



**Genesis Conference**  
of the Free Methodist Church of North America  
**Policy Manual**

May 2018

## INTRODUCTION

*Welcome to the Genesis Family!*

Sometimes people will ask me: “Why be part of a denomination?” As someone who spent the first eleven years of ministry in an independent church (then happily joined a denomination!), that answer is fairly easy for me. There are many reasons...

**\*The community (fellowship) that can be built among pastors and lay leadership is important. Friends who are outside our immediate church can give us ideas, support, and feedback that is vital to our continuing growth. In Genesis, we have created Conference Community Groups (for pastors) for this purpose.**

**\*The accountability that comes with being part of our system is biblical and healthy. I’ve watched too many independent churches and organizations ignore issues with leadership that later did great damage to the church as well as individuals. Accountability comes through annual reports, annual “strategic conversations” with the pastor, and evaluations for each church once every three years.**

**\*Resourcing pastors and churches. Training. Coaching. Mentoring. Keeping you up-to-date on changes in the law. Helping local treasurers get their financial systems current and correct. Training new pastors for the future. Processing loans, and helping with property issues. Pension program. Even the “pesky” stuff (like making sure your church incorporation is on file and your insurance is up to date) is meant to protect you.**

**\*You’re not alone. Both Genesis and the FMC are here to help in times of transition and crisis. People beyond the doors of your local church pray for you. When you need a new pastor, we are part of the process. Too small to host your own mission trip? Connect to one through the FMC where the details are taken care of. Need someone to speak when the pastor is on vacation or even on a sabbatical? We have a list of speakers.**

**\*You are part of something larger than yourself. In Genesis, you are part of each church that is planted, and each new pastor that is ordained. In the denomination, you are part of a global family of over one million people. Want to partner with an organization around the globe? One phone call can connect you to people doing amazing things on the other side of the world.**

**The Genesis Conference is committed to providing community, accountability, and resourcing to our pastors, lay leaders, and churches so that we may be fruitful in going and making disciples AND to partnering with the local church to raise up a new generation of leaders.**

**Thankful to be partnering with you -  
Pam Braman  
Superintendent, Genesis Conference**

## TERMS TO KNOW

**FMCUSA** = Our denominational family, the Free Methodist Church USA. We are led by 3 Bishops who oversee 3 segments of the US, plus our mission regions which are not yet independent. More info is available at: [fmcusa.org](http://fmcusa.org).

**The Book of Discipline**: This is the Free Methodist document that outlines our doctrine and structure. It's updated every four years, in response to our "General Conference" (below).

Copies of the most recent Book of Discipline can be purchased from:

<http://fmcusa.org/bookstore/>. Copies of past Disciplines are available for free download at:

<http://fmcusa.org/bookofdiscipline/>.

**General Conference** = Every four years, elected representatives from all over the world gather to worship, pray, learn, and vote on essential legislative matters and to elect bishops.

**Annual Conference** = Two definitions: 1. Our annual regional meeting (typically in May) where pastors and "delegates" (non-clergy leaders voted into this role by the congregation) meet for worship, prayer, training and voting. 2. Our regional Free Methodist body. In Western NY (plus a little of PA), we are the "Genesis Annual Conference" (usually shortened to the Genesis Conference). The leader of a conference is the "superintendent."

**BOA** = Board of Administration. Each local church has a BOA (although some will call it something else, like "Leadership Team"). In addition, both the FMCUSA and Genesis have a BOA. The Genesis BOA handles conference finances, processing loans, dealing with property purchase and sale, conference policies, and more. The BOA is elected each year at Annual Conference, and is composed of half clergy (pastors) and half laity (non-clergy) plus the superintendent. The Conference Treasurer and Conference Secretary, both elected positions, and a representative of the Genesis Conference Foundation, sit on the BOA.

**MEG** = Ministerial Education and Guidance Board. This board is also voted on at Annual Conference, and consists of half clergy and half laity. The MEG board oversees the ordination process, interviewing and tracking candidates. It also is the board which oversees pastoral health, any necessary disciplinary actions, and keeping pastoral credentials in good order (handling transfers and annual reports).

**MAC** = Ministerial Appointments Committee. The MAC is ultimately responsible for placing pastors into lead pastor positions (called "appointments"). The MAC works with both pastors and churches to find the best fit.

