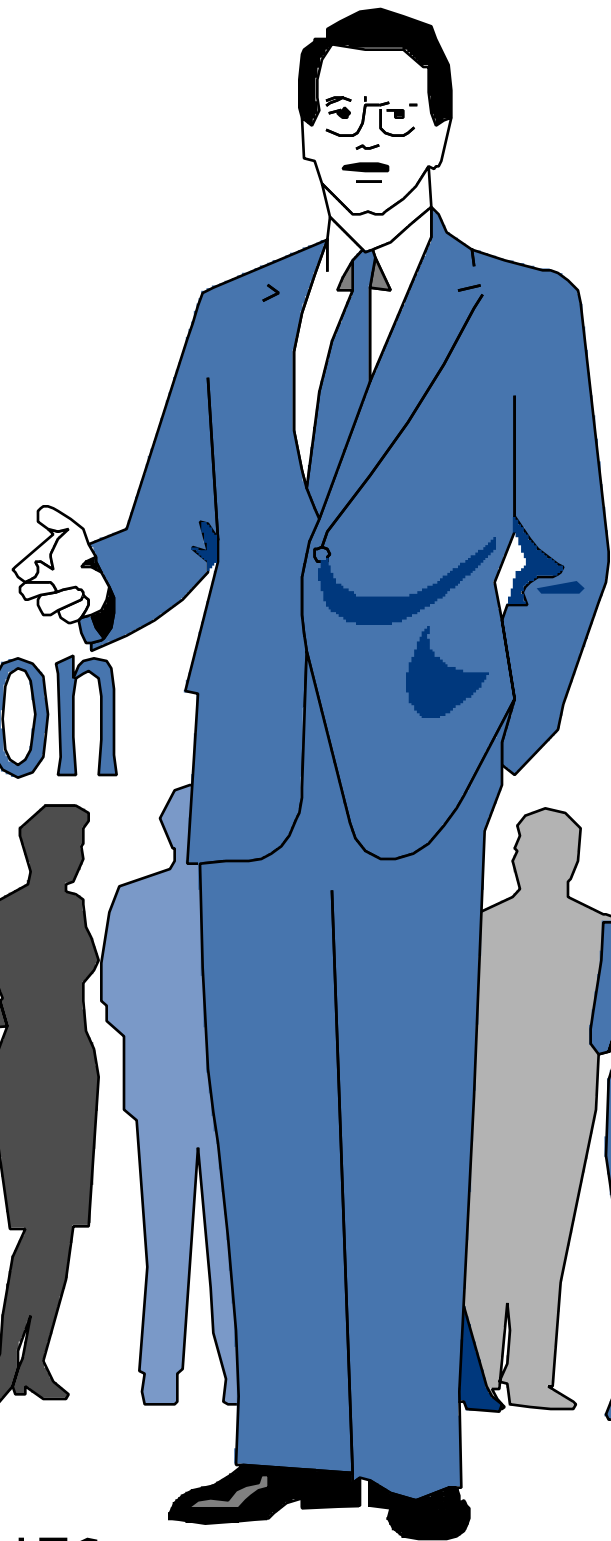


A MANUAL FOR THE

Personnel Relations Commission



**IN LOCAL CHURCHES
OF THE UNITED BRETHREN IN CHRIST**



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The first six responsibilities listed on the right are taken from the Discipline, pages 150-151.

Introduction

The Personnel Relations Commission

This manual is designed to give local church Personnel Relations Commissions guidance in a variety of areas affecting the church staff.

The Personnel Relations Commission is an essential commission for every local church. This group monitors the relationships between the staff members and between the staff and congregation, it deals with salaries and benefits, it evaluates the work of the staff, and it works directly with the conference stationing committee when it comes to appointing a senior pastor and in the ongoing evaluation of the pastor-parish fit.

Below is some information about how the PRC typically operates in UB churches.

Responsibilities

The PRC has some very important responsibilities in the church.

- Serve as a conferring and counseling committee to the pastor and other employed personnel.
- Interpret to the congregation the nature and function of the pastoral office.
- Cultivate the pastor-church relationship.
- Make recommendations to the Finance Commission concerning the pastor's salary and benefits, pulpit supply, amount of vacation, and attendance at conventions and seminars.
- Cooperate with the conference stationing committee in securing a pastor when the need arises.
- Make recommendations to the board concerning job descriptions of other employed personnel.
- Serve as a conflict management group when tension exists between the pastor and other staff members or the congregation. This responsibility means that members of the PRC need some practical knowledge in conflict management and resolution.
- Serve as a conflict management group when there is tension between a staff person and the congregation or between members of the staff.
- Provide an annual evaluation of the pastor and other full- or part-time employees.

Personnel

Churches are free to adopt a structure which best fits their needs and situation. However, most churches use a Personnel Relations Commission, with a chairperson elected by the congregation during the annual elections.

Appendix B of the United Brethren *Discipline* (1997–2001) suggests that the Personnel Relations Commission consist of these persons:

- the commission chairperson (typically elected by the congregation).
 - the chairman of the annual conference delegates.
 - three persons appointed by the board. The chairperson is elected by the congregation.
- It is wise to have both men and women, plus a range of ages, on this commission.

Meetings

The Personnel Relations Commission should meet at least two times a year at the request of the chairperson, the pastor, or the conference superintendent. In matters pertaining to pastoral relations, the commission can meet only with the knowledge of the pastor and/or conference superintendent. It may meet with the conference superintendent without the pastor being present; however, the pastor must be informed prior to the meeting and immediately afterward be consulted by the conference superintendent.

Those are some key facts about the Personnel Relations Commission. The rest of this manual is divided into three parts: the assignment of ministers, details of the employee-employer relationship as it affects churches, and the ongoing care of ministers.

PART 1

Matching Churches and Pastors

6 How we Assign Ministers

Philosophical Statements
Assignment of Senior Pastors
Initiating a Change for a Senior Pastor
Assigning Associate Staff Members
Other Matters Involving Assignments

10 Interview Questions for Potential Ministers

12 Q&A: Assigning and Employeering

Various questions about assigning, hiring, firing as it relates to United Brethren ministers

How We Assign Ministers

Philosophical Statements

There are two major systems for assigning ministers to churches—congregational, and episcopal. We use neither system in its pure form, yet we use elements of both.

A congregational church is autonomous. The local body hires and terminates its pastor and all other personnel. All ministries are strictly the responsibilities of the local church. When a congregational church looks for a new pastor, they might send a search committee to listen to a minister they are interested in interviewing. There may be an official contact with the pastor to determine if that person would like to “candidate” for their pulpit. The pastor may be invited to preach a “trial sermon” and have interviews with several groups at the local church. A recommendation is made from the Pastoral Search Committee to the congregation and a congregational vote is taken for or against a candidate. Periodically, a vote of confidence is taken to determine if the pastor will continue his appointment at that church.

That is how it works in a congregational system. It is sometimes referred to as the “call” system. But we don’t operate that way.

Nor are we a pure episcopal system. In an episcopal system, the bishop or the stationing committee have the authority to appoint or remove a minister without consulting the minister or church. Power for placement is in the hands of one person or a few people.

In the United Brethren church, the stationing committee makes the final assignment, and yet the congregation plays an important role in the process. Here is how it works.

Pastors are Stationed, Not Called

In the United Brethren church, authority for senior pastoral assignments rests solely with the stationing committee of the annual conference. The final decision regarding a pastoral assignment does not belong to the local church or any of its commissions or boards. Pastors are stationed, not called by the congregation.

Each annual conference has a stationing committee. It is chaired by the conference superintendent, and includes clergy and laypersons chosen by the annual conference. The bishop serves as an ex officio member (as does the Director of Missions in the overseas conferences). The stationing committee makes regular reports as required by the annual conference or council of administration.

The Assignment Process Involves Dialogue

The conference stationing committee communicates with the pastors and congregations involved in the assignment process. We have two tools which help in the decision-making process: a pastoral profile, and a parish profile. Both pastor and Personnel Relations Commissions, or its equivalent, are granted the right to consult with the stationing committee. Frequently, the prospective senior pastor meets with the Personnel Relations Commission, or its equivalent, before the stationing committee makes the final appointment.

The Goal is a Long-term Assignment

Because long-term assignments provide a better opportunity for qualitative and quantitative growth, the stationing committee tries to match congregational needs with pastoral strengths. The goal is a long-term appointment, rather than an appointment which lasts only a year or two.

*“I thank my God every time I remember you. In all my prayers for all of you, I always pray with joy because of your partnership in the gospel from the first day until now, being confident of this, that he who began a good work in you will carry it on to completion until the day of Christ Jesus.”
(Philippians 1:3-6)*

There are No Guaranteed Appointments

Since the goal of the stationing committee is to match congregational needs and pastoral strengths, individual ministers may experience periods of time when they are not assigned to a local church. Likewise, local churches may experience periods of time when they are without an assigned pastor.

Interim Ministers will be Used

The process of assigning senior pastors requires a thoroughness which often results in a temporary vacancy at a local congregation. In such instances, the local churches will be assigned an interim minister to provide limited pastoral ministry until a permanent assignment can be made.

Assignment of Senior Pastors

Assigning senior pastors consists of the following steps.

1. A Vacancy Occurs

This vacancy may result from a pastoral resignation, death or other incapacitation, or it may be initiated by the stationing committee. Local boards of administration may ask the stationing committee to review its pastoral assignment, but no local board or commission has the authority to terminate a pastor's employment.

2. Meeting with Local Leaders

When a vacancy has occurred, a representative of the stationing committee meets with the leaders of the local church to explain the assignment process and evaluate the needs and vision of the congregation.

Who Can Initiate a Change for a Senior Pastor?

- **The PRC.** The PRC will communicate to the conference stationing committee when there are valid reasons to ask for a pastoral change. These reasons should be in writing. This action should be done with the approval of the Board of Administration. This process prevents three or four people from having the power to make a pastoral change without wide support in the church. This kind of power play in churches has happened in the past and is not honoring to Christ.

The PRC must be careful not to misuse its power. A unilateral decision to request a pastoral change, without board leadership or congregational support, can lead to tensions within the church. Church tensions over pastoral relations can lead to a church split or a group of people leaving the parish when there is a pastoral change. People also leave because there is not a pastoral change. The PRC carries a heavy responsibility.

- **The pastor.** The pastor may ask the stationing committee to move him to a different church.

- **The conference stationing committee.** The stationing committee may ask a pastor to consider a change when his leadership gifts and style are needed elsewhere. Or, they may ask a pastor to move to another church when they assess that the present pastor-parish fit is not generating a healthy congregation.

- **The stationing committee of another conference.** Pastors sometimes accept appointments in other conferences. In these cases, the stationing committee of the other conference may contact the superintendent for permission to talk with a senior pastor regarding an assignment in their conference.

The material starting with "Assignment of Senior Pastors" is taken from page 59 of the 1997–2001 Discipline

"I urge you to live a life worthy of the calling you have received. Be completely humble and gentle; be patient, bearing with one another in love. Make every effort to keep the unity of the Spirit through the bond of peace." (Ephesians 4:1-3)

3. Completion of a Parish Profile

Each congregation completes a "Parish Profile," using the form prepared for this purpose. Responsibility for this rests with the local church Personnel Relations Commission.

4. Communication with the Prospective Pastor

After receiving the completed "Parish Profile," the stationing committee approaches its choice to fill the vacancy. The prospective pastor receives a copy of the parish profile and is asked to consider the assignment. If the prospective pastor declines, another prospective pastor is approached. When a pastor indicates interest, the Personnel Relations Commission of the church where he/she is serving is notified of the potential transition.

5. Communication with the Local Church

When a prospective pastor expresses interest in filling the vacancy, he/she prepares a document which provides biographical information and a philosophy of ministry. This document is presented to the leaders of the local church for review. If the information seems satisfactory, a pastoral interview with the Personnel Relations Commission and the stationing committee or their equivalent is held in the process toward assignment.

6. Introductory Meeting Between the New Pastor and Local Leaders

The stationing committee arranges an introductory meeting between the new pastor and local leaders. At this meeting, both parties have the opportunity to clarify expectations and philosophies. An "Agreement of Understanding" is completed to document the understandings reached.

7. Assignment is Announced

At the earliest possible time following this introductory meeting between the new pastor and local leaders, the assignment is announced according to the process used by that annual conference. The pastor is given ample time to inform his/her present church of the new assignment.

