

LETTER OF AGREEMENT

between

St. X Church
_____, Florida

and

The Reverend John Doe

who has been elected Rector with the understanding that this tenure is to continue until dissolved by mutual consent or by arbitration and decision as provided by the relevant Canons of the Diocese of Central Florida and of the Episcopal Church.

PREAMBLE

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

Between the seventh and twelfth month of the Rector's tenure at St. X Church the Rector and Vestry agree to an initial review of their ministry together. This review shall include a reevaluation of the materials used in the search process, especially the Parish Profile and the Profile of the Rector as a way of clarifying expectations and establishing goals for the coming year. When completed, a summary of this review shall be forwarded to the Bishop of Central Florida.

SECTION A - TIMES OF WORK AND LEAVE

- (1) The Rector's work includes not only activities directed to the parish and its well being, but also labors on behalf of the Diocese and community. In general, no more than three evenings per week are expected. The Rector is expected to preserve at least one continuous twenty-four hour period each week solely for personal and family use, preferably - whenever possible - two.
- (2) The Rector will have the following periods of leave at full compensation:
 - (a) National Holidays, to be taken so as not to interfere with worship for major occasions.

- (b) One month Annual Vacation, consisting of twenty-four workdays, which shall include four Sundays. Vacation time shall not be carried forward unless by written agreement with the Vestry prior to the end of each calendar year.
- (c) Continuing Education Leave, at the rate of two weeks per year.
- (d) Sabbatical Leave, generally after seven years of service, may be arranged between the Vestry and the Rector, insuring benefits for the Parish and the Rector and in accordance with Diocesan guidelines. Sabbatical leave ordinarily is between three and six months, during which time full compensation and benefits shall be continued.

SECTION B – COMPENSATION & BENEFITS

- (1) The Rector's annual compensation package (including salary, housing allowance and Self-Employment Tax offset) will be \$_____, paid monthly (or twice monthly) on or before the _____ day of the month, to be reviewed and adjusted annually in light of changes in the Consumer Price Index and the current Diocesan clergy salary guideline. Upon the Rector's request, the Vestry will designate a portion of the total cash salary as "Housing Allowance" under provisions of the Federal Internal Revenue Code.
- (2) The Vestry shall pay the following benefits:
 - (a) Church Pension Fund assessment as required by canons which is 18% of the Rector's annual compensation package.
 - (b) Health (and Dental) Insurance, equivalent to or better than the group plan provided through the Diocese.
 - (c) Group Life and Accidental Death and Dismemberment Insurance through the Diocese, or equivalent to or better than the group plan provided through the Diocese.
 - (d) Workers' Compensation Insurance, as required by Florida State Law.

SECTION C - EXPENSES

- (1) The Vestry shall pay the following expenses incurred by the Rector in fulfilling the duties of office:
- (2) Travel expenses under an accountable reimbursement plan not to exceed \$_____ annually, *[or a travel allowance of \$_____ per month, to be reviewed*

annually in terms of actual travel expenses].

- (3) The normal expenses of the church's office operation, such as telephone, postage, office equipment, supplies, secretarial services, etc.
- (4) An expense allowance (up to \$_____ annually) for reimbursement of expenses incurred in the course of professional activities on behalf of St. X Church.
- (5) A Continuing Education Allowance of at least \$_____per year, to be reviewed annually and paid to or on behalf of the Rector toward expenses incurred in relation to Professional Development Leave. The parish further agrees to participate in the Continuing Education Fund in the Diocese (which provides \$200 per year when matched by a \$200 contribution from the parish and \$100 from the Rector).

SECTION D - DISCRETIONARY FUND

In accordance with the canons of the Episcopal Church, a Discretionary Fund is to be established as a parish account but under the Rector's sole control equal to the undesignated offering received at the celebration of the Holy Eucharist on one Sunday in each calendar month, as well as gifts given to the Rector for the purposes of the Discretionary Fund.

SECTION E - SUPPLEMENTARY COMPENSATION

- (1) The Rector shall not charge fees for performing any rites of the Church (for example, baptisms, marriages, and funerals) for members of St. X Church.
- (2) The Rector may, however, receive income from other sources, such as:
 - (a) Sacramental services on behalf of persons not in any way related to St. X Church.
 - (b) Fees and honoraria for professional services performed on personal time for groups unrelated to St. X Church, or for sermons, books or articles published outside the parish.

SECTION F - USE OF BUILDINGS

In addition to use and control of the Church and Parish buildings for the discharge of duties of the Rector's office, as provided by canon law, the Rector shall have the right to grant use of the buildings to individuals or groups from outside the parish, following guidelines approved by both Rector and Vestry.

SECTION G - MUTUAL MINISTRY REVIEW

The Rector, Wardens and Vestry agree to an annual discussion and mutual review of the total ministry of the parish, in order to:

Provide the Rector, Wardens and Vestry opportunity to assess how well they are fulfilling their responsibilities to each other and to the ministry they share.

Establish goals for the work of the parish for the coming year.

Isolate areas of conflict or disappointment, which have not received adequate attention and may be adversely affecting mutual ministry.

Clarify expectations of all parties to help put any future conflicts in manageable form.

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

SECTION H - OTHER AGREEMENTS

- (1) The Rector agrees to comply with all risk management policies of the Diocese of Central Florida including a background check and training on issues of Sexual Misconduct.
- (2) The Rector agrees to participate for one year in the diocesan program for clergy in new cures called *Fresh Start*.
- (3) St. X Church shall pay all moving and travel expenses incurred in making the move from _____ to _____. The Rector and Vestry shall mutually agree to the specific moving contract. The moving date shall be mutually agreed to.
- (4) The Rector shall begin duties in the parish not later than _____, unless delayed by adverse circumstances.
- (5) All pay and benefits shall become effective on _____.
- (6) This Letter of Agreement shall be made part of the minutes of the next Vestry meeting following its signing, and copies shall be given to each new Vestry member.
- (7) In the event of the Rector's death, the Vestry agrees to continue payment of the

Rector's compensation package, and appropriate health and hospital insurance to the Rector's surviving direct dependents for a period of _____ months.

- (8) This letter may be revised by mutual agreement at the time of the annual mutual ministry review, except that compensation and expenses revisions shall be mutually agreed upon in a separate budget process.

- (9) If the Rector and Vestry are in disagreement concerning interpretation of this Letter of Agreement, either party may appeal for mediation to the Bishop of Central Florida or another mutually agreed upon third party, the Bishop remaining the final arbiter.

Date

Rector

Date

Senior Warden

Date

Approved:

Bishop

Please Note: This model is adapted from "Called to Work Together: A Manual on Letters of Agreement for Clergy and Congregations", by Richard L. Ullman, available for the Church Deployment Office. This revision date: November, 2005.