

This Update Letter of Call Agreement can be used each year to formally state the annual benefit and reimbursement agreement for a congregation's pastor. It can be completed by the chairperson of the Pastoral Relations Committee, in mutual agreement with the pastor, and then affirmed by the Church Board and congregation as a part of their normal annual budgeting process. Please make three copies of this completed agreement, providing a copy each to the congregation for its files, to your Regional Minister and to the Office of Search and Call at: Disciples Home Missions, PO Box 1986, Indianapolis, IN 46206. The original copy of this agreement is for the minister.

**ANNUAL UPDATE
LETTER OF CALL AGREEMENT**

To: *(minister's name)* _____ Date: _____

We are pleased to advise you that the _____,
(Congregation, City, State, Zip Code)

in a congregational meeting on _____, approved by appropriate and official vote to update the agreement of your
(Date)

original call to serve this congregation as its _____.
(Pastor, Associate, etc.)

In accordance with our previously agreed upon and mutual understanding, the following items are formally reaffirmed:

1. Beginning date of this updated agreement: _____

2. Minister's Compensation

a. Cash Salary - \$ _____

b. Parsonage/Housing Allowance Options (choose one) –

(I) Pastor secures own housing - \$ _____
(cash for housing allowance, including rent or mortgage, insurance, utilities, furnishings, etc.)

OR

(II) Parsonage provided by the congregation – Utilities paid by the congregation –

\$ _____ + \$ _____ + \$ _____ = \$ _____
(Parsonage Fair Rental Value) (utilities allowed) (cash for Parsonage Allowance) (housing sub-total)

3. Health Insurance: _____

(agreement on how the church will provide for the health insurance needs of the pastor and family)

4. Benefits:

Pension Plan 14% _____ **YES** _____ **NO**

Other Benefit(s): _____
(Describe)

5. Rest and Renewal:

Vacation Time: _____
(A minimum of 4 weeks, including 4 Sundays, is recommended)

Sick Leave: _____

Parental/Family Leave: _____
(per General Assembly resolution, eight weeks of leave is recommended)

6. Spiritual Health and Wholeness:
- a. Continuing Education/Spiritual Retreat Time - _____
(not including Assemblies or Professional Meetings)
 - b. Education/Retreat Allowance - \$ _____
 - c. Sabbatical Leave Time - _____
(amount of time allowed for each sabbatical)
after _____
(# of years prior to first, and between subsequent sabbaticals)
Sabbatical Allowance: _____
(amount set aside annually in church account for pastor's use a time of sabbatical)
7. Our congregation expects this minister, as part of the congregation's ministry, to participate in wider church and community leadership responsibilities within reasonable limitations of time - _____
(Board Chair's initials) (Pastor's initials)
8. Reimbursement for expenses incurred in service to the church:
(These items are NOT Ministerial compensation and should be used only for the purposes so designated)
- a. Automobile - \$ _____
 - b. Assemblies/Professional Meetings - \$ _____
 - c. Books, Journals, Software/Web Resources - \$ _____
 - d. Professional Expenses - \$ _____

9. COPYRIGHT AGREEMENT*

The default under the law is that works prepared by a pastor within the scope of their employment (called "works for hire" in copyright law) – such as sermons and liturgies – become the property of the church. By including the following copyright agreement language, a church gives up those rights, but has license to use the copyrighted works with the consent of the minister.

Church and minister acknowledge that sermons and other original written and spoken theological reflections authored by minister (collectively, "the works") are ecclesiastical events and moments which are the produce of deeply personal spiritual reflection, prayer and discernment by minister. Church and minister agree that regardless of when and where such reflection, prayer, discernment and preparation of the works, occurs, whether or not on church premises or using church facilities and whether or not during regular church hours of operation, the content of such works remain personal to minister, with minister retaining all ownership, copyright, and other legal interest in such works and having unfettered discretion to reprise or republish such works for other purposes and at other times, and to alone have claim to any financial benefits that may attend thereto. Church and minister do intend for this acknowledgment and agreement to constitute the conveyance by church to minister of either a taxable or tax-free excess benefit, but rather to reflect the ecclesiastical reality of the formation and ownership of these works. In consideration of minister's employment by the church, minister hereby grants to church an irrevocable, non-exclusive, worldwide, sublicensable, transferable and royalty-free license to use, reproduce, distribute, create derivative works of, publicly perform and publicly display such works (whether solely or jointly with others) in any media now known or hereafter known. Such license shall continue in effect (I) while minister is employed by church and (II) thereafter, with the consent of minister, which consent of minister will not be unreasonably withheld or delayed. In no event shall use of such works by church be for purposes of its commercial gain; provided, that any such use in the ordinary course of church's stewardship campaign shall not be considered a prohibited use for commercial gain. Church and

minister agree at this time to amend the terms of the agreement regarding such works at any time and in any manner as minister in her sole discretion deems advisable to better and more fully reflect the intent of the parties expressed herein.