**Nominating Committee** = The Committee which identifies candidates and determines nominations for the above committees, in addition to delegates to General Conference which are elected every 4 years.

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## ORGANIZATION

### ANNUAL CONFERENCE

Two definitions: 1. Our annual regional meeting (which is typically in May) where pastors and “delegates” (non-clergy leaders voted into this role by the local church) meet for worship, prayer, training and voting. 2. Our regional Free Methodist body. In Western & Central NY (plus a little of PA), we are the “Genesis Annual Conference” (usually shortened to the Genesis Conference). The leader of a conference is the “superintendent.”

### CONFERENCE OFFICERS

- **Conference Superintendent** (Paid) – ordained Elder, responsible for overall leadership of conference elected every four years
- **Conference Treasurer** (Historically non-paid) – lay or clergy person, responsible for oversight of conference finances and Finance Committee, elected annually
- **Conference Secretary** (Historically non-paid unless included as part of a staff position - see next section) – lay or clergy person, responsible for recording minutes for BOA and Annual Conference and maintaining related records, elected annually

### GENESIS CONFERENCE TEAM (PAID & NON-PAID STAFF)

- At the discretion of the Superintendent with consultation and final approval of BOA.

### BOARD OF ADMINISTRATION (BOA)

- **Composition**
  - 1) Nine members elected by the Annual Conference to rotating three-year terms, plus Superintendent or representative.
  - 2) At Annual Conference, the Nominating Committee will present nominations for each open BOA position.
  - 3) At Annual Conference, the Nominating Committee will also present a nomination for Conference Secretary and Treasurer.
  - 4) Conference Secretary and Treasurer shall be ex-officio members with vote.
  - 5) The Directors of Finance and Operations shall be an ex-officio member with voice but without vote.
  - 6) A representative from the Board of the Genesis Conference Foundation will be a member (*with voice & vote*).
- **Responsibilities**
  - 1) Develops and approves annual conference budget to provide for financial support and financial administration of all conference ministries.
  - 2) Develops and administers policies related to conference churches and ministries.
  - 3) Serves as the Board of Trustees and oversees all legal issues related to the conference.
  - 4) Appoints and evaluates ad hoc task groups to coordinate specific tasks.
  - 5) Prepares agenda for annual conference meetings and other related activities.
  - 6) Serves as the governing body of the Annual Conference between sittings with power to act including sale or purchase of property.

- 7) Reviews and determines final outcome of all local church property sales, purchases, and major improvements. See “Church Property Changes” section for more details.
- 8) Develops and monitors standards for pastoral salary, housing, insurance, and related compensation and benefits issues.
- 9) Insures that an annual review of conference financial records occurs.

#### **CONFERENCE FINANCE COMMITTEE**

- **Composition**
  - Conference Treasurer, Director of Financial Services, Director of Operations, Genesis Conference Foundation representative, and at least two other BOA members
  - Conference Treasurer serves as chairperson.
  - The composition of the Finance Committee is approved by the BOA.
- **Responsibilities**
  - Responsible for oversight, policy, and strategy of Conference finances including review of conference financials before each BOA meeting.

#### **GENESIS CONFERENCE FOUNDATION**

*Purpose:* To lend to Conference churches & camps for real property acquisition and capital improvements.

- The GCF gets its funds from churches with excess funds, and from investors who are members or regularly attend Genesis Conference churches.
- The GCF is wholly owned by the Genesis Conference and is accountable to the Genesis Conference Board of Administration and the Genesis Annual Conference.
- Please see the [Genesis Conference Foundation on the Loan Funds Page of the website](#) for investment and loan applications.

#### **MINISTERIAL APPOINTMENTS COMMITTEE (MAC)**

*Purpose:* In the Free Methodist system, lead pastors are appointed by and answerable to the Annual Conference Ministerial Appointments Committee.

- **Composition**
  - 1) Two laypersons and one elder elected by Annual Conference to rotating three year terms serve along with the Bishop and Conference Superintendent.
  - 2) At Annual Conference, the Nominating Committee will present nominations for each open position on the MAC.
- **Responsibilities** are as per the *Book of Discipline*, ¶15220.
  - 1) When a pastoral vacancy occurs, the Superintendent and MAC works with the local church to identify and appoint a pastor who is a good match with the church and its next season of ministry.
  - 2) Review appointments annually.
  - 3) In conjunction with the Superintendent, work with churches and pastors who are in conflict.
  - 4) MAC members also serve on MEG Board.



