

## INTERIM CONTRACT WORKSHEET

### Presbytery of Shenandoah

*Note: This worksheet is provided as a guide to completing the interim contract. It is not intended to provide Social Security or income tax advice. For income tax information, please refer to Internal Revenue Service publications or seek the advice of a competent tax advisor.*

\_\_\_\_\_ **Line 1: Annual Cash Salary** – This is the actual cash amount of compensation paid to the interim annually. It does not include any reimbursement for expenses or compensation for housing. See Salary Guidelines for additional information to determine cash salary. This is part of Board of Pensions total effective salary and part of the interim’s compensation package.

**Line 2: Housing Allowance** – Enter here the amount paid to the interim to provide for housing in one of the following two ways:

\_\_\_\_\_ **a.:** To provide for personally-owned housing – This amount shall not exceed the lesser of the actual cost to maintain a home (including mortgage payments, utilities, and furnishings and appurtenances) or the fair rental value of the home plus utilities and furnishings and appurtenances. IRS regulations should be consulted but, generally speaking, any household expense is considered furnishings and appurtenances with the exceptions of food and maid service. This is part of Board of Pensions total effective salary and part of the interim’s compensation package.

OR

\_\_\_\_\_ **b.:** Use of Manse – The value of such housing shall be based upon the fair rental value of the manse including utilities and furnishings and appurtenances (to the extent provided for by the church). A written appraisal for determining the fair rental value should be obtained from a real estate professional at least once every five years. This is not part of Board of Pensions total effective salary but is part of the interim’s compensation package per IRS regulations.

AND

\_\_\_\_\_ **c.:** When a manse is provided, a utilities and furnishings and appurtenances allowance (to the extent these are paid for by the interim). IRS regulations should be consulted but, generally speaking, any household expense is considered furnishings and appurtenances with the exceptions of food and maid service. This is part of Board of Pensions total effective salary and part of the interim’s compensation package.

\_\_\_\_\_ **Line 3: Other** – Enter here any additional compensation (such as dental unless all employees receive dental) considered part of effective salary. (see *Understanding Effective Salary* published by the Board of Pensions link found on worksheet page 3) This amount is part of the interim’s compensation package.

\_\_\_\_\_ **Line 4: Additional SECA** – Enter here any amount over 50% of the interim’s SECA liability if offered. Under the terms of the Self-Employment Contributions Act (SECA), teaching elders are considered self-employed for social security tax purposes (they are considered employees for income tax purposes). A teaching elder’s SECA liability is estimated by adding lines 1 and 2 and multiplying by 15.3% (Teaching elders should consult their CPA or attorney for more precise calculations). Our presbytery compensation standards require that churches reimburse teaching elders for the portion of their SECA tax liability that would have been paid by the employer (the church) if the teaching elder were a regular employee. For calculation of this amount, see the instructions for Line 13

below. Reimbursement of 50% of SECA liability is not part of Board of Pensions total effective salary. However if the church wishes to provide more than 50% of the teaching elder's SECA liability, the amount over 50% is included in Board of Pensions total effective salary and is part of the interim's compensation package.

\_\_\_\_\_ **Line 5: Deferred Income** – This would include such items as the equity fund, annuities, retirement savings accounts, etc. List any such annual contributions made by the church on behalf of the interim here. This is part of Board of Pensions total effective salary and part of the interim's compensation package. See Salary Guidelines for additional information concerning the required equity fund for teaching elders living in manses.

\_\_\_\_\_ **Line 6: Use of Manse** – If the church owns a manse that is provided to the minister for housing, enter a minimum of 30% of the sums of lines 1, 2c, 3, 4, and 5 on this line. This figure, while not part of the total compensation package of the interim, is used to calculate the interim's total effective salary for Board of Pensions purposes. See Salary Guidelines for additional information concerning use of manses.

\_\_\_\_\_ **Line 7: Total Effective Salary** – Enter here the sum of lines 1, 2a or 2c, and 3-6. This figure is the total effective salary on which you will calculate the cost of participation in the Board of Pensions medical and pension program.

\_\_\_\_\_ **Line 8: Reimbursable Business and Professional Expenses:** An accountable plan specifying which expenses shall be reimbursed and what supporting documentation is required for reimbursement (see IRS Regulations). Such expense reimbursement plans shall include at least the following:

- a. Automobile expenses. Can be handled in either of the following ways:
  - 1) reimbursement to the minister for miles traveled in the exercise of professional responsibilities at the IRS rate-per-mile or,
  - 2) direct reimbursement of actual expenses.

Either method requires vouchers for expenses to be approved for reimbursement and a record of business and total miles driven.

