housing, a portion of the Rector's cash salary shall be designated as a housing allowance and duly noted in Vestry minutes. The allowance is defined under Section 107 of the Federal Internal Revenue code.

3 Benefits

The parish shall pay the following benefits:

- Church Pension Fund assessment
- Group life, medical, dental insurance through the group plan provided by the Diocese, unless waived by mutual agreement. If equivalent or better medical and dental insurance is provided independently through the employment of the Rector's spouse, or otherwise, the Rector may sign a release to waive coverage under the Diocesan plan. The Vestry will not provide duplicate coverage nor payment in lieu of coverage. If at any time the Rector revokes the waiver, the Vestry will provide coverage through the Diocesan group plan, subject to the plan's qualifying process.
- Weekly and long-term disability insurance as provided in the diocesan group plan.

4 Expenses

The Vestry shall arrange for payment of the following expenses incurred by the Rector in fulfilling the duties of the position:

- 4.1 Travel reimbursement involving personal auto use at the rate established annually by the Internal Revenue Service, plus actual costs of parking fees, tolls, and related travel expenses, the maximum of which shall not exceed an amount designated in the annual operating budget of the parish
- 4.2 The normal expenses of the church's office operation, such as telephone, postage, office equipment, supplies, and secretarial services, the maximum of which shall not exceed an amount designated in the annual operating budget of the congregation.
- 4.3 Reasonable cell phone and computer expenses will be negotiated and documented according to the parish's need.
- 4.4 A non-accumulating continuing education allowance of \$_____ per year.
- 4.5 Church computer with e-mail/internet service.

5. Discretionary Fund

In accordance with the Canons of the General Convention, a parish account, known as the Rector's Discretionary Fund, is to be established under the Rector's control. The Rector will manage the Fund in accordance with the guidelines adopted by the Finance Committee of the Diocese. The Vestry shall provide for an annual audit of the fund by a professional auditor.

6. Supplementary Compensation

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

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

The Rector may engage in income-producing activities up to a total of _____ days per month, unless taken as vacation, but not to the extent that such activities interfere with parish duties as outlined in this agreement. The Rector shall advise the Vestry in advance of such income-producing activities.

7. Use of Buildings

In addition to the use and control of the church and its buildings for the duties and ministries of the Rector, as provided by canon law, the Rector shall have the right to grant use of buildings to individuals or groups from outside the parish, following guidelines approved by both the Rector and the Vestry.

8. Staff Policy

The parish staff work at the discretion and under the supervision of the Rector. Their roles, duties, and expectations will be reviewed and renegotiated within the first year of the Rector's tenure. The Rector shall seek advice for this function from a personnel committee formed by the Vestry.

9. Mutual Ministry Review

The Rector and Vestry agree to an annual discussion and mutual review of the total ministry of the congregation and may wish to engage a third party to facilitate that process. The results of this review will be reported in writing to the Bishop/Ecclesiastical Authority. The purpose of this review is to:

1. Provide the Rector and Vestry the opportunity to assess how well they are fulfilling their responsibilities to each other and to the ministries they share;
2. Evaluate goals set at the previous mutual ministry review;
3. Establish goals for the work of the congregation for the coming year;
4. Isolate areas of conflict or disappointment that have not received adequate attention and may be adversely affecting mutual ministry; and
5. Clarify expectations of all parties so that future conflicts may be diminished or avoided.

10. Annual Evaluation

10.1. The Rector, Wardens, and Vestry recognize and affirm the fact that Clergy Evaluation is an entirely separate process from the Mutual Ministry Review, and that the Rector is entitled to an Annual Performance Evaluation. This process is designed to focus on his/her own personal gifts and skills, their effectiveness in applying those gifts to the stated demands of their particular ministries, and the identification of areas for future goals and professional development.

10.2 It is further recognized that meaningful evaluation is extraordinarily difficult without the previous existence of specific, clear, measurable, and achievable, goals. Initially, this will be based on the Position Description as described in the Preamble, and the responsibilities of the Rector as agreed between the Rector and Vestry and attached hereto. Future modifications to that description are to be by mutual agreement of the Rector, the Wardens, and Vestry.

10.3 The review will occur at least annually, on the basis of goals and expectations set at the time of his/her appointment. These reviews are principally for the purpose of goal review, goal-setting and professional and personal development, and will normally cover the following items:

10.3.1. What are the goals and expectations of the Rector as presently understood?

10.3.2. What are the roles and tasks of the Vestry (or others) in accomplishing the goals?

10.3.3. How well have the previously set goals been met?

10.3.4. What goals and expectations will be set for the next year?

10.4 The Annual Performance Evaluation Process should be conducted or overseen by the Wardens or by the appropriate supervisory group, and the findings and recommendations communicated in a meeting between the Wardens and the Rector.

11 Other Agreements

- 11.1 All moving expenses and travel expenses incurred in making the move from _____ to _____ shall be paid by the parish. The maximum amount agreed upon is \$_____. Moving expenses shall include family travel, transporting household goods, and reasonable temporary accommodations during the move.
- 11.2 The Rector shall begin duties in the congregation no later than _____ unless delayed by adverse circumstances approved by the Vestry. All pay and benefits shall become effective on this or the revised date.
- 11.3 This Letter of Agreement shall be made part of the minutes of the next Vestry meeting following its signing, and copies shall be given to each new member of the Vestry in succeeding years.
- 11.4 [In the event of the Rector’s death, the Vestry agrees to continue payment of premiums for the Rector’s surviving direct dependents (who were previously covered under Diocesan medical/dental policies and otherwise continue to be eligible) for a period permitted by the diocesan group policy.]
- 11.5 The Rector shall participate, or have participated, in six hours of Safe Church Training (or successor program as adopted by the Episcopal Church). The training must be renewed every three years.
- 11.6 Should the Rector and Vestry disagree in the interpretation of the provisions delineated in the Letter of Agreement, either party shall appeal to the Bishop for mediation. The decision of the Bishop will be final.

11 Revision

This letter may be revised only by mutual agreement and in writing at the time of the annual ministry review. The annual compensation and expense revisions will be mutually agreed upon in a separate document with wardens and Vestry.

Rector

Date

Senior Warden

Date

Bishop/Ecclesiastical Authority

Date