## **MINISTERIAL EDUCATION & GUIDANCE BOARD (MEG)**

- **Composition**

- 1) Four elders and four lay people elected by Annual Conference to rotating three year terms. One elder and one lay person shall be from each of the four MEG Regions.
- 2) At Annual Conference, the Nominating Committee will present nominations for each open position on the MEG Board.
- 3) MAC members also serve on MEG Board.

- **Responsibilities** (per the *Book of Discipline*, ¶15230)

- 1) Recruiting and overseeing the professional development of conference clergy.
- 2) Work with pastors and churches in problem resolution when referred by the Superintendent.
- 3) Monitor and pass on the character of appointed clergy and ministry staff in local churches as required by the Book of Discipline.
- 4) Oversee the development of those wishing to enter into itinerant ministry.
- 5) Provide [Genesis Conference Seminary Scholarships](#) for those pursuing ordination based on availability of funds.

## **NOMINATING COMMITTEE - FROM FMCUSA 2015 BOOK OF DISCIPLINE ¶15080**

- A. Each annual conference will have a standing Nominating Committee approved by the annual conference of not less than six members, giving consideration to equal representation of ministerial and lay members. General considerations in the selection of the society Nominating Committee shall also apply to the annual conference (see ¶16310). Representation by districts/regions or other appropriate distinctions shall be determined in advance by the conference body.
- B. Nominating Committee members may be elected to rotating terms as determined by the conference. The chair shall serve the Nominating Committee.
- C. The Nominating Committee shall:
  1. prepare for the annual conference a list of nominations for positions vacated by either resignations or expiration of terms; and
  2. review board and committee memberships in light of the standing rules of the annual conference.

## **ADMINISTRATION**

### **OVERALL CONFERENCE POLICIES**

- 1) No person may serve in any elected position for more than six consecutive years except the area Bishop, Conference Superintendent, Conference Secretary, Conference Treasurer, and Ministerial Appointments Committee. In the event that a member of the Board of Administration, Ministerial Education and Guidance Board, or Ministerial Appointments Committee is not able to complete his/her term, the Board of Administration is authorized to appoint a replacement until the next Annual Conference

at which time the Conference body will elect a person to fill the term.

- 2) The Superintendent shall be an ex-officio member of all conference committees and task groups.
- 3) In keeping with the Book of Discipline, the Genesis Conference is committed to keeping a balance of lay and clergy in elected positions.
- 4) Amendments to this Policy Manual must be approved by the Genesis Conference Board of Administration by a simple majority of those present. General edits will be made from time to time and can be handled as an administrative function.
- 5) The Conference Superintendent, Director of Operations, Director of Financial Services, Chair of Conference Board of Administration (BOA), and the Conference Treasurer are authorized to sign contracts, deeds, and other legal documents related to real estate and/or financial matters on behalf of the Genesis Conference Board Administration.

#### **FINANCIAL POLICIES**

- 1) Conference boards, committees, and task groups shall organize without a treasurer except for the Board of Administration.
- 2) The fiscal year for the Genesis Conference and its churches shall be the calendar year.
- 3) Conference funds shall not be made available to support non-Free Methodist ministries and Agencies.
- 4) Any matter presented on the floor of the Annual Conference involving finances shall be referred to the Board of Administration with power to act unless the bar of the Conference elects to vote on the measure by two-thirds ( $\frac{2}{3}$ ) majority of the bar.
- 5) The Conference Treasurer(s) and Director of Financial Services are designated as authorized signatories for signing Conference checks.
- 6) All Conference records will be subject to a minimum of an Annual Financial Review or Agreed Upon Procedures Review by an independent auditor.
- 7) The Conference Finance Committee is a legal sub-committee of Genesis Conference BOA.
- 8) It is required of churches that for any Conference approved project requiring financing, a minimum of 10% of the loan be offered to the Genesis Conference Foundation.
- 9) All Conference and local church Treasurers shall be bonded.