Assignment of Associate Staff Members

The Church of the United Brethren in Christ recognizes that multi-staff congregations need to create staff relationships which meet their special interpersonal and directional needs. The denomination grants these congregations the right to request and receive resumes, interview candidates, and designate the person they deem best for associate staff positions, with the following understandings:

1. The final decision for the senior pastor or co-pastor position rests solely with the stationing committee.
2. The final decision for employing and terminating associate staff members rests solely with the local church.
3. The conference superintendent must be informed of any United Brethren ministers under consideration.
4. Prior to a United Brethren minister being interviewed for an associate staff position, the conference superintendent will notify the appropriate contact person at the church where the minister is currently assigned.
5. If a church hires someone who does not hold a United Brethren ministerial license, the annual conference is not obligated to provide licensing.
6. While the primary accountability relationship rests with the senior pastor, ministers licensed by the annual conference are required to participate in all accountability processes within the annual conference.

Other Matters Involving Assignments

Cross-Conference Assignments

Stationing committees may consider candidates from other conferences only after consulting with the conference superintendent of the other conference involved.

Ministers involved in a cross-conference assignment have full voting privileges in the conference where they are assigned for three years, provided they waive in writing their voting privileges in the conference of which they are a member. Voting privileges in the conference where they are assigned cease if conference membership has not been transferred within three years.

Special Appointment Assignments

Stationing committees may appoint annual conference ministers and elders to special appointment assignments such as chaplains, missionaries, and general officials. These appointments are made on the request of the minister or elder called to such service. Such assignments are made on the same basis as other pastoral assignments by conference stationing committees.

Special Considerations

All annual conference ministers and elders are assumed to be available for assignment. The Church of the United Brethren in Christ recognizes that life situations may warrant a time of unavailability and establishes the following exemptions:

1. *Leave of Absence* Ministers may seek to be exempted from service for personal reasons or because of ministry-related service in another position. Those who do may request a leave of absence. This exemption will be granted for one year. Ministerial licenses are considered to be in good standing during this exemption period.

2. *Retired Status*. At age 65, ministers may request retired status from the annual conference of which they are members. This exemption does not need to be renewed. Ministerial licenses are considered to be in good standing during this exemption period.

3. *Inactive without Cause* This exemption is used for ministers who have not reported to the annual conference as required and who are not serving in a ministerial capacity in the church. These ministerial licenses are not considered to be in good standing during this exemption period.

4. *Probation*. This exemption is used for ministers who are living inconsistently with the expectations and obligations of ministers as described in the *Discipline* or who are under investigation for such. Ministerial licenses are suspended during this probation period and can only be renewed to good standing after a full restoration process is completed.

Interview Questions for Potential Ministers

When a prospective pastor or pastoral couple meet with the Personnel Relations Commission, you need to be ready with good questions which will be valuable in determining whether or not this pastor will be a good fit for your church. Here are some questions you might use.

Intrinsic Motivation

- What gives you the greatest feeling of accomplishment in your ministry?
- Tell us about a project or ministry program that you initiated and implemented successfully. Describe the steps taken in the process.

Spousal Cooperation

- What convictions do you as husband and wife share regarding your respective roles in ministry, and how have you arrived at these convictions?
- How do you balance the demands of ministry with the needs of your family?
- What discrepancies or disagreements do you and your spouse have regarding ministry? How do you cope with these, and what efforts have you made to resolve them?
- Why do you believe that the context for this church is the right setting for you and your family to minister?

Building Relationships

- Would you say that you are “people-oriented” or “task-oriented”?
- What are your strengths as far as people skills are concerned?
- Do you have experience in discipling? Mentoring?
- What is your basic reaction to conflict?
- What group(s) do you feel most comfortable ministering to?
- Tell us about a time when you had to work in a team situation with a strong-willed and influential person whose ideas were not compatible with your vision. How did you come to agreement with that person? What were the results? Would you change anything if you had it to do over again?

Congregational Health

- What are the characteristics of a healthy congregation?
- How would you go about improving an area where a church was not healthy?
- Give us an example of a time you led a medium sized group (50-100) into a program of systematic and/or sustained discipleship. What were the results? Immediate? Long term?
- Give us an example of a time you led a medium sized group (50-100) into a time of systematic and/or sustained evangelism. What were the results? Immediate? Long-term?
- Describe a conflict you encountered regarding someone’s role in the church or in a group. How did you attempt to resolve it? What were the results? Do you wish you had done anything differently?

Using the Giftedness of Others

- Share an experience or two in which you helped people realize and develop their spiritual gifts.
- Describe one of the methods you use to involve others in the ministry of the church. When did you last use this method? What were the results? If you did this again, would you do anything differently?

“Therefore, I urge you, brothers, in view of God’s mercy, to offer your bodies as living sacrifices, holy and pleasing to God—this is your spiritual act of worship. Do not conform any longer to the pattern of this world, but be transformed by the renewing of your minds. Then you will be able to test and approve what God’s will is—his good, pleasing and perfect will.” (Romans 12:1-2)

Building Group Cohesiveness

● Have you experienced a time in your ministry when you felt a negative reaction to your authority as a pastor or leader? If yes, how did you handle the situation? If no, how would you handle a situation like this in your ministry?

● Describe a time when members of your church were divided over an important issue. How were you able to guide them to a satisfactory solution?

● Describe the program you have found most successful in regards to greeting new people, doing follow-up with the first time attenders, and assimilating them into your church ministry.

● Tell us about the last time you worked with a group that was resistant to change. What did you do to overcome the resistance? What was the result? Would you do anything differently?

● Tell us about the most recent major change you initiated in a church setting. Walk us through the process you used. What did you do to ensure the change was permanent and working well?

Theological Distinctives

● Do you have difficulty accepting the doctrinal stance of the Church of the United Brethren in Christ?

● If you have a disagreement with the Church, where is that disagreement?

● Do you have a doctrinal “hobby horse” that has caused you difficulty in the past?

Exercising Faith

● Tell us about the last time God answered one of your prayers.

● Tell us about a situation when you stood upon a biblical principle even though you were not sure anyone would stand with you.

Resilience

● What has been your biggest personal failure or disappointment? How did you cope with it?

● Describe a time when you handled unfounded criticism against you.

● Describe a situation when your ministry expectations were high but the outcome was unexpectedly disappointing. What was your response to the disappointment?

● Tell us about an incident where politics were used to undermine or reverse a decision made by you or the church board. How did you handle it? What were the results? What changes would you make in your actions if it happened again?

Responsiveness to Community

● Tell us about the process you used to become familiar with a new church or position that you held for more than one year. What was the situation? What did you do to make sure you did a good job in the first year? What were the results? What changes did you make the following year? How were the results improved?

● Describe a time in your ministry in which you used information concerning the community to develop an outreach ministry plan.

● Describe an outreach ministry or event in which specific needs of the community were met.

● Describe the ways by which information concerning the ministry of the church was communicated to the community.

Additional Questions:

● What areas of your ministry need the most development?

● How do you envision your ministry developing over the next three years?

● How do you maintain regularity and consistency in your prayer life in the face of numerous demands upon your time?

● Tell us about the last two formal seminars and/or courses you attended to improve your pastoral and/or leadership skills. When did you attend them? Give examples of how you implemented what you learned. What were the results?

“Make every effort to keep the unity of the Spirit through the bond of peace. There is one body and one Spirit—just as you were called to one hope when you were called—one Lord, one faith, one baptism; one God and Father of all, who is over all and through all and in all.” (Eph. 4:3-6)

"Now the body is not made up of one part but of many. If the foot should say, 'Because I am not a hand, I do not belong to the body,' it would not for that reason cease to be part of the body. And if the ear should say, 'Because I am not an eye, I do not belong to the body,' it would not for that reason cease to be part of the body. If the whole body were an eye, where would the sense of hearing be? If the whole body were an ear, where would the sense of smell be? But in fact God has arranged the parts in the body, every one of them, just as he wanted them to be. If they were all one part, where would the body be? As it is, there are many parts, but one body." (2 Cor. 5:17-21)

Q&A: Assigning and Employing

Can the PRC hire its own pastor?

No. Pastors are assigned by the annual conference in consultation with the PRC. (Senior pastors are employees of the annual conference.)

Who employs the senior pastor?

A pastor, licensed by the annual conference, is employed by the annual conference and appointed to serve a specific church or churches for an indefinite period of time.

Can a church employ a person on the pastoral staff who is not the senior pastor?

Yes. The local church can employ an assistant minister, associate minister, youth minister, music minister, or another position for the local church. The local church can also terminate the employment of such staff persons.

Can a church employ a pastoral staff member who isn't a UB member?

This is a possibility. Prior to employment, a potential ministerial candidate must meet with the Ministerial Licensing and Ordination Commission of the annual conference. A ministerial candidate needs to be approved by this commission and specific recommendations given regarding the credentialing of this pastor. These steps must be done prior to a commitment to employment, not after a person has been hired.

Can the local church employ an associate or assistant pastor without the involvement of the annual conference stationing committee?

Yes. However, it is expected that the superintendent, who chairs the stationing committee, be informed of local church decisions regarding ministerial staff. If a candidate for employment is a licensed minister in an annual conference, the superintendent of that conference must be conferred with prior to employment.

Can the church hire a non-ministerial employee without conference approval?

Yes. Choir directors, secretaries, nursery school workers, etc., can be employed without annual conference involvement.

If the local church hires an additional pastoral staff person, can the local PRC and the Board of Administration release this employee from employment?

Yes. Pending action, along with reasons, must be communicated in writing to the conference superintendent. When an employee is released from employment by the PRC and the Board of Administration, it is advisable to meet with the employee and give reasons for the termination of employment and the conditions of the termination.

To whom does a senior pastor resign?

A pastor who wants to resign from a church must:

- submit a resignation letter to the conference stationing committee chairperson.

- send a copy of the letter to the bishop and to the chairperson of the PRC.

Congregations do not act on letters of resignation for senior or solo pastors. This is the responsibility of the conference stationing committee. The PRC and the Board of Administration only act on letters of resignation for other employees.

PART 2

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Job Descriptions That Work

Why and How to Write Them

by Robert H. Welch

Would you take a job, not knowing the responsibilities involved? Unfortunately, this happens every day with men and women entering vocational positions in churches. In a recent informal survey of ministry personnel in a major evangelical denomination, nearly a third of the pastors and more than half of the nonpastoring staff began their positions without job descriptions. In another informal survey, nearly two-thirds of support personnel either had no written job description or felt the ones they had didn't accurately describe what they were doing.

Too many churches have no real job descriptions. If yours is one of them, you and your board can change the situation. But you'll need to understand what a job description can and can't do.

Advantages of a Job Description

When a position is accurately defined in a job description:

- It gives an overall concept of the tasks to be performed in each of the work areas.
- It shows how the job differs from other jobs in the church and (together with other job descriptions) how those jobs fit into the overall ministry organization of the church.
- It identifies the qualifications required to perform the tasks and duties of the position.
- It forms the basis for evaluating job performance.
- It provides a vehicle for analyzing work load and a justification for expansion or compression of assignments.
- It provides a basis for developing a salary plan.

Dangers of a Job Description

A job description can be ineffective or even harmful if:

- It is out-dated or inaccurately reflects the actual position requirements.
- It is ignored or inappropriately modified.
- It contains descriptions that are so vague or so poorly written they defy consistent interpretation.
- It contains descriptions which are not legally defensible.

Legal Considerations

Courts and employment regulatory agencies view documents such as job descriptions and personnel policies as legal documents. In recent years federal, state, and local personnel regulations have increasingly been applied to church situations. While theological or ecclesiastical issues are not considered or challenged, other aspects relating to employment are. For instance, it is okay if a church job description or personnel policy requires an employee to be a member of the church. If the church falls under the guidelines of the Americans with Disabilities Act (depending on the number of staff employed), however, the church cannot exclude individuals who are physically challenged and who otherwise meet the criteria for the job. Clearly written, legally defensible job descriptions prevent discrimination suits and a host of other problems.

Elements of a Job Description

A job description is a written instrument that portrays in a systematic, concise, and logical fashion what is expected of an individual who fills a certain position. Job descriptions

"Let the word of Christ dwell in you richly as you teach and admonish one another with all wisdom and as you sing psalms, hymns and spiritual songs with gratitude in your hearts to God. And whatever you do, whether in word or deed, do it all in the name of the Lord Jesus, giving thanks to God the Father through him." (Col. 3:15-17)

should be created for all ministry positions: for professional ministry staff, support staff, even unpaid, designated lay leadership positions. A job description should contain five elements: (1) a title, (2) a statement of principal function, (3) a description of how the person fits into the organization, (4) a statement of qualifications for the position, and (5) a listing of task duties. Let's look at each element in more detail.