- b. Books and subscriptions for business and professional purposes.
- c. Other expenses as are deemed necessary to the work of the pastor.

\_\_\_\_\_ **Line 9: Continuing Education Allowance** – Enter the amount provided to reimburse the minister for continuing education (seminars, classes, etc.). See Salary Guidelines for additional information.

\_\_\_\_\_ **Line 10: Total Expenses** – Enter the total of lines 8a-c and 9.

\_\_\_\_\_ **Line 11: Major Medical** – Enter the result of line 7 multiplied by 25% (year 2018). This figure represents the cost of participation in the medical program for the teaching elder. This figure is paid to the Board of Pensions annually. If line 7 is less than \$44,000, multiply 25% by \$44,000, which is the Board of Pensions minimum basis.

\_\_\_\_\_ **Line 12: Pension and Disability** – Enter the result of line 7 multiplied by 12%. This figure represents the cost of participation in the pension and disability program for the teaching elder. This figure is paid to the Board of Pensions.

\_\_\_\_\_ **Line 13: Required SECA** – As indicated above (line 4), our presbytery compensation standards require that churches reimburse teaching elders for 50% of their total SECA liability. Enter on this line the sum of line 1 and line 2a or line 1 and line 2b and c multiplied by 7.65%.

\_\_\_\_\_ **Line 14: Other benefits** – (see *Understanding Effective Salary* published by the Board of Pensions link found below)

\_\_\_\_\_ **Line 15: Total Benefits** – Enter the total of lines 11-14.

\_\_\_\_\_ **Line 16: Total Compensation** – Enter the total of lines 1, 2a or 2c, 3-5, 10, and 15.

**Vacation and Study Leave** – Enter the number of weeks of vacation, study leave, and parental leave with full compensation provided. Our presbytery standards require a minimum of four weeks' vacation and two weeks study leave each year. These standards also provide for up to eight weeks of parental leave for female clergy and three weeks for male clergy. Congregations with fewer than 150 members that cannot support full pay should pay full benefits and 75% of salary.

UNDERSTANDING EFFECTIVE SALARY booklet:

<http://www.pensions.org/AvailableResources/BookletsandPublications/Documents/pln-103.pdf#search=understanding%20effective%20salary>

**PRESBYTERY OF SHENANDOAH  
PRESBYTERIAN CHURCH (USA)  
INTERIM CONTRACT**

The Session of the \_\_\_\_\_ Presbyterian Church of \_\_\_\_\_, being fully satisfied with your ministerial qualifications to lead and assist us in the fulfillment of our corporate and individual ministries, hereby contracts and covenants with you, \_\_\_\_\_, to become the

[Check one of the following:]

- Interim Teaching Elder (Full-time)
- Interim Teaching Elder (Part-time)
- Interim Associate Teaching Elder (Full-time)
- Interim Associate Teaching Elder (Part-time)

for the period of time from \_\_\_\_\_, 20\_\_\_\_ to \_\_\_\_\_, 20\_\_\_\_. The term of this contract is not to exceed 12 months (*Book of Order G-2.0504b*).

**EXPECTATIONS OF THE INTERIM PASTOR:**

1. Completed Interim Pastor training.
2. Will lead the session and congregation through the five developmental tasks which include:
  - a. Helping the congregation come to terms with its history.
  - b. Helping the congregation discover a new identity.
  - c. Helping the congregation re-think denominational linkages.
  - d. Helping the congregation facilitate shifts in leadership.
  - e. Helping the congregation commit to new leadership and look to its future.
3. Will not be the CAT consultant.
4. Will/will not assist with the CAT.
5. Will/will not consult with the Pastor Nominating Committee in preparing the Ministry Information Form.
6. Will not participate in the Pastor Nominating Committee search process.
7. Will fulfill the duties of Pastor/Associate Pastor as listed below (Section A).
8. Will fulfill additional Interim responsibilities as listed on next page (Section B).

**Section A**

During this time we expect you, the Interim Pastor, to perform the following services:

1. Plan and conduct regular Sunday morning worship and administer the Sacraments.
2. Plan and conduct additional worship as needed (weddings, funerals, Christmas Eve, etc.).
3. Take an active role in the church's teaching ministry, including but not limited to officer training, confirmation class, Bible study, and other classes on an as needed basis.
4. Provide pastoral care for the congregation including hospital and home visitation in crisis and pastoral counseling with individuals as negotiated.
5. Provide administrative leadership as needed including moderating the session, serving as head of staff, and assisting boards and committees with their work as needed.