#### **FAIR SHARE**

- Fair Share is the monthly amount each church pays to support the greater, connected church, and is based on a church's income. The Fair Share is approved annually by the BOA.
- A portion of the money received is forwarded to the denomination to cover our part in the Equal Participation Plan (i.e. covering the denomination's budget). The remainder stays with the Conference to fund our annual budget.
- Each local church is responsible for making monthly Fair Share payments to the Conference and separate pension payments to the FMCUSA. Local church treasurers must submit required reports in a timely manner, as designated by the Superintendent and the denomination.

## **PASS-THROUGH DEDUCTION POLICY**

**Background:** Pass Through Items are an allowable deduction in calculating a church's adjusted total annual income as reported on Church Annual Report to FMCUSA. The adjusted total income figure is used to calculate a church's EPP and Fair Share obligations.

### **FMCUSA Policy**

- Pass-through deductions will be allowed from gross receipts for certain revenue defined as follows:
  - The amount of revenue received by the church for which no charitable giving receipt is or may be issued, and which was received, for the convenience of the church so that a single check could be written to a third party for such things as:
    - camps, conferences, or concerts
    - sports events
  - The amount of revenue received by the church which may be tax-deductible for a mission trip being taken by attendees of the church.
- The conference office will review pass-through requests submitted as part of the annual reports to the denomination, and if it conforms to this policy, will approve the requests back to the denomination prior to annual denominational timelines.

### **Genesis Conference extends the definition of Pass-throughs as:**

- Any funds that come into the church that are aggregated for convenience or for efficiency/cost savings for which the donor would not receive a taxable donation receipt are to be considered pass throughs.

### **Genesis Conference Process for reviewing and approving Pass-throughs:**

- A Pass-through (PT) review committee will consist of the Conference Administrator and Conference Treasurer. The Superintendent will serve as a third person, when needed, for a tie-breaker or conflict of interest.
- The Committee will review applications for possible deductions.
  - Results of review will be communicated back to Genesis churches prior to finalizing the decision.
  - Churches will confirm/appeal results of review as soon as possible after receiving report from Genesis PT Review Committee.
- The Committee will work within time frame established by FMCUSA.
- Final & signed PT Deduction Applications will be sent to FMCUSA by their deadline.

## **CHALLENGE LOAN FUND (CLF)**

*Purpose:* CLF exists to offer low interest loans to churches who may not qualify for traditional loan funding options.

- Monies for the Challenge Loan Fund shall come from the sale of Conference / church properties.
- Any churches that are to be granted loans from the Challenge Loan Fund must be approved by the Board of Administration.
- Churches receiving CLF loans will be monitored by the Board of Administration.
- The interest earned on these funds may be used by the Board of Administration for

conference approved ministries.

- Designated funds shall be placed in the Challenge Loan Fund as soon as they become available.

#### **EARLY INTERVENTION POLICY**

*Purpose:* To identify, engage and address churches needing assistance in becoming productive, healthy, and financially sound.

1. The Genesis BOA will review the Monthly Fair Share Summary Reports to identify churches that are 3 months or more behind in their Fair Share contribution
2. The Genesis MEG Board, and/or Superintendent will engage churches requiring assistance based on Annual Confidential Reports and interim feedback from MEG Board Interviews, and/or direct contact with the Superintendent.
3. An early intervention team (drawn from conference staff, MEG, BOA, Finance Committee members, etc.) will be assembled based on the perceived need of the local church to include, but not be limited to:
  - MEG/Personnel consulting
  - Building and Construction / Project Review
  - Administrative consulting
  - Boardmanship consulting
  - Team Building consulting
  - Church Health and systems consulting

#### **RISK MANAGEMENT, INSURANCE, AND LIABILITY FOR LOCAL CHURCHES**

- ***Prevention of Sexual Abuse in the Local Church***

All churches will implement and provide annual confirmation of the [Genesis Conference Policy on Prevention of Sexual Abuse in the Local Church](#). The Policy includes a requirement that the church perform a background check on all volunteers and staff. The requirements for a background check are outlined in the Policy. Any and all abuse situations identified must be forwarded to the Conference Superintendent.