Title

This is a brief description of the job. Senior pastor, Secretary, Secretary to Senior Pastor, Minister of Youth—those are all appropriate titles.

Principal Function

Here, a condensed one- to two-sentence description outlines the basic elements of the job and identifies the position in the overall church organizational structure. It is the preamble that outlines important elements of the job and who supervises the position holder.

For a church secretary, this description might read: "Responsible to the church administrator for the operation of the church office; acts as the church receptionist; prepares, mails, and files correspondence; publishes church-related materials; and maintains the church calendar."

A statement for an associate pastor for education might read: "Responsible to the senior pastor for the planning, organization, implementation, and evaluation of a comprehensive program of Christian education for the church and community."

For a secretary who is supervised by one individual but receives task direction from another person, you might have: "Responsible to the office administrator to prepare and file correspondence, act as a receptionist, and prepare the weekly newsletter, as directed by the senior pastor."

Qualifications

This section is probably one of the most important sections of a job description—and it is the element most often left out. The qualification section establishes:

- Education and/or experience level required.
- Technical skills needed.
- Physical attributes needed.
- Personality traits expected.
- Ecclesiastical requirements.

This section provides churches with agreed-upon criteria for the selection committees or contact person to use in screening and employing staff personnel.

For the qualifications to be useful, they must be:

- *Testable* This may mean having a candidate take a typing or word processing test or lift a 50-pound box 6 feet to a shelf. It may require a food service worker to produce a health certificate, or a child care worker to submit to a criminal background check. Or it may involve giving a potential receptionist or pastor a personality profile test.

- *Reasonable* The criteria for the position must be consistent with what is expected of other similar positions in the church. For example, a youth minister should not be required to be married if other ministry personnel in the church are not required to be married. Qualifications should be realistic and consistently applied.

- *Legally defensible* This means criteria for a position should meet normal expectations for the job and should not violate employment laws about the hiring of personnel. For example, you cannot specify that a minister to senior adults must be a man over 55 years old or that a minister to children be a woman less than 40 years old. Age and gender discrimination are illegal (directly by law, depending upon the size of the church, or indirectly, by tort precedence).

- *Duties or responsibilities* This is a detailed description of the specific activities the individual will do in carrying out the functions of the position. It expands the information given in the Principal Function preamble. When writing this section, remember:

- Write this section after you've analyzed the position's requirements and responsibilities.
- Craft statements broadly enough so they can be realistically applied but specifically enough so there is no doubt as to what is expected.

"We put no stumbling-block in anyone's path, so that our ministry will not be discredited. Rather, as servants of God we commend ourselves in every way: in great endurance; in troubles, hardships and distresses; in beatings, imprisonments and riots; in hard work, sleepless nights and hunger; in purity, understanding, patience and kindness; in the Holy Spirit and in sincere love; in truthful speech and in the power of God; with weapons of righteousness in the right hand and in the left; through glory and dishonour, bad report and good report; genuine, yet regarded as impostors; known, yet regarded as unknown; dying, and yet we live on; beaten, and yet not killed; sorrowful, yet always rejoicing; poor, yet making many rich; having nothing, and yet possessing everything."
(2 Cor. 6:3-10)

"Now to him who is able to do immeasurable more than all we ask or imagine, according to his power that is at work within us, to him be glory in the church and in Christ Jesus through all generations, forever and ever! Amen." (Eph. 3: 20-21)

- Since this section forms the basis for job evaluation, describe the duties in such a manner that they can be measured. In a separate document, expectations of performance should be established for every listed duty assigned to the employee or staff member.

- List any persons (positions) the employee will supervise or lead.

- List as a duty standards of appropriate personal and professional behavior. A duty of a receptionist might read: "Greets visitors in a cheerful and helpful manner."

- If the phrase "other duties as assigned" is used, it should be directly linked with the employee's supervisor.

Using the Job Description

Ideally, a church will create a job description by first comprehensively analyzing the need for a position and then assessing requirements and qualifications. Only then should it finally write the job description—before filling the position. If a church chooses or needs to create a job description for an employee already doing the work, the church should include that individual in the analysis, development, and writing of the job description.

At some point in the hiring process, the job description should be completely reviewed with the employee, and a copy of the job description should be given to the employee. It may be in the interest of both parties for the job description to be signed by the employer and employee.

Job descriptions should be reviewed annually by the employee and by the administration in the church—perhaps the church business administrator, personnel committee, or other similar group. Any changes in job descriptions should be done mutually by the employee and the administration. It is a good idea to make a notation with any changes acknowledging that both parties agreed to them. This will diminish the possibility of future confusion and disagreement.

Clearly written, up-to-date, and effective job descriptions tell an applicant your church is both organized and efficient. They provide confidence, stability, and accountability related to employee actions and interactions. Finally, they facilitate positive staff relationships, making time spent on job descriptions time well spent.

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Examples of Legally Defensible Qualifications

For a financial secretary: "Able to type 40 words per minute; computer literate both in word processing and database spreadsheets; familiar with general ledger and bookkeeping procedures, either through formal training or equivalent experience of four years; able to be bonded by the church insurance agent."

For a custodian: "Trained or experienced (4 years) as a janitor or custodian; possess general maintenance skills in painting, carpentry, plumbing, and electrical; skilled in general grounds maintenance and gardening; sufficiently conversant in the English language to follow instructions; able to display adequate physical health and strength to carry out maintenance and custodial activities, including lifting heavy objects and moving furniture and equipment."

For a youth minister: "Possess significant knowledge of the Christian education and training systems and processes for youth (a degree in Christian education from an accredited seminary with a concentration in youth education or equivalent experience of 6 years desirable); possess personal leadership skills and expressed concern for ministry; have no criminal record with regard to offenses against children; must be or become a member of XYZ Community Church."

Keeping the IRS Happy, and Other PaperWork

If you have employees, you must deal with the IRS, insurance, pension, reimbursements, and all kinds of other nitty-gritty financial details. There are some procedures you must follow, by law. And there are some procedures you should follow, just for the sake of treating employees in a professional manner.

The following pages discuss some matters you should deal with before you hire someone, a process to go through during the hiring process, and some issues you need to attend to as you go along.

Most of these are financial issues, which means the Personnel Relations Commission may be tempted to say, "That's not our job. That's the job of the Finance Commission." However, the Personnel Relations Commission is charged with making sure things are taken care of for the church's workers. So, while the Finance Commission might take care of delivering paychecks and interacting with the IRS, the Personnel Relations Commission needs to keep an eye on things to make sure nothing is falling through the cracks.

Before You Hire

1. Obtain an Employer Identification Number

All churches must get one. File IRS Form SS-4 to obtain an EIN from the federal government. This isn't a tax-exempt number, but a number the IRS uses to identify employers (the counterpart of the Social Security number used to identify individuals). It is used on all tax records, and must be obtained before filing any payroll records. (Most churches already have an EIN; check before you apply, because the IRS won't let you have more than one.)

2. Establish an Accountable Reimbursement Plan

In some churches, the Finance Commission may take care of establishing a reimbursement plan, and the Finance Commission will normally implement the plan. However, the Personnel Commission should make sure it is written up, and the Board of Administration needs to adopt it as official church policy.

If your reimbursement system doesn't qualify as an accountable plan, any reimbursements to an employee must be included as compensation in Box 1 of the W2. For ministers, these payments are subject to income tax. For nonministers, these payments are subject to income, Social Security, and Medicare taxes.

Most reimbursement compensation agreements fit into one of the following circumstances:

- Unlimited expense reimbursement in addition to salary.
- Partial or fixed expense reimbursement in addition to salary (set by the budget). In

other words, the budget includes the amount which can be spent on such things as travel, meals, seminars, etc. Any expenses beyond that amount will require a budget exception of some kind.

An accountable plan needs the following:

1. Confirmation that expenses have been made for church business.
2. Employees must substantiate the expenses (such as by submitting receipts or keeping a mileage log) to the church within 60 days of the expense being incurred.
3. Employees must return excess reimbursements (or any advance money not used) within 120 days.

Examples of Independent Contractors:

- Guest evangelist.
- Carpenter.
- Plumber.
- Accountant.
- Paid organist.

Methodist ministers have historically reported salary and professional expenses on Schedule C. In a landmark court case, Weber v. Commissioner, a court determined that a Methodist minister was a W2 employee rather than an independent contractor. The court stated the following as criteria in determining that status:

- *The minister was subject to significant control.*
- *The minister was required to work at the church to which he was assigned.*
- *The minister didn't have the right to unilaterally discontinue regular services of the local church.*
- *The position was intended to be permanent, as opposed to transitory.*
- *The benefits, such as health insurance and pension, indicated an employment relationship.*

There is no set format for a mileage log. Use your own system to record the beginning and ending mileage on the odometer, and the purpose of the trip.

Set up a Personnel File

Make a file for each person. You could include on the front inside cover the date the person was hired, the wage rate, and any other pertinent information. Such files should not be kept in a place which is accessible to the general congregation.

When You Hire

Employee or Independent Contractor?

Determine whether the church worker is an employee or an independent contractor. Most

Employee vs. Independent Contractor

Employees typically:

- Receive salaries or hourly wages (whether part-time or fulltime).
- Can be fired.
- Can quit without penalty.
- Must submit reports.
- Must obey instructions.
- Must do the work themselves.
- Are hired to provide services for an indefinite period of time, rather than to accomplish a particular task.
- Are eligible for fringe benefits (health, disability, pension, sick pay, etc.).
- Are provided what is needed to do their job.
- Are reimbursed for expenses.

Independent contractors are considered self-employed. They typically:

- Set their own hours.
- Decide how to get the work done (rather than follow someone else's instructions).
- Offer their services to the public.
- Provide their own equipment.
- May work on someone else's property, and for several persons at the same time.
- May employ assistants.
- Are hired to do a particular task, and are paid by the job.
- Have a substantial financial investment in the work.

If a worker is a non-clergy employee, the church must:

- Withhold federal income tax.
- Withhold state income tax, if applicable.
- Withhold FICA taxes.
- Match the employee's share of FICA taxes.
- Pay unemployment taxes on the person's wages (if applicable; churches are exempt in most states).

If a worker is a clergy employee, the church:

- Must not withhold Social Security (SECA) tax.
- May withhold income tax under a voluntary withholding agreement.

If a worker is an independent contractor:

- The worker is considered self-employed in the IRS's eyes.
- The worker must file quarterly estimated-income taxes and Social Security taxes, according to SECA requirements.
- The person must pay *all* of his own Social Security (rather than half being paid by the employer, as is done for employees).
- Unemployment taxes and withholding taxes don't apply.

are employees. The IRS uses a list of 20 criteria to determine the status. Another seven criteria emerged from a recent court ruling.

Interestingly, most ministers have a somewhat confusing, dual status with the IRS. They are considered employees for income tax purposes and receive W-2s, but independent contractors (self-employed) when it comes to Social Security.

The church, as employer, must make this determination. *It isn't the worker's role to determine which status applies.*

Complete the Appropriate Tax Forms

Have the person complete the form needed for reporting and tax withholding information—

- A W-4 form for non-clergy employees and ministers who want income tax withheld.
- A W-9 form for independent contractors.

These forms provide information you will need in making reports and payments to the government (such as the person's address, Social Security number, and other information).

Confirm the Person's Identity and Employment Eligibility

Churches must complete an I-9 form and keep it on file, as evidence that an employee is legally entitled to work in the United States. In hiring someone, you must verify two things:

- The person's identity.
- The person's eligibility for employment.

Form I-9 lists acceptable documents which you can use to verify identity and employment eligibility. The most common ones:

Documents that establish identity: driver's license, government ID card, school ID card with photo, voter's registration card, US military card or draft record. There are 12 such documents.

Documents that establish employment eligibility: US Social Security card, or birth certificate (original or certified copy). There are seven such documents.

Documents that establish both identity and employment eligibility: US passport, certificate of US citizenship, naturalization certificate. There are ten documents in this category.

Establish a Voluntary Withholding Agreement, if Requested

The church isn't required to withhold taxes from ministers' income. However, the minister can request that money be withheld. In this case:

- The figure may be large enough to cover both income taxes and SECA taxes.
- In paying this money to the IRS, the church must identify *all* of the money as federal income tax withheld. Don't break it down into income tax and SECA (churches are *never* to withhold or match Social Security for ministers). This amount will appear on the quarterly Form 941, and in Box 2 of the W2 form.

