

**Submit this application and
all supporting documentation
to your district office by
OCTOBER 31, 2011
for funding beginning January 1, 2012.**
Some districts have an earlier deadline,
please check!

CALIFORNIA-PACIFIC ANNUAL CONFERENCE

Application for 2012 Equitable Compensation Funding

Instructions: Complete the following questions about the applying congregation. An Equitable Compensation grant cannot exceed 100% of the pastor's base salary as shown on Line S1.

For Redeveloping Churches, the grant request is limited to certain maximums:

First Grant Received	Maximum % of Current Pastor's Base Salary
January 2010 (or before)*	60%
July 2010	70%
January 2011	80%
July 2011	90%
January 2012	100%

Vital Presence Ministries are exempt from the CEC 5-year funding rule. Please see p. 5, Section B, Line S3 of instructions for additional information. **Regardless of the amount of CEC grant funding a local church receives, all pastors under appointment are entitled to no less than minimum base compensation.**

*The Five Year Rule went into effect in 2010. All redeveloping churches who received grants prior to 2010 will have the year 2010 counted as their first year of receiving a CEC grant.

Section A

DISTRICT

CHURCH/APPOINTMENT

TIME PERIOD FOR WHICH FUNDING IS REQUESTED

THIS APPOINTMENT IS:

☐

FULL-TIME

☐

3/4 TIME

☐

1/2 TIME

☐

1/4 TIME

Section B

Instructions: Complete the following questions about the applying clergy person.

CLERGY FULL NAME

CLERGY STATUS Complete the applicable section below.

Schedule PLA: Provisional Member

☐

Associate Member

☐

Local Pastor

☐

YEAR RECEIVED AS PROBATIONARY/PROVISIONAL MEMBER, ORDAINED AS
ASSOCIATE MEMBER OR LICENSED AS A LOCAL PASTOR

In 2012, how many years will you have served as a Prov/Assoc. Member or Local Pastor?*

Schedule FM: Elder in Full Connection

☐

Deacon in Full Connection

☐

YEAR RECEIVED AS A MEMBER IN FULL CONNECTION

In 2012, how many years will you have served as a member in full connection?*

*As of January 2012, how many consecutive years will you have been appointed as (1) a provisional/probationary member, associate member, or local pastor or (2) a member in full connection. **The first year in this status counts as year 1.** Include in service total the year you will be serving in January 2012. Use this number to find the proper salary in the salary tables FM and PLA. To calculate the number of years, subtract the year in which you entered your current status from 2011 and add one year. *Example: Ordained as a full elder in 1999. 2012 – 1999 + 1 = 14 years in current status.* Call the Pensions Office (626-568-7318) at Conference Headquarters if unsure.

CLERGY MINIMUM SALARY Provide the following information. Box S1 should match the minimum salary listed in Schedule PLA (provisional members, local pastors, associate members) or Schedule FM (full members) on the relevant line of the minimum salary schedule. See pages 5 and 6.

S1	Equitable Compensation Base Salary. Use appropriate table & step	
S2	Amount of Base Salary to be paid by local church or ministry	
S3	Amount of Equitable Compensation funding requested = S1 – S2	
S4	Professional Expenses in excess of \$200 from Line 6 of Salary & Benefits form (Please attach a detailed explanation of these expenses.) Excess professional expenses may reduce the CEC grant.	

Section C

Instructions: Complete the following information about your church and its finances.

CLERGY BENEFITS Was the pastor's compensation, including all pension and health benefits, paid in FULL for all prior years in this appointment and to date in the calendar year 2011? **YES/NO**

If NO, what is the amount of the arrearage to date, by calendar year?

What plan does the church have to pay the arrearage in full?

2012 BUDGET INFORMATION Please complete the following information about your planned 2011 budget.

PROJECTED 2012 INCOME			
C1	Pledges and other contributions		
C2	Additional income sources		
C3	Equitable Compensation Funding Assistance from Conference		
C4	Other Conference or UMC support:		
C5	Other (describe: _____)		
C6	TOTAL INCOME		
PROJECTED 2012 EXPENSES			
C7	TOTAL CLERGY COMPENSATION (Line 20 from the 2012 Salary & Benefits form)		
C8	Non-Appointed staff (Include position name and salary/contract amount)		-----
C9	Position	Salary/Contract	
C10	Position	Salary/Contract	
C11	Position	Salary/Contract	
C12	Position	Salary/Contract	
C13	Payroll Taxes not included in above salaries		
C14	TOTAL NON-APPOINTED STAFF SALARIES/CONTRACTS & PAYROLL TAXES		
C15	Facility Costs (Rental, Maintenance, Insurance, Utilities, Etc.)		
C16	Office and Miscellaneous expenses		
C17	Programatic Expenses		
C18	Conference Apportionments		
C19	Other:		
C20	TOTAL NON-STAFF EXPENSES		
C21	TOTAL EXPENSES (C7 + C14 + C20)		
C22	Percent of Non-Appointed Staff = $100 \times (C14 / C21)$ (Cannot exceed 15% to receive CEC funding)		

HISTORICAL INFORMATION Please complete the following information.