- ***Sexual Harassment***

All churches and ministries of the Genesis Conference that have employees are required to adopt a Sexual Harassment policy. The Genesis Conference recommends that each church and ministry of the Conference with employees adopt the sample [Sexual Harassment Policy](#) from Brotherhood Mutual which has been approved by the Free Methodist denominational leadership (or stronger one). If a different Sexual Harassment Policy is adopted, it must be submitted to the Genesis Conference BOA for review and approval. All churches and ministries of the Conference that have employees are also required to complete Sexual Harassment prevention training before September 30, 2019. (See page 3 below for sample policy) .

- ***Insurance***

All churches must be in compliance with the insurance guidelines recommended by the FMCUSA. (See [the Insurance Worksheet for Local Churches](#))

- Every local church must carry fire, general liability, sexual abuse coverage, medical, and general comprehensive insurance, per the minimum requirements of the FMCUSA.
- Each local church is responsible for providing workers compensation, life and long-term disability insurance. It is highly recommended that the church consider providing tenant insurance and short-term disability.
- Employees with religious responsibilities in local churches are exempt from the New York State Unemployment Insurance system but can elect to participate by petitioning the New York State Unemployment Commission. Our recommendation is that the church review and identify each job description and retain its exemption within legal requirements. If the local church employs non-clergy staff it may be required and beneficial to elect to participate in the NYS Unemployment System depending on job descriptions defined by the local church.
- ***Litigation***  
If the local church faces any litigation of any kind, it must immediately inform the Conference Director of Operations and the COO of the FMCUSA.
- ***Emergency Response***  
Genesis Conference strongly encourages each local church to have an emergency action plan in place. Use the resources [here](#) to create a plan appropriate for your church and review it on an annual basis. The Department of Homeland Security also has a resource [here](#).
- ***Conflict of Interest***  
Your church is a nonprofit, tax-exempt organization that is incorporated as a non-profit corporation under the NYS Religious Corporation Act. Maintenance of its tax-exempt status is important both for its continued financial stability and for public support. Therefore, the IRS as well as state regulatory and tax officials view the operations of your church as a public trust, which is subject to scrutiny by and accountable to such governmental authorities as well as to members of the public. Accordingly, all churches are strongly encouraged to adopt a conflict of interest policy for all employees, board members and leaders within the congregation. The Genesis Conference sample [Conflict of Interest policy](#) is recommended. (See page 10 and following for policy recommendation)

#### **CHURCH PROPERTY CHANGES – BUYING, SELLING, LOANS, LEASEHOLD IMPROVEMENTS, ETC.**

- ***Purchase/Lease/Remodel***  
When a local church in the Genesis Conference plans to purchase, remodel, or alter properties and the cost for such a project will exceed 10% of its annual income (***regardless of available funds***), the following guidelines will be followed:
  - 1) The Director of Operations serves as the liaison between the local church and conference in all matters relating to church property changes. The Director has no authority to act and all final decisions will be made by the BOA.
  - 2) Contact the Director of Operations as far in advance as possible to consult with him/her on the intentions of the church. If a property purchase is being considered, please review the [FMCUSA Checklist for Purchasing Real Estate](#).

- 3) Complete, send, and present to the BOA a [Building Project / Loan Application](#). This will allow the Board of Administration opportunity to dialog with the local board, committee, (or other designated group) if deemed necessary. The Director of Operations shall advise the pastor if and when a presentation is required by the church to the BOA.
- 4) If a formal presentation to the Board of Administration is required, the following persons from the local society will be present when the presentation is made: pastor, trustee chairperson, and any other representative involved in property improvement, unless waived by the BOA.
- 5) When the presentation is made, written evidence of the vote of the society or the governing body (in instances where the society has transferred power to act for them) will be presented, including the society's or governing body's vote, written material regarding the number of eligible voting members, number of those members actually present, and the numbers casting yes and no votes on a project.
- 6) Working drawings and plans must be presented for proposed new structures and for alterations to existing structures.
- 7) If changes involve purchasing property, written evidence of equal property values must be presented (local realtor, bank appraiser, etc.).
- 8) Evidence of the local society's ability to secure needed finances and its ability to repay, along with the impact of same on the local budget, and the Conference obligation will be shown. A minimum of ten percent (10%) of any indebtedness must be sourced by the Genesis Conference Foundation at their discretion. Also, if indebtedness is anticipated, the local church will be required to process the [FMCUSA Application for Permission to Mortgage](#).
- 9) History of average worship attendance and finances for past two years plus current year's attendance and income/expenses and performance against budget to see growth trends and church health will accompany application.
- 10) The Board of Administration may act on the application, table it for further review, or approve it contingent upon obtaining further information or documentation.
- 11) If the application is approved by the BOA, the Genesis Conference Foundation will consider and make a decision on a potential loan, if any.