Provide a Copy of the Reimbursement Policy

Each employee needs a copy of the church's accountable reimbursement policy.

Complete the Forms Needed for Insurance Purposes

Health Insurance. If the person wants health insurance, you need to get the proper forms from your conference insurance administrator. Your conference may also offer supplementary insurance plans, such as dental insurance.

Your conference's health plan may have a minimum number of hours (such as 30 hours a week) needed to qualify for health insurance. Your conference insurance administrator can provide that information.

Insurance Waiver. An employee may be insured through a spouse's job, and not want to be part of your health insurance plan. If the employee doesn't want health insurance, he needs to fill out a waiver form, which you can get from your conference insurance administrator. The waiver then needs to be sent to your conference treasurer, who will then forward it to the insurance company as proof that this person doesn't want insurance. Keep a copy of the waiver for your own files.

Disability Insurance. If your conference participates in the denominational disability insurance plan, obtain enrollment forms from the General Treasurer (call toll-free, 1-888-622-

An IRS Publication on Form I-9 States:

"Hiring employees without complying with the employment eligibility verification requirements is a violation of the employer sanction laws.

"This laws requires employees hired after November 6, 1986, to present documentation that establishes identity and employment eligibility, and employers to record this information on Forms I-9."

Administered by the denomination:

- The pension program.
- Dental insurance.
- Disability insurance.

Administered by the various conferences:

- Health and life insurance.
- Cancer insurance.

Be sure your church covers all employees under workmen's compensation insurance. Employers are liable for any "on the job" injuries and wages.

The Appendix includes Salary Reduction Agreement and Salary Increase Agreement forms, which you can photocopy and use.

3019). You must enroll or sign a waiver. Return the completed forms to the General Treasurer (302 Lake St., Huntington, IN 46750).

Enroll Qualified Persons in the Denominational Pension Program

United Brethren licensed ministers are eligible to join the denominational pension program beginning the January 1 after their hire date. Unlicensed ministers who are employed may join the program the January 1 after they receive a UB ministerial license (local, specialized, annual conference, or ordination). They must be at least 21. For information on enrolling, contact the General Treasurer.

Determine the Amount of Housing Allowance

When the pastor lives in a parsonage, designate a portion of the cash salary as parsonage allowance for the additional home expenses the pastor personally incurs.

When a cash housing allowance is paid in lieu of furnishing a parsonage, designate part of the total cash compensation as parsonage allowance for the whole cost of providing the home and furnishings. Cash housing allowance usually is not sufficient to cover all costs.

Complete a Salary Reduction Agreement

This only applies to employees who contribute to 403(b) tax-deferred annuities, and whose contribution amounts will change for next year. The IRS permits only one additional change during the year.

Complete a salary *increase* agreement when the church makes a contribution, above salary, to the minister's 403(b).

Compute Taxes

Compute taxes according to the W-4 and IRS Publication 15 (Circular E) tables. Deposit taxes according to Publication 15 rules. This is mandatory for non-clergy employees.

The church must withhold FICA and income taxes for employees who don't qualify as ministers. Failure to do so can result in substantial penalties (plus interest). The IRS can impose these penalties on the persons responsible, such as church officers (even a volunteer treasurer).

Establish a Regular Pay Schedule

Make it weekly or bi-weekly, with the specific day of the week identified—and stick to it. Deliver the paycheck on the day the staffperson expects to receive it. Laypersons expect that in their jobs, and they shouldn't make a pastor wait a day or two, because the treasurer just hasn't been able to get around to it.

Insurance and pension withholdings won't necessarily be the same for every paycheck. Watch out for that.

Report New Employees to the Applicable State Agency

Federal law requires that all new employees be reported to the state (the specific office you report to will change from state to state). This must be done within 20 days of being hired.

After an Employee is Hired

Keep Comprehensive Payroll Records.

These include the amount paid to the employee, the amounts withheld or deducted for various purposes (taxes, Social Security, insurance, pension, etc.), and expense reimbursement documentation. You will need these records to prepare government reports and wage and tax statements (941s, W-2s, and 1099s).

You should keep payroll records for seven years.

Pay the IRS Regularly and Promptly

Report taxes withheld and the employer's portion of FICA using the Form 941 coupons. You will receive these preprinted with your Employer Identification Number. The coupon is

due either quarterly or monthly (or more frequently for churches with very large payrolls). Taxes may also be deposited by electronic transfer (telephone).

- *Quarterly.* If payroll taxes are less than \$1000 in a quarter, they can be filed quarterly along with Form 941. The money and 941 forms are due one month after the end of each calendar quarter (April 30, July 31, October 31, January 31).

- *Monthly.* If your payroll taxes exceed \$1000 per quarter, you must pay them to the IRS monthly. In this case, they are due by the 15th of the next month (March 15 for February's payroll period).

If a church should, but doesn't, withhold and pay payroll taxes to the IRS, the IRS can impose a penalty of up to 100% of the amount which should have been withheld as income and Social Security taxes. This penalty can be laid on the person responsible for withholding and paying the taxes.

In addition, substantial penalties await those who miss the monthly or quarterly deadlines—from 2% if you deposit the money within five days of the deadline, to 15% if the IRS sends you a delinquency notice and you don't respond within ten days.

The 941 coupon and the check to the IRS must be delivered to the bank on time (most banks are authorized to receive IRS payments). Make a copy of the check and coupon before delivering them.

The 941 balance should be made up of federal withholding, FICA withholding from the pay of non-clergy employees, and then the same amount again as the employer's portion of FICA (both employee and employer pay half, except in the case of ministers, who must pay it all themselves; churches can never withhold Social Security for ministers).

Your state may require that a state and county withholding form be mailed on a monthly basis. Make a copy of the check and form before mailing them.

Denominational Pension Program

Your pastor is probably involved in the denominational pension program. If so, after the last payroll for the month, write a check to the General Treasurer for the pension withholdings. There is a form to be filled out, with three copies to be made:

- Send one to the General Treasurer with the check.
- Give one to the minister.
- Keep the third copy for the church's files.

Send to: General Treasurer, 302 Lake St., Huntington, IN 46750.

Copies of the forms can be obtained from the same address.

At the Beginning of Each Year....

Check with your pastor(s) to see if they want to change their pension withholdings. The General Treasurer or your conference treasurer can tell you the minimum amount which needs to be withheld each year. If the pension withholding is changed, fill out a new form and have the employee sign it. Then file it in the personnel file.

By January 31, Do the Following:

W-2. Give all employees a W-2 wage and tax statement. This applies even to persons who make very little during the year (such as a secretary who starts at the end of December, and earns only a hundred dollars or so). Anyone on the payroll during the year gets a W-2.

1099-MISC. Give 1099-MISC for each independent contractor paid \$600 or more during the year for services provided to the church. Such persons could be lay evangelists, paid pianists, paid nursery workers, carpenters, plumbers, etc. They could also be persons to whom you paid rent (for example, your church rents office space, or rents yard or office equipment). Such persons must have already completed a W9 form, which the church needs for its own reporting. (You don't need to give 1099-MISC forms to corporations—only individuals.)

The law requires that persons receive these statements by January 31. One copy goes to the employee, one to the IRS, and one into the church's files.

By the Last Day of February—

- Send Copy A of all W-2s issued for the previous year to the Social Security Administration, along with the W-3 transmittal form.
- Send to the IRS the 1099s, along with the 1096 transmittal summary form.

By December 31—

- The board must designate next year's parsonage allowance for the ministers. This requires a board resolution.
- Have employees complete a new salary reduction agreement. This only applies to employees who contribute to 403(b) tax-deferred annuities, and whose contribution amounts will change for next year. The IRS permits only one additional change during the year.

Dates to Remember

January 31

Provide a W-2 to each employee.

Provide a 1099-MISC to each independent contractor to whom the church paid at least \$600 during the previous year.

Send Form 941 to the IRS to report wages and taxes withheld for the quarter ending December 31.

February 15

A new W-4 form must be completed by non-ministerial employees who claimed total exemption from withholding during the previous year.

February 28

Due date for Form W-3 (Transmittal of Income and Tax Statements), and copy A of all W-2s. Send to the Social Security Administration. The address is on the W-3 instructions.

Send copies of tax statements (W-2s and 1099-MISCs) to the state.

Send Form 1096 (Annual Summary and Transmittal of U. S. Information Returns) with all copies of 1099-MISCs to the IRS. (The address is on the Form 1096 instructions.)

April 30

Send Form 941 to the IRS to report wages and taxes withheld for the quarter ending March 31.

July 31

Send Form 941 to the IRS to report wages and taxes withheld for the quarter ending June 30.

October 31

Send Form 941 to the IRS to report wages and taxes withheld for the quarter ending September 30.

December 1

Complete new Forms W-4 for any employees whose withholding will change for the next year.

December 31

The board needs to designate the next year's parsonage allowance for ministers. Requires a board resolution.

The board needs to establish a written business expense reimbursement policy for all employees. It needs to be established only once, not renewed every year.

Clergy Taxes, Housing Allowance, and W2s

The Minister's Taxes

Ministers have a dual-status tax treatment. For Social Security purposes, ministers are considered to be self-employed. But for income tax purposes, they are viewed as employees.

The church, as employer, is responsible to report the minister's taxable income correctly. This includes determining whether the minister is an employee or an independent contractor. *It is the employer's role, not the minister's role, to determine which status applies; the IRS will hold the church accountable.*

Since 1980, the Church of the United Brethren in Christ has asked churches to provide and file information returns for their ministers in compliance with dual-status tax treatment. Here are some things to keep in mind:

- A minister's taxable income is reported on the W2 (not the Form 1099 used by independent contractors).

- All money or property paid or given to an employee is taxable, unless the IRS code excludes it. Taxable income includes such things as Christmas bonuses and reimbursements not covered by an accountable reimbursement plan.

- Generally, ministers won't be taxed on qualified fringe benefits, parsonage allowance, or reimbursements made according to an accountable reimbursement plan.

- *Employees* are entitled to tax-free fringe benefits, such as health insurance, 403(b) tax-deferred annuities, and term life insurance. The cost of such premiums paid on behalf of *independent contractors* must be included on the 1099 as income subject to Social Security and income taxes.

- When it comes to Social Security, clergy fall under the SECA wage base used with independent contractors (as opposed to the FICA plan used with employees). Ministers use Schedule SE of the 1040 tax return to report earnings which are subject to Social Security tax, and are responsible to pay their Social Security taxes (without any matching amount from the church) on a quarterly basis.

- Employers are responsible for paying unemployment taxes, which provide temporary income for people who lose their jobs. Nothing is deducted from paychecks to cover this cost. However, your church (it varies from state to state) may not need to pay unemployment taxes for ministers, or for employees in tax-exempt elementary or secondary schools which are operated primarily for religious purposes. (Churches are generally exempt from paying unemployment taxes. Check with your state.)

Housing Allowance

Ministers aren't taxed on—

- the value of the parsonage provided to them.
- the parsonage allowance paid as part of their compensation.

The parsonage allowance can include a wide variety of things needed to furnish and maintain the home, its contents, and its yard. Here are some expenses which can be covered by the housing allowance:

- Rent, mortgage payments, down payments, property taxes, mortgage interest.
- Utilities: heat, electric, non-business telephone, water, cable TV, sewer, garbage.

- Insurance for the home and contents.
 - Improvements, repairs, and upkeep.
 - Furnishing, appliances, cookware, decorator items (curtains, pictures, linens, wallpaper, bedding).
 - Yard tools and machines.
 - Anything needed to maintain the home and what's inside—lightbulbs, carpet and curtain cleaning, cleaning supplies, mower maintenance.
- The pastor must pay for these things out of his own pocket.
- Some things *not* covered: groceries, toiletries, clothes, hobby items, music, a maid, videotapes, computer games....
- Remember: You must still pay Social Security taxes on the value of the parsonage or the parsonage allowance. Unless, of course, the minister has opted out of Social Security.

