

Diocese of Easton
+
Letter of Agreement

between

the Vestry of

and

The Reverend _____

Who has been selected as Rector, with the understanding that this shall continue until dissolved by mutual consent or by arbitration and decision as provided by the relevant Canons of the General Convention and of the Diocese of Easton.

The respective roles of Vestry and Rector are broadly defined by the Canons of the General Convention and may be modified by Canons of the Diocese of Easton and the laws of the State of Maryland. All ministries other than those reserved to ordained leadership (such as administering the sacraments) are understood as shared by the Rector and laity of the parish and shall be carried out in a mutually supportive manner.

PREAMBLE

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

This ministry will be further described in a Position Description which meets the mutual approval of the Rector, Wardens and Vestry. This Position Description shall be considered a part of this Letter of Agreement.

SECTION A – TIMES OF WORK AND LEAVE

The Rector's work includes not only activities directed to the Parish and its well-being, but also labors on behalf of the Diocese and community. The Rector's scheduled work-week shall be five days. In general, no more than three evenings of work activities 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. The Rector shall have the following periods of leave at full compensation:
 - a. National Holidays, to be taken on the day set or on a substitute date so as not to interfere with worship or other major Church activities.
 - b. Annual vacation of one month, which shall include up to five Sundays.
 - c. Two weeks annually of Professional Development Leave.
 - d. Sabbatical arrangements, which shall be made with full consultation of the Vestry in accordance with Diocesan guidelines. (While on Sabbatical Leave, the Rector shall be entitled to full compensation, allowances and benefits. Sabbatical Leave shall be granted upon approval by the Bishop and the Vestry.)

SECTION B – COMPENSATION

1. The Vestry agrees to meet the minimum compensation policies of the Diocese of Easton.
2. The Rector’s annual cash stipend shall be \$____.____, paid bi-weekly on the 15th and on the last day of each month. This salary shall be reviewed and adjusted annually as provided in the Compensation Guidelines in the Diocese of Easton, with adjustments made based on merit and changes in the Consumer Price Index.
3. The Rector is considered to be “self-employed” for Social Security purposes. *Church* will pay to the Rector an amount equal to one-half of the Rector’s SECA tax. This cash amount is taxable income to the Rector.
4. The Rector shall have full use of the Rectory including utilities. Expenses for repair and/or remodeling shall be paid by the parish in accordance with an annual plan and budget mutually agreed to by the Rector and Vestry. No parish activities will be planned in such housing without the invitation of the Rector’s household.
5. The Vestry shall pay the Church Pension Fund assessment on the sum of the Rector’s annual remuneration package, in accordance with the formula established by the Church Pension Fund.

SECTION C – ALLOWANCES AND BENEFITS

1. The Rector shall receive a Professional Expense Reimbursement of \$____.____ annually for books, periodicals, travel and other professional expenses. Reimbursement for travel will be

at the rate allowed by the Internal Revenue Service at the time the travel was incurred. Reimbursement shall be paid at the end of any month for which written documentation of professional expenses by the Rector have been submitted to the Vestry. Unused amounts of the professional expense reimbursement may not be taken by the Rector as salary.

2. Church shall provide an annual allowance for Continuing Education for the Rector in the amount of \$_____.__.
3. Church shall pay the following benefits:
 - a. Health insurance coverage for the Rector and the Rector's family for the group health insurance plan used by the Diocese unless equivalent or better insurance is provided independently through the employment of the Rector's spouse or partner.
 - b. Group Life and Accidental Death and Dismemberment insurance through the Episcopal Church Medical Trust.
 - c. Workers' Compensation insurance, as provided by state law.
 - d. Short-Term Disability Insurance as available through the Church Insurance Company.

SECTION D – EXPENSES

1. The Vestry agrees to pay for the following expenses incurred by the Rector in fulfilling the duties of this office:
 - a. The normal expenses of office operation, such as telephone, postage, office equipment, supplies, secretarial services, etc.
 - b. Reasonable moving expenses required to relocate the Rector and the Rector's family to City, State. Moving expenses shall include family travel, transporting household goods, reasonable temporary accommodations during the move, and any incidental expenses related to the relocation.

SECTION E – DISCRETIONARY FUND

1. In accordance with the Canons of the General Convention, a Discretionary Fund is to be established which will be under the authority of the Rector. Funding will be from the following sources: the loose offering from the first Sunday of each month, plus any additional gifts or donations given to the Rector for purposes of the Discretionary Fund.