Year	2011	2010	2009	2008	2007
Previous Equitable Compensation Funding received by church or ministry					
Average worship attendance					
New members received					

Section D

Instructions: Please copy and collate this application (pages 1-4 + supporting details) and attach each of the following forms listed below. Submit all materials to your district superintendent.

- ☐ Current 2012 Clergy Salary and Benefits Form as approved at your church's Charge Conference for the 2012 calendar year. Be sure to have all persons sign the form.
- ☐ A complete copy of your church's year end income and expense reports for the year 2010 and a current copy of income expense for at least the first 8 months of 2011.
- ☐ A copy of the church's complete income and expense budget for 2012.
- ☐ Attach a brief statement of the Church's Mission for next year OR the church's current Congregational Covenant for Vital Ministry.
- ☐ Comments: (If there is any other information or clarification you deem necessary to this application, please attach as additional page(s). This is particularly important if your budget indicates a shortfall in income vs. expenses after receiving a CEC grant. It is critical for the church to think about and for the Commission to understand how the church will avoid a salary arrearage for the pastor due to any remaining shortfall.)

Section E

Instructions: Complete all information below. Be sure all officers sign the application.

HAS THIS CONGREGATION BEEN DESIGNATED AS A VITAL PRESENCE CHURCH/MINISTRY? YES/NO ☐

If applicable, **BY WHOM?**

We, the undersigned officers of , have reviewed this application / agreement, and approve this request.

	Printed Name	Signature	Date
Pastor			
Charge Conf / Church Council Secretary			
Chair, Administrative Board / Council			
District Superintendent			
Chair, DBCD/DPAS			

Pastor's email

Pastor's Cell phone

DISTRICT USE ONLY

Amount Approved by District: _____

Date: _____

Notes:

ADDITIONAL INSTRUCTIONS & INFORMATION

What Churches or Ministries should complete and submit this application?

All pastors under appointment are guaranteed payment of the Minimum Base Compensation Schedule as adopted by the Annual Conference. Any church requiring assistance to meet this minimum standard should, after consulting with their District Superintendent, complete and submit this application. Equitable Compensation grants may only be used to fund the appointed pastor's salary and not for any other church expense. A separate application is required for each pastor requesting funds from the Commission on Equitable Compensation.

Additional directions for completing all sections of pages 1 – 4:

Section A – Church Information:

Provide information as to the district, the church or other organizational information. The application is assumed to be for the full calendar year unless a different period is shown. Designate span of months if request is for less than the full year.

Certain churches /ministries are being recommended by the Cabinet and District Planning Committees as Vital Presence Ministries which will exempt those churches from the CEC five year rule. The five year rule excludes congregations from receiving subsidy grants for their pastors for more than five consecutive years.

Section B – Clergy Information:

Provide requested information as to the pastor's clergy status. This will determine the required Base Salary compensation. Since equitable compensation assistance is to fund a specific pastor, no application can be considered prior to an appointment.

Complete the Clergy Minimum Salary table for the pastor being paid with Equitable Compensation funds. Pastors receiving funds from the Commission on Equitable Compensation are limited to the amounts as set forth in the Minimum Base Compensation Schedule (attached). Your adopted compensation package should meet but not exceed the Minimum Base Compensation salary package. Please verify that all amounts conform to this package and are in agreement with the amounts shown on the approved Clergy Salary and Benefits form. If the application is for less than a full year of funding, all amounts are to be reduced to reflect that portion of a year for which assistance is requested.

S1: Enter the appropriate salary from the Salary Tables in the attached Minimum Compensation Standards. Associate members, Local Pastors and Provisional Members are to use Schedule PLA of the attached Standards. "Years of Service" refers to the number of years appointed as of January 2012, including the year 2012. **Count the first year in status as year one.** Please be accurate. Elders and Deacons who are Full Members of the Conference are to use Schedule FM. Under "Years of Service," count only years since becoming a Full Member. The minimum salary from the chart is to be prorated for a pastor with less than a full time appointment. Multiply the salary from the Salary Schedule by 0.75 for $\frac{3}{4}$ Time, 0.5 for $\frac{1}{2}$ Time, and 0.25 for $\frac{1}{4}$ Time. S2: Enter the amount to be paid by the local church or ministry.