Board Resolution

- The board needs to pass a resolution to set the amount of parsonage allowance.
- The resolution *must* be included in the board minutes.
 - The resolution should be passed before the minister actually begins working.
 - The parsonage allowance can be stated as either a dollar amount or a percentage of the total salary.
- If the church provides the home, the housing allowance itself won't be very high. It'll cover such things as utilities, upkeep, and furnishings. But if the pastor provides his own home, then the parsonage allowance will be substantially higher so it can cover mortgage, property taxes, insurance, and all the other expenses involved in providing and maintaining a home.
- What if your church provides a home to a non-minister? If the home is for the employee's convenience and is a condition of employment, the "parsonage allowance" concept applies—meaning, the employee doesn't need to report the fair rental value of the home as income.

Board Resolution for a Parsonage Owned or Rented by the Church

Resolved, That [pastor's name] receive a salary of \$31,000 during the year 2000, of which \$1,800 is designated as housing allowance.

Board Resolution for a Home Which the Minister Owns or Rents

Resolved, That [pastor's name] receive a salary of \$31,000 during the year 2000, of which \$15,000 is designated as housing allowance.

The Minister's W2 Form

You must give employees a W2 form by January 31. It will include the following:

Box 1: Total Wages, Tips, and Other Compensation (Before Deductions)

This includes:

- All wages and salary paid during the year.
- Love offerings and bonuses.
- The value of the personal use of a vehicle leased or owned by the church (unless the amount is reimbursed to the church).
- The value of noncash payments.
- Any mileage allowance which exceeds the IRS rate.
- Payments by the church into the person's IRA.
- Moving expenses paid by the church (unless exempted by IRS).

This doesn't include:

- Housing allowance.
- Reimbursements made according to an accountable reimbursement plan.
- Contributions to a 403(b) tax-sheltered annuity, or to a 401(k) plan.

Box 2: Federal Income Tax Withheld

For ministers, this box may also include the amount withheld, by agreement, to cover

Love offerings (such as at Christmas time) and bonuses must be included on the minister's W2 under "Wages, tips, other compensation."

SECA taxes (this amount is always interpreted as federal income tax).

Box 3. Amount of Income Subject to Social Security.

Box 4. Social Security Tax Withheld.

For ministers, these boxes should be left blank. Churches should never withhold Social Security taxes for ministers. If an agreement is made to withhold money for Social Security (or SECA), it should all be lumped together and reported in Box 2.

Box 5. Amount Subject to Medicare Tax.

Box 6. Medicare Tax Withheld.

The Box 5 figure is usually the same as what's in Box 3 (amount subject to Social Security tax). Social Security is paid on the person's wages/salary only up to a certain amount (which changes every year), whereas Medicare is paid on the person's entire wages/salary.

The Medicare tax withheld will be a percentage (such as 1.45%) of the amount in Box 5.

Both boxes should be blank for ministers.

Box 15

If the minister participates in the United Brethren denominational retirement plan, at least two boxes must be checked:

“Pension Plan” to indicate participation in the Defined Benefit plan.

“Deferred Compensation” to indicate voluntary contributions (not salary increase agreements) made to a 403(b) tax deferred annuity.

Box 13

When “Deferred Compensation” is checked in Box 15, type “Code E” followed by a space and then the amount of contributions (“Code E 1500”).

Box 14

The IRS doesn't use this box. You can use it to provide any other information you want to give the minister. Examples: health insurance premiums, moving expenses paid, etc..

Leased Vehicles

If an employee uses a church-owned or church-leased vehicle, any personal use of that vehicle is considered a noncash fringe benefit. The fair market value of the cost of using that vehicle is taxable, and should be included on the W2 as compensation (unless the value is reimbursed to the church by the minister).

$$\begin{array}{r} \text{Miles driven} \\ \text{for personal use} \\ \times \\ \text{IRS mileage rate} \\ = \\ \text{personal use cost} \end{array}$$

Many of these forms can be downloaded from the IRS web site:

www.irs.ustreas.gov

If you download them in PDF format, and get a copy of the free Adobe Acrobat Reader (www.adobe.com) you can print them off nicely.

Forms You Should Know About

I-9

The forms which confirms a person's eligibility for employment.

SS-4

Used to obtain an Employer Identification Number.

W-2

You give this to your employees, who use it in filing their tax returns. You must give it to employees by January 31. It tells how much compensation the employee received during the past year, and how much was withheld for various taxes. Copies go to the state and federal government.

W-2c

Corrects mistakes on a W2 you already filed.

W-3

Send a W3 form, along with a copy of the W2 of each employee, to the Social Security Administration by February 28. Don't send money with a W3.

W-3c

Should accompany W2c forms to the Social Security Administration.

W-4

States the amount of money to be withheld from an employee's paycheck for income tax purposes. It is required of all non-ministerial employees, whether fulltime or part-time. This does not need to be done annually, except in two circumstances:

1. You want to change the amount to be withheld (as stated on the most current W-4). Such changes can be made anytime during the year.
2. You put "exempt" on a previous W-4 for withholding. If you declare yourself exempt from withholding, you must complete a W-4 every year by February 15.

W-7

Used to obtain an Individual Taxpayer Identification Number. This is for persons who don't qualify for a Social Security Number, but who still must file US tax returns.

1096

Summary form to which all 1099 forms are attached. Must be submitted to the IRS by February 28.

1099

The form you give independent contractors which details how much you paid them during the year (the counterpart of the W-2 for employees).

8109

Use this form, also called a deposit coupon, to pay the IRS any taxes covered by Form 941, Schedule A, and Form 990-T. The church's address and EIN (Employer's Identification Number) will be preprinted on the coupon.

8109-B

If you're new and don't yet have your preprinted deposit coupons, or you reordered coupons but haven't received them yet—use this form to pay the IRS.

1040

The personal income tax form most people use each year (due April 15).

1040ES

The form ministers usually use to pay quarterly income tax and Social Security.

941

The form used to summarize payroll information to the IRS each quarter.

Setting Your Pastor's Salary Package

The General Board of Administration, Church of the United Brethren in Christ, has a recommended minimum fulltime salary to be adopted by the annual conferences. There is also a recommended formula for churches to use to help compute a salary package based upon education, experience, the size of the congregation, and the number of staff supervised.

Here are the guidelines furnished by the denomination for establishing the pastor's salary and benefits. These figures are the minimum compensation levels for fulltime senior pastors.

Standard Base Salary (SBS): \$26,500 \$ _____

Note: The minimum base salary will change each year.

Experience Factor \$ _____

Add 1% of SBS per year of service, up to 25 years of service.

Education Factor (select one) \$ _____

- 1) Add 1% of SBS for Master's degree
- 2) Add 1.5% of SBS for second Masters or M/Div. (or equivalent)
- 3) Add 2% of SBS for earned doctorate

Attendance/Staff Size Factor \$ _____

Attn/Staff:	0	1-2	3-4	5-+
0-100	.00	.03	.06	.10
101-200	.03	.06	.10	.15
201-350	.06	.10	.15	.21
351-500	.10	.15	.21	.28
501- +	.15	.21	.28	.36 +

The decimal figures are percentages. Multiplying by .03 means adding 3% of SBS.

Add appropriate factor of SBS for your local church situation.

(Attendance = Annual average morning worship attendance)

(Staff = Include all staff for which the pastor has supervisory responsibility)

Adjusted Standard Base Salary: \$ _____

Additional Considerations \$ _____

Considerations for compensation in addition to the Adjusted Standard Base Salary:

- Overall ministry performance and effectiveness.
- Adjustments to reflect higher than average costs of living in the local ministry area.

Actual Salary Compensation: \$ _____

Notes on the Salary Compensation Formula

1. The Standard Base Salary assumes a person holds an annual conference ministerial license and a bachelor's degree, with no years of ministerial service, providing fulltime service to a local congregation of the Church of the United Brethren in Christ.

2. The base salary for persons not having an annual conference ministerial license and a

bachelor's degree shall be 85% of the Standard Base Salary. They are entitled to all other standard adjustments and additional compensation considerations.

3. The base salary for associate/assistant pastors (must have annual conference ministerial license and a bachelor's degree) shall be 90% of the Standard Base Salary. They are entitled to all other standard adjustments and additional compensation considerations. It is recommended that the total compensation for any associate/assistant pastoral staff person not exceed 90% of the senior pastor's total compensation.

4. Each year the Personnel Relations Commission and the Finance Commission will review the Standard Base Salary and the standard adjustment factors.

5. The Standard Base Salary reflects the average cost of living in your area. Local churches located in communities with considerably higher cost of living levels should reflect this in the final compensation paid to their pastor and staff.

6. Conference superintendents, at the time of assigning a pastor to a local congregation, will establish the Adjusted Standard Base Salary for the pastor at that church. Conference superintendents will help local pastors and boards of administration determine the Adjusted Standard Base Salary and any additional increases.

7. The Personnel Relations Commission of each local church is responsible to establish their own criteria for granting additional compensation beyond the Adjusted Standard Base Salary.

8. In addition to the cash salary paid to each pastor, he/she shall be provided the following:

Employee Benefits

a. A parsonage or adequate cash rental allowance so the pastor can rent or purchase a house in the immediate area of the local church.

b. All utilities—heat, electricity, water, sewage, garbage collection, gas, or other fuel, water treatment (if necessary, and basic telephone service (excluding personal long distance calls).

c. At least one-half of the SECA tax on the salary/housing package.

d. Full payment of hospitalization insurance as provided through the annual conference.

e. Disability insurance as provided through the annual conference.

f. Contribution to the Pastor's Pension Program provided through the annual conference.

Employee Business Expenses

a. Professional ministry expense reimbursement—home entertainment, professional dues, professional education, periodicals, subscriptions, ministerial luncheons, civic activities, etc.

(Each local church must adopt its own qualified reimbursement plan in order to comply with IRS codes. The pastor and board of administration should work together in structuring the compensation/reimbursement package to maximize the tax benefits to both the pastor and the local church.)

b. Convention/conference expense reimbursement—to cover the costs not covered by the annual conference for attendance at its sessions. Also, provides for participation in seminars and workshops designed to provide personal ministry to the pastor.

c. Mileage reimbursement at the current IRS rate for the actual miles driven in church-related activities. Also tolls and parking fees shall be paid upon proper documentation. It is recommended that mileage reimbursement be paid from a log turned into the church treasurer.

Agreement of Understanding

Before a new senior pastor begins serving a congregation, the conference superintendent will make sure an Agreement of Understanding is signed between the pastor and church. This is not a contract. It is a document that sets forth the details of employment at that church, and is signed by the pastor, the board chairman, and the conference superintendent. The intent is to prevent future problems of misunderstanding.

Sometimes, surprises emerge because details were not discussed or put into writing.

- The pastor did not know that the church had a policy against pets in the parsonage, and the family dog is an important member of the family.
- The pastor planned to do additional graduate work, but the board was surprised to learn this.
- The cost of insurance covered the pastor but not the total family.
- The pastor had a different perception regarding health insurance coverage.
- The church leadership expected the pastoral couple to put their children into the public school system, but the pastor and spouse are into home schooling.
- The pastor thought that the local church would pay moving expenses. The board of administration thought the pastor would pay them.

An agreement of understanding deals with the following kinds of issues.

- Starting date for employment.
- Frequency of paychecks—weekly, bi-weekly, monthly.
- The amount of social security paid.
- Health insurance—the premium, who is covered, what the coverage involves.
- Disability insurance.
- Pension. A specific amount that the church will pay should be stated.
- Housing. Will the church provide a parsonage or provide a housing allowance that will enable the pastor to lease or purchase his home?
 - What utilities will the church pay as part of the housing package?
 - The details of the expense reimbursement plan.
- Vacation: the number of weeks of vacation, how vacation days are earned, and how vacation time is to be communicated to the church.
 - Continuing education budget.
 - The moving arrangements (rental truck, professional mover) and who is responsible for paying the moving expenses.
- Professional ministry expenses. What professional ministry expenses will the church cover?
 - What is the mileage rate for travel connected with the ministry of the church? Is there a maximum number of miles reimbursed each year? What are other legitimate travel expenses connected with ministry?
 - What are special understandings?
 - When will salary and benefits be reviewed?
 - If the position is part-time, how many hours is the pastor expected to be involved in ministry? (Some churches expect fulltime work for part-time pay.) How many hours will the pastor be permitted to work outside the church when the position is part-time?

*“Love must be sincere. Hate what is evil; cling to what is good. Be devoted to one another in brotherly love. Honor one another above yourselves. Never be lacking in zeal, but keep your spiritual fever, serving the Lord.”
(Romans 12:9-11)*

*“Live at peace with each other. And we urge you, brothers, warn those who are idle, encourage the timid, help the weak, be patient with everyone. Make sure that nobody pays back wrong for wrong, but always try to be kind to each other and to everyone else.”
(1 Thess. 5:13-15)*

Employment Status

Clergy have a dual-status treatment in the Internal Revenue Code. Pastors are employees for income reporting, fringe benefit eligibility, and expense deduction purposes and self-employed for Social Security purposes.