**Section B**

During this time, and in addition to or in support of the five developmental tasks listed above, the Interim will also perform the following services:

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**EXPECTATIONS OF THE SESSION:**

1. Will provide support and cooperation in working with the Interim Pastor and the presbytery to resolve unfinished agendas and establish goals for the present ministry of the church.
2. Will review the work of the Interim Pastor in 6 months.
3. Will set a date for the recognition of the interim relationship (see "Litany of Beginning" in the presbytery's Liaison Packet) in public worship within the first month of the interim period.
4. Will negotiate time away from the church as needed by the Interim Pastor to fulfill responsibilities to the larger church.
5. Will review the contract for renewal no later than 90 days prior to the end of the existing contract.
6. Will compensate the Interim Pastor using the terms of the previously installed pastor as a guideline.

**COMPENSATION**

**A. Personal Compensation**

1. Annual Cash Salary \_\_\_\_\_
2. Housing Allowance \_\_\_\_\_
  - a. Personally-owned housing \_\_\_\_\_
  - b. Use of manse (IRS purposes) \_\_\_\_\_
  - c. Utilities, furnishing and appurtenances allowance \_\_\_\_\_
3. Other \_\_\_\_\_
4. ADDITIONAL SECA (above 50% required) \_\_\_\_\_
5. Deferred income \_\_\_\_\_
6. Use of manse (Board of Pensions purposes - 30% of lines 1, 2c, 3, 4, and 5) \_\_\_\_\_
7. **TOTAL EFFECTIVE SALARY** (add lines 1, 2a or 2c, and 3-6) \_\_\_\_\_

**B. Expenses**

8. Reimbursable Business and Professional Expenses \_\_\_\_\_
  - a. Automobile expenses \_\_\_\_\_
  - b. Books and subscriptions \_\_\_\_\_
  - c. Other expenses \_\_\_\_\_
9. Continuing Education Allowance \_\_\_\_\_
10. **TOTAL EXPENSES** (total of lines 8a-c and 9) \_\_\_\_\_

**C. Required Benefits**

11. Major Medical (for 2019: 25% of line 7, or \$44,000, whichever is greater) \_\_\_\_\_
12. Pension and Disability (12% of line 7) \_\_\_\_\_

13. REQUIRED SECA (7.65% of lines 1 and 2a OR lines 1 and 2 b and c) \_\_\_\_\_

14. OTHER BENEFITS \_\_\_\_\_

15. TOTAL BENEFITS (total of line 11-14) \_\_\_\_\_

16. TOTAL COMPENSATION (total of lines 1, 2a or 2c, 3-5, 10, and 15) \_\_\_\_\_

**D. Vacation, Leave, and Other**

Moving expenses to the field as negotiated. Yes \_\_\_\_\_ No \_\_\_\_\_

Four weeks annual paid vacation, including four Sundays.

Two weeks annual study leave with pay, including two Sundays.

**EXPECTATIONS OF THE PRESBYTERY:**

1. Will provide support and consultative services to the Interim Pastor through the Committee on Pastoral Transition and the Interim Support Group (if available).
2. Will provide vacancy consultation to the Session and congregation through the Committee on Pastoral Transition during the interim time and search process.
3. Will provide a representative of the Committee on Pastoral Transition for the interim recognition service.

**TERMINATION PROVISIONS:**

This agreement may be terminated upon 30\_\_\_\_ 60\_\_\_\_ 90\_\_\_\_ days notice by either party. Vacation and study leave, if accrued, to be paid in full at the time of termination of the contract.

**REVIEW OF THE TERMS OF THE CONTRACT:**

This contract was agreed upon by the Session and the Interim Pastor on \_\_\_\_\_, 20\_\_\_\_.

If the interim relationship is to continue beyond the twelve month period, the Session agrees to review this contract with the Interim Pastor. The contract is subject to renewal pending approval by the Committee on Pastoral Transition.

\_\_\_\_\_  
Interim Pastor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Clerk of Session

\_\_\_\_\_  
Date

\_\_\_\_\_  
Approved by the Committee on Pastoral Transition

\_\_\_\_\_  
Date

One copy of the Form of Contract should be filed with the Session’s minutes; one copy forwarded to the Interim Pastor; and one copy to the Committee on Pastoral Transition, Presbytery of Shenandoah, 1111 North Main Street, Harrisonburg, VA 22802.

**GENERAL INFORMATION**

Consult the *Book of Order* (G-2.0504b.) which states: “When a congregation does not have a pastor, or while the pastor is unable to perform her or his duties, the session, with the approval of presbytery, may obtain the services of a teaching elder, candidate, or ruling elder in a temporary pastoral relationship.”