S3: Enter the amount of Equitable Compensation assistance requested. This amount cannot exceed the 100% base salary shown in S1.

Redeveloping congregations are eligible for CEC grants for up to five consecutive years. Vital Presence Congregations are exempt from the Five Year Rule. The following was adopted by the 2011 Session of the California Pacific Annual Conference:

Redeveloping Churches are eligible for subsidy grants from CEC for no more than five consecutive years. The maximum allowed grant per year is as follows:

Year 1	100% of the current pastor's minimum salary
Year 2	80% of the current pastor's minimum salary
Year 3	60% of the current pastor's minimum salary
Year 4	40% of the current pastor's minimum salary
Year 5	20% of the current pastor's minimum salary

Those churches whose initial application was made mid year will receive a prorated reduction.

Regardless of the amount of CEC grant funding that a local church receives, all pastors under appointment are entitled to no less than minimum base compensation.

S4: Enter the amount the pastor is to be paid/reimbursed for other ministerial or travel expenses directly related to performance of his/her pastoral duties. Attach justification for any amount over \$200.00. Excess professional expenses may reduce the Equitable Compensation grant.

Section C – Church Data

Clergy Benefits: A YES answer to this question certifies that the pastor has been paid his/her current salary and other amounts owed by the local church and that full payments have been made for health insurance, pension and CPP. Complete supplemental information only if you answered NO to this question.

2012 Budget Information: Enter the requested information from your proposed 2012 budget. Show the percentage of the total budget used to pay the pastor and non-appointed staff members in the indicated spaces. Be sure to include the costs of payroll taxes and any benefits for all staff. The first priority of a local church should be to pay the pastor. CEC may reduce or reject grant requests if amounts budgeted for other church expenses seem excessive. No more than 15% of the total budget should go towards non-appointed salaried or contracted staff. This includes any “pastor” or “clergy” who are directly hired by the congregation without being appointed by the Bishop. For additional information, please see “Budgeting Guidelines for Churches Receiving Equitable Compensation Funding,” which can be found on p I 81 of the 2010 Cal-Pac Journal.

Historical Information: List previous Equitable Compensation funding received by this church/ministry within the past 5 years. Include amounts for current and former pastors, not just the pastor for which a subsidy grant is requested. Also, list the average worship attendance of your congregation for each of the last 5 years. Show the number of new members received during the past 5 years.

Section E – Application Approval

Submit the completed and signed application with the four required supporting documents to your District Superintendent no later than the date provided by your District Superintendent or October 31, 2011 whichever is earlier. This application and your current Clergy Salary and Benefits Form must be reviewed and signed by the District Superintendent and recommended by the District Committee on Congregational Development. The Superintendent will submit requests to the Conference Committee on Equitable Compensation for final approval.

Questions about completing this application can be directed to:

Commission on Equitable Compensation Co-Chairs

Rev. Cindy Huskey	revcindyjh@sbcglobal.net	(909) 437-8756 (cell)
Mr. Jay Sowell	jaysowell@gmail.com	(323) 466-1403 (cell)

Conference Staff

Jan Hanson	jhanson@cal-pac.org	(626) 568-7317 (office)
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Minimum Base Compensation Standards

The following tables summarize the minimum base compensation standards adopted by the 2011 Annual Conference for the year 2012, as reported in the 2011 Preliminary Report.