The amount of Social Security is determined by combining the salary, housing, plus utilities and multiplying by the government rate.

Most annual conferences consider half the cost of Social Security as part of the total pay package for their pastor.

The treasurer withholds the pastor's percentage via a Salary Reduction Agreement and sends this amount directly to the denominational treasurer each month.

Housing is not subject to federal tax but is subject to Social Security tax. In some states, like Pennsylvania and Idaho, housing is subject to state tax.

CHURCH OF THE UNITED BRETHREN IN CHRIST

Agreement of Understanding

This agreement of understanding is between the _____ Church and Pastor _____. This agreement articulates the terms of the pastoral appointment by the conference stationing committee and reduces the possibility of wrong assumptions/misunderstandings on the part of the pastor or the parish. The goal is to have a healthy working relationship between pastor and congregation.

Starting Date

Employment will begin on _____.

Salary

The annual salary is \$ _____ and will be paid to the pastor—
weekly bi-weekly monthly (circle one).

Social Security

State the amount of Social Security the church will pay the pastor this year.
\$ _____

Has the pastor opted out of the Social Security system? yes no

If yes, state how this benefit will be paid to the pastor instead of a payment into the Social Security system. _____

Health Insurance

State the health insurance coverage that is provided by the church for the pastor and family. _____

Disability Insurance

State the disability insurance coverage. _____

Pension

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

1. State the amount the church will pay to the conference for the Defined Benefit Plan (amount assessed by the conference, 8.5% times salary up to \$22,000): _____

2. State the amount the church will contribute via a Salary Increase Agreement to the 403(b) TSA Plan. \$ _____.

Housing

Will the church provide a parsonage or a housing allowance that will enable the pastor to rent or purchase a home? _____

State the fair monthly rental value of the house or the monthly housing allowance provided for the pastor: \$ _____

Utilities

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

Are utility bills paid by the church treasurer, or does the pastor pay the utility bills and submit an expense voucher? _____

PART 3

Taking Care of Your Pastor

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Conducting Annual Staff Evaluations

*“Since we live by the Spirit, let us keep in step with the Spirit. Let us not become conceited, provoking and envying each other.”
(Gal. 5:25)*

“Make every effort to keep the unity of the Spirit through the bond of peace. There is one body and one Spirit—just as you were called to one hope when you were called—one Lord, one faith, one baptism; one God and Father of all, who is over all and through all and in all.” (Eph. 4:3-6)

The Personnel Relations Commission needs to regularly (at least annually) provide for evaluating the performance of the senior pastor and other staff. It should include input from lay people who work directly with that employee. For example, the PRC should consult the Property Commission when evaluating a janitor. The PRC should consult the Christian Education Commission when evaluating a Christian Education Director or an associate pastor who has a specific job responsibility in that area.

Annual evaluations should express affirmation to the pastor and other employees. People need to know what they are doing right and be affirmed in a particular area of ministry.

Annual evaluations should list both affirmations of ministry and any specific areas that need to be addressed, along with expectations and timetables for improvement.

Annual evaluations should be written and placed in an employee file.

A copy of the evaluation for licensed ministers should be sent to the conference superintendent.

Evaluations help staff persons know if they are on track regarding how they are carrying out their job description, and are valuable in pointing out areas in which the person needs to show improvement. The evaluations do not need to be confrontative, but they do need to be honest. The staffperson needs to be receptive to constructive criticism. At the same time, the PRC members involved in the evaluation need to be affirming, and not use the time to dump criticism on the person.

In some churches, PRC members or other church leaders meet with staff members regularly to provide accountability and performance feedback. This can be very valuable, and enables evaluation to be an ongoing process, rather than something done for just a couple hours a year.

Questions You Might Ask in Staff Evaluations

- What is your understanding of your job description, and where is the job growing? Do you think there are clear expectations within the job description?
- What is your vision for your area of ministry? How can we help formulate a mission and vision statement for your ministry?
- Where do you feel positive about your ministry?
- What objectives and goals have you fulfilled this past year that make a significant contribution to the ministry of the church?
- What are your frustrations or obstacles in fulfilling your job description?
- What do you perceive to be your strengths in your position? Areas for growth?
- How can the church leadership help you reach your goals for ministry?
- How do you evaluate your personal relationships with the congregation? Staff?
- What are your expectations from the congregation?
- Do you have a written set of objectives and goals for your job? How often do you review your objectives and goals?
- How do you keep yourself alive spiritually? Tell us about your devotional life.
- What were the three most meaningful books you read this past year?
- What concerns do you have about your family as you serve this congregation?

What to Expect From Your Pastor

H.B. London, Jr. and Neil B. Wiseman have provided the following list of expectations of pastors. These will help in evaluating the pastor's performance.

- He should provide a fulltime effort, if he is not employed outside the church. It seems

unlikely that any pastor could do justice to the position in less than fifty hours a week. To cover the long list of a minister's duties takes time, and lots of it. (1 Thes. 2:10-12)

- Your pastor may not be the best preacher in the world, but he should never step before an audience unprepared. That takes reading, Bible study, prayer, and practice. (2 Tim. 4:2)

- A shepherd should know the sheep and their needs. The pastor should care for you, be a good listener, express compassion, and seek after wisdom. (John 10:14)

- Your pastor need not "know it all," but he must be secure enough to search for answers, even if the answers lie with another pastor. (Prov. 4:10-12)

- Your pastor needs to be a person of faith and prayer. A prayerless pastor is a powerless pastor. (Matt. 17:20-21)

- Your pastor should be a person of courage, willing to confront evil and injustice. A cowardly pastor is not in close fellowship with the Lord. Pastoring is not for the faint of heart. (Tim 1:7, Josh. 1:9)

- Your pastor and family should be an example to the congregation. No, they do not need to be perfect! The kids need not be the best behaved in the church. The spouse need not head every committee. But they do need to be a family committed to Scriptural principles regarding family life. (Eph. 5:21-6:4, 1 Tim. 3:1-7, Titus 1:6-9)

- Your pastor should spend time training and equipping others to assist in the ministry of pastoral care. We are not all called to be evangelists, but we all are expected to know how to share our faith. Your pastor must prepare you for the responsibilities of lay ministry by helping you find your gifts. (2 Tim. 2:2)

- Your pastor should teach the value of Christian stewardship. If you grasp the significance of tithing your time, talent and treasure, it will not only open up God's special resources for you and your family, but it will also ensure the blessing of God upon your congregation. He promised to pour His blessings upon you (Mal. 3:10, 2 Cor. 9:6-8) in response to your stewardship.

- Your pastor must be a person of integrity. There should be no hint of immorality. (Eph. 5:3-5)

- You should expect your pastor to be vulnerable and transparent, willing to admit when mistakes have been made, and committed to continued growth in every aspect. (Ps. 139:23-24)

- Most important of all, your pastor must be committed to personal holiness. Too many clergy are successful by the world's standards but woefully lacking when it comes to a relationship with God. (Ps. 51:10-12; Rom. 3:22)

From Pastors At Risk, pp. 205-207, 1993.

"Be imitators of God, therefore, as dearly loved children and live a life of love, just as Christ loved us and gave himself up for us as a fragrant offering and sacrifice to God." (Eph. 5:1-2)

"But the fruit of the Spirit is love, joy, peace, patience, kindness, goodness, faithfulness, gentleness and self-control." (Gal. 5:22)

A Sample Performance Evaluation

Samuel D. Rima

*"My message and my preaching were not with wise and persuasive words, but with a demonstration of the Spirit's power, so that your faith might not rest on men's wisdom, but on God's power."
(1 Cor. 2:4-5).*

"Until I come, devote yourself to the public reading of Scripture, to preaching and to teaching. Do not neglect your gift, which was given you through a prophetic message when the body of elders laid their hands on you." (1 Tim. 4: 13-14)

Pastor Rima has completed three years of ministry at Bethany Baptist Church. The following comments reflect the collective views of the church board concerning his performance during the past year.

Preaching/Teaching

Pastor Rima is an excellent preacher. He is articulate, well prepared, and makes good use of examples. His sermons are challenging, convicting, relevant, meaningful, powerful, and motivational. People get taught many lessons for life's situations. He makes himself vulnerable by using personal examples to make a point. He builds his sermons around Scripture, and the action steps at the conclusion of the message are both pertinent and practical.

Some services may get a little long, but this may be corrected by cutting back some on preliminary activities, music, etc. It may be a reasonable goal to generally conclude the service by 11:15. Special music selections should normally be a part of the service.

Leadership

Pastor Rima is a very strong leader. He is aggressive, persuasive, and a good motivator and planner. He does a good job of touching base with individual board members between board meetings. He is well prepared for meetings. He is confident in his abilities and thinks through his positions well before attempting to convince others. He has excellent visionary skills.

When Pastor Rima really feels strongly about an issue, it is difficult for him to back off when the board or other leaders wish to go in another direction. He can also take things too personally at times. In addition, Pastor Rima needs to be careful about telling people about conversations with others (naming individuals) when it's not necessary to do so.

Communications

This is another strength of Pastor Rima's, both in written and verbal communications. He is sensitive to what is needed, including how much and how often. He is clear and articulate and desires the congregation to be informed of pertinent matters as opposed to being secretive. The Harvest 2000 plan is excellent and is predicated on keeping the congregation informed of relocation and ministry activities. He is excellent on his feet in responding to a variety of issues.

Congregational Relationships

Pastor Rima can relate well to all ages and groups of people. He is a solution seeker with members presenting difficult situations to handle. Although he likely does not have the gift of mercy, he does express empathy toward others. He is good at working toward attracting newcomers to the church. He can relate to people in many different ways (hunting, fishing, planning retreats, social outings, etc.).

Although Pastor Rima is good with relationships with all people, he is more attracted to certain types of people (potential leaders, progressive thinkers, those open to change, etc.). Tom Backer provides a good balance and probably fills a void in certain areas of dealing with individuals whose concerns may be more "petty".

Management of Staff

Pastor Rima provides good vision, positive direction, and builds a sense of loyalty among the staff. He does not appear to be continually looking over their shoulder, but at the same

time provides appropriate guidance. He challenges them to think “outside the box” and gives them exposure to the congregation on Sunday mornings (announcements, prayer, occasional preaching, etc.).

Although not a noted problem, Pastor Rima needs to be careful so that his strong personality does not thwart concepts and ideas from his staff. An analysis should be made to determine if board meetings can be accommodated so that Brian Allen can attend.

Administrative Functions

The administrative functions are handled very well. Pastor Rima is well organized, focused, efficient, and capable of doing many different things well. He is well prepared for meetings, presentations, etc.

Pastor Rima has a tendency to do too much himself. He has a strong desire to be in control, which is a reflection of his strong personality. He has perfectionistic tendencies that may result in his actually performing administrative duties at a level higher than what is required to do a very good job.

Other

Pastor Rima is very good at counseling and conflict resolution. He is good at focusing on the relevance of programs the church offers. His gift for vision and change are needed at Bethany. At the same time, his perseverance in the face of opposition is necessary at times as well. Consideration should be given to some form of board members/spouse Bible study/training when new board members are in place.

Major Accomplishments

Some of the accomplishments during the past year include the following:

- Entire relocation process—ability to get a complacent church who are set in their ways to vote for relocation.
- Highest attendance and giving on record.
- Leading the church program away from traditional but ineffective programming, such as Sunday night services to Home Groups and revamped ABFs.
- Continued leadership in revising the morning worship service.
- Staff policy manual.
- Inclusion of two board members at the Maxwell Conference in Denver.
- Achieving of doctorate.

Areas of Improvement

Potential areas of improvement are as follows:

- Continued ongoing review of balance of spiritual, physical, and family life.
- Work on delegating more and controlling less.
- Develop more strengths in areas of weakness (empathy, visiting the sick, patience, etc.).
- Improve driving skills to stay out of the ditch (just kidding).

Summary

The purpose of a performance appraisal is to show an individual his or her strengths and weaknesses. Each of us has both. At the same time it is important to look at strengths relative to weaknesses. With regard to Pastor Rima, the strengths far outweigh the weaknesses. He is the best minister we have worked with and has an excellent blend of preaching and communication skills, vision, administrative abilities, drive, and concern for others. Most important, he believes in prayer and bases his beliefs on Scripture. We hope we can keep him at Bethany for a long time.