2. All deposits to the Discretionary Fund of the congregation are to be audited annually at the time of the required congregational audit and are not to be used to defray clergy expenses that are subject to reimbursement from the operating budget, or personal expenses, or to supplement the clergy person's compensation.

SECTION F – SUPPLEMENTARY COMPENSATION

1. The Rector shall not charge fees for performing any rites of the Church (for example, baptisms, marriages, funerals, etc.) for members of Church. The Rector may, however, receive income from other sources, including but not limited to:
 - a. Sacramental services on behalf of persons not in any way related to or associated with Church.
 - b. Fees and honoraria for professional services provided on personal time for groups unrelated to Church, or for sermons, books or articles published outside the parish.
2. The Rector understands and agrees that any activities which might be engaged in for production of supplementary compensation must not interfere with the proper performance of the Rector's duties to Church.

SECTION G – USE OF BUILDINGS

1. The authority of Title III, Canon 14, Section 1-c of General Convention is recognized regarding use of the Church and Parish buildings. As provided by canon law, the Rector shall have the right to grant use of the buildings to individuals or groups from within and outside the parish following guidelines approved by both the Rector and Vestry.

SECTION H – FRESH START

The Rector, Wardens, and Vestry recognize and affirm the importance of making every reasonable effort to ensure the successful foundation of this ministry, and therefore agree that the Rector will participate fully in the diocesan Fresh Start Program conducted through the Office of the Bishop.

Fresh Start is a diocesan-led program for clergy in new cures, which seeks to strengthen the relationships among Episcopal clergy, congregations and diocese during critical periods of transition in clergy leadership of the congregation. Clergy new to their cure are expected to participate in Fresh Start for two years.

SECTION I – MUTUAL MINISTRY REVIEW

1. Four to six months after the beginning of the new ministry, the Rector and Vestry agree to schedule a mutual ministry review. Ideally, a third party will facilitate this review. The review will focus on the goals and expectations of the Rector, Vestry, and Parish as outlined in the Parish Profile. It will serve as a reality check on the discernment process. Appropriate decisions can be made to re-adjust or re-define the goals and expectations based on the emerging reality.
2. Following the initial review, the Rector and the Vestry agree to at least an annual discussion and mutual review of the total ministry of the parish, in order to:
 - a. Provide the Rector with a more accurate picture of the congregation's understanding of the Rector's ministry than may be received informally.
 - b. To allow the Rector to express perceptions about how well the Vestry and the Parish are exercising responsibility for ministry.
 - c. To isolate areas of conflict or disappointment which have not received adequate attention and may be adversely affecting working relationships, and to develop a plan of mutual responsibility to address areas of challenge.
 - d. To identify areas of strength and develop goals to encourage these strengths.
 - e. To establish goals for the work of the parish in the coming year, including Rector and Vestry and parishioner responsibilities for working toward such goals.
 - f. To provide an additional and valuable factor for the Vestry and/or Finance Committee to consider when developing future parish budgets.

SECTION J - OTHER AGREEMENTS

1. This Letter of Agreement shall become effective in all respects on the date set forth below.
2. This Letter of Agreement, and its related Position Description will be made part of the minutes of the next Vestry meeting following its signing, and copies will be given to each Vestry member, so long as it remains in effect.
3. This Letter of Agreement may be revised only by mutual agreement of all the parties, and with the consent of the Bishop, except that revision of compensation and expenses will be mutually agreed upon in a separate budget process.

4. This agreement is the result of negotiations between the parties. It is the complete agreement between the parties. Any and all other agreements, oral and written, between the parties that are not incorporated into this document are superseded by this agreement. In addition, should any provision of this agreement conflict with the Constitution and Canons of the General Convention or with the Constitution and Canons of the Diocese of Easton, that provision alone will be deemed null and void.

5. If the Rector and Vestry disagree as to the interpretation or application of any aspect of this Letter of Agreement, either party may request mediation to be conducted by any mutually agreed upon third party. If the parties are unable to resolve their issues through mediation, the Bishop shall be the final arbiter of the disagreement.

6. The Rector shall begin duties in the parish not later than _____, unless delayed by adverse circumstances.

7. All pay and benefits shall become effective on _____.

Rector Elect	Date
Senior Warden, <i>Church</i>	Date
Bishop	Date

Updated 2015