10. It is understood that all items in this agreement will be reviewed at least annually by the Pastoral Relations Committee or other appropriate bodies.
11. The dissolution of this relationship shall require _____ days' notice by either party. This may be modified, however, by later mutual agreement. *(number of days)*

Signatures

Chairperson, Pastoral Relations Committee	Minister Being Called
Chairperson, Board/Council of Congregation	Date

Once completed and approved, please make three additional copies of this form. The minister keeps the original. The congregation keeps a copy. Send one copy to your regional minister and one copy to Disciples Home Missions Office of Christian Vocation, PO Box 1986, Indianapolis, IN 46206.

Letter of Call Addendum

1. Enter the agreed upon date this Annual Update Letter of Call Agreement
2. The Minister's Compensation is the composite of a Cash Salary and either the Fair Rental Value of a Parsonage or a Designated Housing Allowance.
 - a. If a Parsonage is provided by the congregation, the Fair Rental Value of the Parsonage and any utilities paid by the congregation are considered Ministerial compensation and reported to the IRS Clergy Parsonage Allowance (note: this housing allowance is excluded from income tax but the minister must pay Social Security tax on the fair rental value of the parsonage or housing allowance).
 - b. If the pastor secures own housing, the Housing Allowance including Rent or Mortgage, down payment, insurance, utilities, furnishings, etc., are reported to the IRS Clergy Housing Allowance (please see the note above in A).
3. Health Insurance: Describe how or if the congregation will provide pre-tax or taxable stipend for health insurance coverage for pastor and family. Congregations calling a full-time minister provide health insurance to pastor and family. Because health insurance is in flux these days, we encourage congregations to consult with their Regional Minister and/or the Pension Fund for resources.
<https://pensionfund.org/resources/guides-and-factsheets>
4. Ministerial Benefits include contributions to the Pension Plan of the Christian Church (Disciples of Christ) defined as 14% of the total amount of Ministerial Compensation (salary and housing) and Other Benefits such as Accident and/or Disability Insurance, 401K Savings Plans, Tax Deferred Retirement Benefits, etc.
5. Rest and Renewal:
 - a. Vacation: It is standard practice to provide a minimum of four (4) weeks of paid vacation leave per year in recognition of the time and devotion the Minister contributes to the well-being of the congregation and its members.
 - b. Sick leave: One (1) day per month is standard practice. Many employers also allow for the days to accumulate from year to year up to an agreed upon maximum.
 - c. Parental/Family Leave: General Assembly Resolution 1333 calls upon all expressions of the church, including congregations, to provide for a minimum of eight (8) weeks paid parental leave. We encourage the policy to be expanded to include family leave including caring for a sick family member.
6. Spiritual Health and Wholeness:

Continuing education and sabbatical renewal benefit both pastor and congregation. It provides opportunities for growth and spiritual health for both pastor and congregation. List the number of days and dollar amount available for the following:

 - a. Continuing Education and Spiritual Retreat: two (2) weeks and \$1,000 per year is recommended.
 - b. Sabbatical Leave: A minimum of three (3) months after five (5) years and three (3) months every five (5) years thereafter is standard. A good practice is for the congregation to set aside an annual amount to put towards sabbatical expenses both for the congregation and the pastor.
7. Collegiality places an expectation on the part of the pastor to be a part of the wider Church. It benefits the congregation by expanding their relationship with other congregations and communities through their pastor's involvement.
8. The IRS allows for reimbursement of the following expenses incurred by the pastor:
 - a. Automobile: mileage should be documented and reimbursement determined by the IRS Mileage Rates published at the beginning of each calendar year.
 - b. Assemblies/Professional Meetings: Registrations and expenses while at the event are reimbursable with receipts.

- c. Books, Journals, Software/Web Resources: Items which enrich and expand the life of the congregation through the pastor's work are reimbursable with receipts.
- d. Professional Expenses: This could include cleaning of robes, dues to a community organization, etc.

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- 10. It is recommended that the Pastoral Relations Committee, the Personnel Committee, or the Executive Committee of the congregation and the pastor review this Call Agreement each year, and re-negotiate when there are changes to the compensation and/or benefits. An updated form for this purpose can be found on the <https://disciples.org/gcom/resources/webpage> under Pastoral Call.
- 11. By stipulating the number of days required provides protection for congregation and pastor at the time of dissolution of the ministerial relationship.