Source: *Overcoming the Dark Side of Leadership*, pp. 223-226.

“I urge you to live a life worthy of the calling you have received. Be completely humble and gentle; be patient, bearing with one another in love. Make every effort to keep the unity of the Spirit through the bond of peace.” (Ephesians 4:1-3)

Understanding Your Pastor

There is too little support from the people the pastor is called to lead and serve. Many people do not realize that ministry is a partnership between the pastor and the laity. People need to discover the “real” version of their pastor rather than the “ideal” version.

Seven Misconceptions about a Pastor’s Life

1. Pastors have an easy job.

When people are not familiar with a particular career, they tend to misunderstand it. Don’t assume your pastor’s job is easy. You don’t know the true day-to-day demands.

2. Pastors have a model family.

Pastors have the same needs and temptations in raising a family as other homes. Their families are just like yours.

3. Pastors are experts in their field.

Every day of a pastor’s ministry is filled with real-world issues, business-related and otherwise. A pastor is expected to handle these problems as well as the spiritual ones in the community. Often a pastor does not have the expertise to handle all issues.

4. Pastors are blessed with ideal marriages.

Pastors’ marriages endure the same ups and downs faced by other committed couples.

5. Pastors enjoy the fellowship of many close friends.

Many people would be surprised to learn how few people a pastor can really call “friend.”

6. Pastors consistently experience a vibrant walk with God.

It may surprise you to know how little time the pastor is able to give to Bible study, prayer, meditation, Scripture memorization, and personal worship. Often there are so many other demands in the pastorate that there is little time left for the “quiet disciplines.”

7. Pastors are content and fulfilled in their work.

The assumption of contentment and fulfillment often comes from the connection of church and spiritual life, as well as the pastor’s own personal call to ministry.

Seven Common Realities of a Pastor’s Life

1. Pastors have a challenging and demanding call and responsibility.

Ephesians 4:12 teaches that the pastor’s primary role is to equip the people to do ministry. The pastor is the recruiter, motivator, and equipper, and the people are the real ministers. The pastor is the coach and the people are the players. The opposite usually takes place in most churches, where the pastor does nearly everything, or attempts to. The truth is, he can’t. Your pastor needs you, and so does God, to build the church.

2. Pastors have a stressful family life.

One survey reports that 80 percent of pastors believe that ministry has negatively affected their families. The same survey reports that 33 percent of pastors say that being in the ministry is an outright hazard to their family.

Massive demands on a pastor's time and the 24-hour "on call" nature of the work contribute to this stress. There is high emotional drain in pastoral ministry. Plus, there is the fishbowl syndrome. The expectations are high for the pastor and family. The congregation is always watching what the pastor's family is doing.

3. Pastors often feel inadequate in their work.

A Fuller Theological Seminary survey reports that 50% of pastors feel unable to meet the needs of the job and 90% feel inadequately trained to cope with ministry demands.

4. Pastors experience tension in their marriages.

Often the pastor and spouse have no one in the church who serves as a confidant and encourager. The average congregation is more interested in the pastor meeting their needs than they are stepping into the ministry partnership and getting to know their "real" pastor and the family. Satan also subjects the clergy couple to a high degree of temptation, because the stakes are high.

5. Pastors suffer from loneliness

Leadership loneliness comes from the responsibility of making difficult decisions. A commitment to confidentiality adds to the loneliness. Even the experience of spiritual disciplines like study, prayer, and fasting add to the loneliness. Leadership loneliness is an experience that non-leaders do not understand.

6. Pastors go through spiritually dry seasons.

If a pastor runs in high gear for long periods of time without getting replenished through personal quiet times, the spiritual reservoir will run dry. Pastors are also subject to a greater level of spiritual warfare.

7. Pastors are well acquainted with discouragement.

Discouragement is caused by people conflicts, lack of commitment from the people, and from personal attacks from people. The Apostle Paul was well acquainted with hardship and discouragement. Barnabas and Timothy were great encouragers to him (II Tim. 4:9-18).

*"Fight the good fight of the faith. Take hold of the eternal life to which you were called when you made your good confession in the presence of many witnesses."
(I Tim. 6:12)*

Suggestions for Positive Relationships

- Establish a precedent for an annual review of the pastor's work. Look for every opportunity to be positive and affirming.
- Express appreciation for the person of the pastor as well as the ministry of the pastor. Plan an annual appreciation day for the pastor and family. Many churches use a Sunday in October as Pastor Appreciation Sunday.
- Include a continuing education budget to encourage the pastor to keep developing competencies for ministry. This is called professional development.
- Interpret for the congregation the nature of a call, academic and practical preparation, and the role of a minister within the Church of the United Brethren In Christ. PRC members should own a copy of the *Discipline* for the Church of the United Brethren in Christ. Copies can be ordered from the Department of Church Services, Huntington, Indiana.
- Consider an ordination recognition at the local church in addition to the ordination service for your minister during the annual conference.
- Be generous to your pastor and family. Move beyond minimum salary levels when your pastor has experience and is serving God's church faithfully. The minimum fulltime salary is only the starting point.

Suggestions for Building Up Your Pastor

Gary L. McIntosh and Robert L. Edmondson, in *It Only Hurts on Monday*, give a list of ways that lay leaders can help their pastor. Here are some of those ideas.

"Love is patient, love is kind. It does not envy, it does not boast, it is not proud. It is not rude, it is not self-seeking, it is not easily angered, it keeps no record of wrongs. Love does not delight in evil but rejoices with the truth. It always protects, always trusts, always hopes, always perseveres." (1 Cor. 13:4-7)

Hold your pastor accountable for stress management disciplines like rest, exercise and meaningful recreation. (Ask his wife.)

Protect your pastor from spiritual leeches. Mature church members can take these needy and troublesome souls into their hearts and disciple them, thus lessening their need to depend on the pastor.

Get your pastor to go with his strengths. Find out what your pastor does naturally well, what he likes to do, and encourage him in that area.

Encourage him to fellowship with other pastors.

Recognize the uniqueness of your pastor's job. It is unlike any other. Communicate the pastor's job to the congregation. Every congregation has a multifaceted list of pastoral expectations, and this list needs to be reshaped.

Stop comparing your job to his. The responsibilities, hours, accountability, corporate dynamics, and even the salary structure are vastly different.

Affirm the value of your pastor's work. Communicate that you are on his team and are planning to help him succeed.

Pray for your pastor. Your pastor is in a spiritually important and often dangerous place. The enemy has marked him for destruction. Your prayers can shield him from more than you know.

Encourage or require your pastor to be involved in ongoing education. The process of mental stimulation can be as important as the material learned.

Consider starting an internship program for theological students and/or prospective ministers in your church.

Be patient with a young pastor as he acquires knowledge and experience that can only be learned through hard experience. Good judgment comes from experience and experience comes from bad judgment.

Ask your pastor to define himself and his responsibilities.

Ask your pastor to communicate himself. It is the role of the pastor to cast vision for the whole church and it is up to him to communicate his own role in fulfilling that vision.

Ask your pastor to commit himself to doing a few things well. If we focus on strengths, your pastor will find the path to excellence.

Ask him to delegate.

Protect him from the pastor abusers.

Ask your pastor to work with people rather than alone whenever possible. This will enable your pastor to become a more effective disciple-maker. This style will encourage others to use their gifts in ministry resulting in a healthier church.

Offer your pastor regular performance reviews. Use a questionnaire to help you cover objective standards.

Enter into a two-way accountability relationship with your pastor based on a mutually acceptable list of criteria. In this way you can hold each other accountable for specific areas of responsibilities without threat. Honesty and transparency are essential ingredients.

Include your pastor in an accountability group with a group of trustworthy people who are capable of keeping a confidence and who do not hold an unrealistic view of pastors as sinners-emeritus.

Help your pastor find support. Aaron and Hur held up Moses' arms during the battle against the Amalekites (Exod. 17:8-13).

Help your pastor find intellectual and spiritual stimulation. Pastors need to plug into a battery charger somewhere.

Get involved in the change issues within the parish. Change involves more than one voice.

Pay your pastor on the basis of worth, not need.

Find ways to eliminate “apples and oranges” comparisons in the area of salary.

Allow God to bless you for your generosity. Generosity could return to you ten-fold through the efforts of a more effective and long-lasting pastor.

Offer relational support. Let your pastor know that you are not surprised or disappointed by his/her humanity.

Honor your pastor’s need for privacy. This means keeping church business inside office hours as much as possible, guarding his days off, and making sure he gets away from time to time.

Don’t begrudge your pastor outside friendships. Outside social life with others is reasonable and healthy.

Encourage your pastor to be involved in extracurricular activities such as sports and hobbies.

Pray for your pastor and for your church.

Commit yourself to spiritual maturity and freedom in Christ.

Avoid any involvement in the devil’s classic stratagems: gossip, disunity, grumbling, apathy, hypocrisy, and the like.

Consider as a church whether or not you need to deal with corporate sins. Unresolved sins can cause problems for churches as much as for individuals. Such sins can create an on-going pattern of spiritual defeat in your church.

Affirm your pastor. Offer your pastor specific input on the ways in which he uses his personal gifts well in leading the church. Offer your pastor examples of ways in which he is effective.

Create a written job description and use it to define your pastor’s success. Be as specific as possible.

Hold your pastor accountable, not only for fulfilling the job description, but also for doing it efficiently enough to go home when he is done.

Find ways to guard your pastor against unnecessary intrusion into his private life by inconsiderate church members.

Make sure you pastor takes days off and also vacations.

Help your pastor cope with crises. Churches can and should develop a team effort in this area so that crisis intervention is not the task of the pastor alone. Identify people with the appropriate gifts and train them.

Develop a small group ministry. One of the greatest contribution of small groups to the life of the modern church is that they provide a context in which people can give and receive pastoral care without involving the pastor.

Express support to the pastor’s spouse and children.

“Do not let any unwholesome talk come out of your mouths, but only what is helpful for building others up according to their needs, that it may benefit those who listen.” (Eph. 4:29)

“Carry each other’s burdens, and in this way you will fulfill the law of Christ.” (Gal. 6:2)

What Happens When Shepherds Suffer?

“The elders who direct the affairs of the church well are worthy of double honor, especially those whose work is preaching and teaching”—I Tim. 5:17

Why do pastors suffer in the pastorate today?

- Most laity do not recognize the pain and suffering of their pastors.
- Pastors are expected to minister to people in their pain. When the pastor is in pain, few people respond with a caring attitude. In most respects, congregations do not understand pastoral pain.
- There is a destruction of a precious human resource in the church.

What are some of the causes of pain that our pastors experience?

- Undue and unfair criticism.
- Unnecessary limitations.
- Unfair allegations.
- Unfounded accusations.
- Unbelievable expectations.
- Unfair financial packages.

What are some reactions to the pain and suffering?

- Some accept their suffering as part of God’s plan.
- Many pastors remain in their hard situation, having no retreat, no alternatives.
- Some make a lateral move; few move upward.
- Later in life the moves are backward, back through the same discouraging situations as before, bearing the same burdens, having wounds reopened.
- Some quit the ministry.
- A few drop out of church.

What are some of the important problems facing pastors?

- The lack of time to fulfill responsibilities.
- The lack of congregational cooperation.
- Inadequate accountability system.
- Inadequate support system.
- Endless battles with people in the congregation.

Assumptions

1. Some suffering is inevitable, a necessary part of life. This suffering may strengthen the life of the pastor and family (1 Peter 5:10).
2. If pastors are to receive the care they need, it should come from those they serve.
3. Pastors and congregations alike deserve human understanding.
4. Pastors are professional caregivers, but they do not know where to get care.
5. Biblical churches do not always treat their pastor in a biblical way. “Carry each other’s burdens, and in this way you will fulfill the law of Christ” (Gal. 6:2).
6. Churches do not recognize their pastors as human—people with real needs. Many lay people are oblivious to the humanity of the pastor.
7. Most church problems leading to conflicts are initiated and exacerbated by a disgruntled person in the congregation.

Conflict Resolution Policies and Procedures

Here are general policies to follow when there are conflicts within the local church. These policies have two objectives:

- To encourage congregations, pastors, and conference leaders to follow biblical principles in the resolution of conflict; and
- To alleviate the growing pressure placed upon conference superintendents and the bishop to resolve intra-congregational conflict issues.