2012 Minimum Salary Schedule FM								
(Full Members-Elders & Deacons)								
90% of 2011 CEC-MCS at Year 20								
Year	Pct of MCS	Salary	Year	Pct of MCS	Salary	Year	Pct of MCS	Salary
1	71%	\$ 31,993	11	81%	\$ 36,499	21	91%	\$ 41,006
2	72%	\$ 32,444	12	82%	\$ 36,950	22	92%	\$ 41,456
3	73%	\$ 32,895	13	83%	\$ 37,401	23	93%	\$ 41,907
4	74%	\$ 33,345	14	84%	\$ 37,851	24	94%	\$ 42,357
5	75%	\$ 33,796	15	85%	\$ 38,302	25	95%	\$ 42,808
6	76%	\$ 34,246	16	86%	\$ 38,752	26	96%	\$ 43,259
7	77%	\$ 34,697	17	87%	\$ 39,203	27	97%	\$ 43,709
8	78%	\$ 35,148	18	88%	\$ 39,654	28	98%	\$ 44,160
9	79%	\$ 35,598	19	89%	\$ 40,104	29	99%	\$ 44,610
10	80%	\$ 36,049	20	90%	\$ 40,555	30	100%	\$ 45,061
2012 Minimum Salary Schedule PLA								
(Provisional Mem., Local Pastors, Associates)								
80% of 2011 CEC-MCS at Year 20								
Year	Pct of MCS	Salary	Year	Pct of MCS	Salary	Year	Pct of MCS	Salary
1	61%	\$ 27,487	11	71%	\$ 31,993	21	81%	\$ 36,499
2	62%	\$ 27,938	12	72%	\$ 32,444	22	82%	\$ 36,950
3	63%	\$ 28,388	13	73%	\$ 32,895	23	83%	\$ 37,401
4	64%	\$ 28,839	14	74%	\$ 33,345	24	84%	\$ 37,851
5	65%	\$ 29,290	15	75%	\$ 33,796	25	85%	\$ 38,302
6	66%	\$ 29,740	16	76%	\$ 34,246	26	86%	\$ 38,752
7	67%	\$ 30,191	17	77%	\$ 34,697	27	87%	\$ 39,203
8	68%	\$ 30,641	18	78%	\$ 35,148	28	88%	\$ 39,654
9	69%	\$ 31,092	19	79%	\$ 35,598	29	89%	\$ 40,104
10	70%	\$ 31,543	20	80%	\$ 36,049	30	90%	\$ 40,555

Minimum compensation is to include the following items in addition to salary. These standards were approved by the 2011 Annual Conference.

HOUSING: A housing allowance provided in lieu of a parsonage shall be at least \$1,500/month or based upon the annual housing survey of the three mile area around the church, whichever is higher. (See Parsonage Policies and Standards). The pastor is eligible to receive the full minimum of \$18,000.00 per year. This amount may be prorated for part-time clergy. The Minimum Conference Housing Allowance of \$18,000.00 per year was adopted in 2007. The Median Housing Allowance among full-time Elders in 2008-2010 is \$24,000. Adequate housing shall be provided, using as a guideline "Parsonage Policies and Standards," for each eligible clergy appointed to a charge. In the case of clergy couples where no parsonage is provided, both congregations will share in the payment of an adequate housing allowance. If there is a parsonage provided to one member of the clergy couple, the church of the other clergy member will provide funds to the other church, or to the clergy involved, to insure that housing is adequate, provided that such amount will not ordinarily exceed one half of the amount stated above. Any such arrangement shall be agreed upon by all parties involved and shall be approved by the District Superintendent(s). This is intended to be in keeping with Judicial Council Decision 588, October 23, 1987.

AUTO: The local church is responsible for the appointed pastor's ministerial auto expense but not personal or commuting mileage expense from home to church. The pastor's salary package shall provide an allowance paid with each payroll check or a reimbursement account from which the pastor may be reimbursed for ministerial auto expenses. The Pastor and SPRC should establish the amount needed for auto, but the minimum amount shall be \$3,500 per year for full-time pastors. This minimum amount should be prorated for part-time pastors.

UTILITIES: Payment of gas (fuel), water, electricity, sewer fee, trash collection, base telephone, basic cable television (when necessary because of poor reception) and internet access. Compensation for these items should be prorated for part-time clergy. For CEC funding purposes, Utility payments/reimbursement should not include personal long distance telephone or personal use of cellular phones. Access to the Internet may include DSL or Cable Modem for ministry purposes. Basic television service should include basic service but payment for premium movie or sport channels should be the responsibility of the pastor. CEC would recommend that SPRC committees and pastors negotiate sharing payment/reimbursement for specialized services such as cell phones, Internet, and Cable television premium services. The intent is for the church to be responsible for basic utility services and specialized services for ministry and have the pastor pay for personal usage of such services. When reporting and requesting CEC funding, please only include the Church's portion of anticipated Utilities and specialized services expense.

HEALTH INSURANCE: The recommended Health Insurance allowance guidelines for churches receiving Equitable Compensation funds shall be the equivalent of the respective coverage of any authorized plan offered through the Conference Board of Pensions.

CONTINUING EDUCATION: A minimum of \$500 shall be provided for continuing education purposes.

MINISTERIAL AND TRAVEL EXPENSES: Travel and other expenses directly related to performance of pastoral duties shall be paid by the church or provided as a reimbursement to the pastor.