The following priorities should be observed in the resolution of inter-congregational conflict issues:

1. Individuals in conflict should first attempt to resolve their issues privately without congregational or conference intervention.

This priority is in accordance with Jesus' instruction in Matthew 18 to resolve the matter one-on-one or, failing that, with the assistance of one or two witnesses. This priority assumes that members of congregations are informed of the provisions of Matthew 18, and are held accountable for following these steps by their leaders, both ministerial and lay.

2. Conflicts not settled privately should be resolved within the congregation.

In Matthew 18, Jesus instructs individuals who cannot settle conflicts within the first two steps (above) to "tell it to the church." Identification of the body of the local church responsible for handling any specific conflict issue will depend on the nature of the conflict and the local church administrative structure. For example, pastor-parishioner issues will likely be dealt with by the Personnel Relations Commission; parishioner-parishioner issues may be dealt with by the ministerial staff, a board of deacons, or other such bodies. In some cases, the entire board of administration may be the appropriate body.

This priority assumes that leaders of the congregation, particularly PRC chairpersons, deacons, board members, and pastoral staff, are familiar with conflict resolution principles and are prepared to implement them consistently. The conference shall make available resources for training congregational leaders if requested. Some agencies specialize in conflict management and resolution and will come into a congregation to train or to mediate a serious conflict.

3. Conflicts not resolved within the congregation may be referred to conference leadership.

The first step of referral is to the district elder (if the conference uses this structure). If resolution is still not possible, the district elder may refer the issue to the conference superintendent. The assigned superintendent may appoint a mediator to act with authority in the situation. District elders and mediators should inform the conference superintendent of the nature of such issues and any appropriate steps being taken.

This priority assumes that district elders, conference superintendents, and appointed mediators are familiar with conflict resolution principles and are prepared to implement them consistently. Conference leaders will insist that the congregation make all attempts to resolve the issues internally before involving conference participation. It is always preferable that conflicts be resolved within the congregation; conference-level mediation is a next-to-last resort.

As a general principle, district elders will not intervene in intra-congregational disputes unless requested by an official body (e.g. pastor, PRC, official board) of that congregation, and conference superintendents will not intervene unless requested by a district elder. If a conflict is not resolved, the district elders shall refer conflict issues to the superintendent, who

*"If it is possible, as far as it depends on you, live at peace with everyone."
(Romans 12:18)*

*"Bear with each other and forgive whatever grievances you may have against one another. Forgive as the Lord forgave you."
(Col. 3:13)*

*"Let your conversation be always full of grace, seasoned with salt, so that you may know how to answer everyone."
(Col. 4:6)*

will develop a strategy for helping a congregation resolve the conflict.

A conference superintendent will not usually be directly responsible for mediating conflict situations referred to them by district elders, but will oversee the efforts of an appointed mediator to act in their behalf. Mediators will be authorized not only to seek resolution, but to train congregational leaders on appropriate conflict resolution principles when necessary.

In the past, it has been assumed by many that the proper role of the conference in conflict resolution is to remove the pastor. On the contrary, the goal of conflict mediation is to prevent a rupture in the relationship between pastor and congregation. Removal of a pastor is an option only when other attempts at mediation have failed. It is essential that Personnel Relations Commissions take the initiative to foster a positive pastor-parish relationship even before conflicts arise. This creates a foundation of trust upon which conflict mediation can be accomplished more easily and more biblically.

4. Conflicts not resolved by conference leadership may be referred to the bishop.

It is understood that this is the last resort, and will be used only in the rarest of incidents. Referring a matter to the bishop is a prerogative of the superintendent, not the district elder, the pastor, or members of the congregation. This bishop will refuse to hear issues that have not been dealt with according to the priorities above.

PART 4

Appendix

- 46** **Sample Policies for Reimbursements**
Salary Plus Unlimited Reimbursements
Salary Plus Fixed Reimbursements
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Sample Policies for Reimbursements

Resolutions such as the ones below need to be placed in the church board minutes by December 31.

Only one of the two policies on the right will apply—either a fixed or an unlimited reimbursement policy.

Salary Plus Unlimited Reimbursement

The chairman informed the meeting that according to Section 62(a)(2)(A), employees who adequately accounts to their employer the details of their professional expenses is allowed a deduction from gross income. Section 62(c) further requires an employee to return any excess reimbursement or advance to the employer within a reasonable time. Reg. 1.62-2(d)(3) further requires that no part of our employees' salaries may be recharacterized as being paid under this reimbursement arrangement.

A motion was made by _____, seconded by _____, and passed to adopt the following resolution:

Resolved, that in addition to the salary provided our employees, we will reimburse them for auto, travel, and professional expenses considered ordinary and necessary for them to carry out their duties. Automobile expenses will be reimbursed according to the current IRS standard mileage rate for actual miles traveled, plus tolls and parking expenses incurred.

It is further understood that a person other than the employees will examine the adequately accounted records, and that the records will be kept for at least four years by the employer.

Salary Plus Fixed Limited Reimbursement

The chairman informed the meeting that according to Section 62(a)(2)(A), employees who adequately accounts to their employer the details of their professional expenses is allowed a deduction from gross income. Section 62(c) further requires an employee to return any excess reimbursement or advance to the employer within a reasonable time. Reg. 1.62-2(d)(3) further requires that no part of our employees' salaries may be recharacterized as being paid under this reimbursement arrangement.

A motion was made by _____, seconded by _____, and passed to adopt the following resolution:

Resolved, that in addition to the salary provided our employees, we will reimburse them for auto, travel, and professional expenses considered ordinary and necessary for them to carry out their duties up to a fixed limit of \$_____. If actual expenses are less than this fixed limit, employees cannot be given the difference as bonus or salary. If actual expenses are greater than this fixed limit, employees will be required to deduct the extra expenses on Form 2106 and Schedule A.

It is further understood that a person other than the employees will examine the adequately accounted records, and that the records will be kept for at least four years by the employer.

Sample of wording which needs to be placed in the church board minutes by December 31. It only needs to be approved once, not annually.

Accountable Expense Reimbursement Policy

Whereas, Income tax regulations provide that an arrangement between an employee and employer must meet the requirements of business connection, substantiation, and return of excess payments in order to be considered reimbursement;

Whereas Plans that meet the three requirements listed above are considered to be accountable plans, and the reimbursed expenses are generally deductible from gross income to arrive at adjusted gross income;

Whereas Plans that do not meet all the requirements listed above are considered nonaccountable plans, and expenses are subject to the two-percent floor imposed on certain itemized deductions; and

Whereas First Community Church wants to establish an accountable expense reimbursement policy in compliance with the income tax regulations;

Resolved,

That First Community Church establish an expense reimbursement policy whereby ministers and other staff serving the church may receive advances for or reimbursement of expenses to the extent provided in the current adopted budget if:

- a. The expense has a stated business purpose related to the ministry of the church.
- b. The minister/employee provides substantiation to the church for all expenses.
- c. The minister/employee returns all excess reimbursements within a reasonable time.

Resolved,

That the following methods will meet the "reasonable time" definition:

- a. An advance is made within 30 days of when an expense is paid or incurred.
- b. An expense is substantiated to the church within 60 days after the expense is paid or incurred.
- c. An excess amount is returned to the church within 120 days after the expense if incurred.

Resolved, That substantiation of business expenses will include: business purpose, business relationship (including names of persons present), cost (itemized accounting), time, and place. Auto mileage reimbursed must be substantiated by a daily mileage log which separates business and personal miles. The minister may keep copies of the expense substantiation, but the church will retain the original copies.

Salary Reduction Agreement

Where applicable, this agreement is a supplement to an existing employment contract

This Salary Reduction Agreement is executed by the following parties:

Name of Local Church (Employer): _____

Name of Employee: _____

Social Security Number of Employee: _____

The following are true:

1. The employee wants to receive the benefits of Section 403(b) of the Internal Revenue Code of 1954 by participating in an annuity purchase program available through the employer.
2. The employer wants the employee to receive those benefits.

Therefore, it is agreed that:

1. As of _____ (a date subsequent to the signing of this agreement), the annual salary payable to the employee will be reduced by

\$ _____ beginning _____ (date). This agreement supercedes any previous agreements between the employee and employer.

2. The employer will use the amount of the salary reduction to buy a nonforfeitable annuity contract for the employee from the following insurance company:

_____.

3. The employee and employer understand and agree that—

- this annuity will be purchased at the employee's request under a program adopted by the employer.

- the employee accepts the provisions of that program.
- the employer doesn't guarantee the annuity, nor require its purchase.

4. This agreement is legally binding and irrevocable with respect to the amounts earned while it is in effect.

5. The employee cannot make a salary reduction agreement, such as this one, more than once during any taxable year. The exception is cases where an underlying employment contract will expire within one year of the signing of this agreement.

6. Nothing in this agreement affects the employer's right to discharge the employee, with or without cause.

7. Both employer and employee may end this agreement after giving 30 days' written notice to the other party.

EMPLOYEE'S SIGNATURE

EMPLOYEE'S SIGNATURE AND TITLE

DATE

NAME OF EMPLOYER (CHURCH NAME)

File one copy in the church files, and let the employee keep a copy.

Salary Increase Agreement

Where applicable, this agreement is a supplement to an existing employment contract

This Salary Increase Agreement is executed by the following parties:

Name of Local Church (Employer): _____

Name of Employee: _____

Social Security Number of Employee: _____

The following are true:

1. The employee wants to receive the benefits of Section 403(b) of the Internal Revenue Code of 1954 by participating in an annuity purchase program available through the employer.
2. The employer wants the employee to receive those benefits.

Therefore, it is agreed that:

1. As of _____ (a date subsequent to the signing of this agreement), the annual salary payable to the employee will be increased by

\$ _____ beginning _____ (date). This agreement supercedes any previous agreements between the employee and employer.

2. The employer will use the amount of the salary increase to buy a nonforfeitable annuity contract for the employee from the following insurance company:

_____.

3. The employee and employer understand and agree that—
● this annuity will be purchased at the employee's request under a program adopted by the employer.

- the employee accepts the provisions of that program.
- the employer doesn't guarantee the annuity, nor require its purchase.

4. This agreement is legally binding and irrevocable with respect to the amounts earned while it is in effect.

5. The employee cannot make a salary increase agreement, such as this one, more than once during any taxable year. The exception is cases where an underlying employment contract will expire within one year of the signing of this agreement.

6. Nothing in this agreement affects the employer's right to discharge the employee, with or without cause.

7. Both employer and employee may end this agreement after giving 30 days' written notice to the other party.

EMPLOYEE'S SIGNATURE

EMPLOYEE'S SIGNATURE AND TITLE

DATE

NAME OF EMPLOYER (CHURCH NAME)

File one copy in the church files, and let the employee keep a copy.

Resources

Books on Pastors and Pastoring

Barbee, A. H. *It Shouldn't Hurt So Much To Be A Pastor* House of Bon Giovanni, 129 West Neshannock Avenue, New Wilmington, Pennsylvania, 1989.

Bratcher, Kemper, Scott. *Mastering Transitions* Multnomah Press, Portland, Oregon, 1991.

McIntosh and Rima. *Overcoming the Dark Side of Leadership* Baker Books, Grand Rapids, Michigan, 1997.

Reiland, Dan. *Shoulder to Shoulder* Thomas Nelson Publishers, Nashville, 1997.

Shelley, Marshall, *Well-Intentioned Dragons* Word Books, Waco, Texas, 1985.

Sweetland, Kenneth. *The Hidden World of the Pastor* Baker Books, Grand Rapids, Michigan, 1995.

Books on Conflict Management

Buzzard and Eck. *Tell It To The Church* Tyndall House, 1985.

Sande, Ken. *The Peacemaker* Baker Book House, 1991.

Church Finances

Daniel B. Busby, CPA, has published a number of materials which are helpful when it comes to finances, taxes, employment law, and other related issues. These include:

- Reporting Procedures for Churches
- Church and Nonprofit Organization Tax & Financial Guide (updated annually), Zondervan.
- The Minister's Tax & Financial Guide (updated annually), Zondervan.

UB Web Site

The United Brethren denominational web site has various resources available. They include:

- The contents of this manual (as web pages, and as downloadable PDF files).
- Various tax and other forms (in PDF format)

General Treasurer

The denominational General Treasurer constantly interacts with pastors, church treasurers, and conference treasurers concerning all kinds of tax and law issues relevant to pastors and churches. You may contact Marda Hoffman, the General Treasurer, at:

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Email: marda@ub.org