**Note:**

- Churches requesting the purchase of property are expected to include a 90 day contingency in their purchase offer to allow adequate time for this process to move forward, unless permission for a shorter period is granted in advance by the Conference Administrator.
- Churches are encouraged to limit down payments to 1% of the purchase price or up to a maximum of \$5,000. Higher amounts may be considered in consultation with the Conference Administrator.
- ***Application to Sell Property***  
Application to Sell Property should include a written appraisal of value, rationale for sale, and disposition of funds so received. Local churches must present written evidence of the vote to sell including how many are eligible to vote, the number who actually voted, and the number voting yes and no. Approval for the sale must come

from the Genesis Conference ([Property Sale Application](#)), Free Methodist Church USA in Indianapolis ([Application for Permission To Sell](#)), and from the New York State Attorney General and Local Supreme Court Judge.

- ***Abandoned Property***

The Board of Administration shall have authority to dispose of abandoned properties at their discretion for the best use of the conference and in conjunction with the guidelines specified in the [FMCUSA Book of Discipline](#).

#### **NAME CHANGE POLICY**

- Churches who desire to change their name are able to do so, but must adhere to the following guidelines:
  - The church must be clearly identified as a Free Methodist Congregation in its organizing documents (i.e. by laws, constitution and articles of incorporation). If “Free Methodist” is not explicitly included in the name, it must be clearly identified within the organizing and governing documents that the church is a Free Methodist Church. Additionally, all real property that the church owns must include the “trust clause” in the deed as found in Paragraph 6400 D of the 2011 Book of Discipline.
  - If a church chooses to name/rename itself without including the words “Free Methodist” it must seek approval to do so from the Conference Superintendent and the Genesis Conference BOA.
    - The church should send a letter to the Genesis Conference Board of Administration requesting the name change and explaining the rationale.
    - This letter should indicate whether the name change is being accomplished through a “DBA” process or an amended Certificate of Incorporation.
  - Churches **are not** required to include the title, “Free Methodist Church” on external signage. However, a phrase such as “A Free Methodist Church” or “A Free Methodist Worshipping Community/Congregation” is encouraged.
  - This policy applies to churches at every stage of recognized development as noted in the Free Methodist Church USA Book of Discipline including: Church Plants, Fellowships, Societies and Affiliated Congregations.

## **PERSONNEL / HUMAN RESOURCES**

### **PASTORAL CARE AND ACCOUNTABILITY**

- Pastoral care and accountability is a high priority and the Superintendent or his/her designee will arrange for ongoing pastoral accountability gatherings and groups to serve this purpose.
- Counseling Coverage for Pastors: Genesis Conference may cover 50% of documented uncovered costs for up to six sessions of counseling after bills are submitted to insurance. This assistance with counseling costs will be 1) for pastors under appointment in churches and 2) for follow-up counseling appointments for ministerial candidates after doing the mental health assessment, which is part of the new MEG system, with a qualified and MEG approved counselor.

### **PASTORAL COMPENSATION AND BENEFITS GUIDELINES**

- Pastor's Employment Status - A pastor is approved for employment and appointed by the Conference but is employed by the local church.
- Compensation and benefit standards are provided on the conference website through the [Genesis Conference Compensation Grid System](#). These standards are considered a beginning point for pastoral support. A full-time pastor is defined as one who is working 40 hours or more per week for the church.
  - For compensation purposes, the pastor's work week will begin on Monday and end on Sunday.
  - In establishing an annual salary for the pastor, churches are encouraged to pay their pastor(s) generously, comparable to other professionals in their community.
  - Pastors who are considered part-time are free to pursue additional employment.
- The minimum financial support package for full-time pastors will include:
  - 1) Salary, housing (or fair market value of parsonage), utilities, Medicare and Social Security, and professional expense allowance (see point 2). The per item breakdown of the total salary package shall be at the discretion of the pastor.
  - 2) Accountable Professional Expense Allowance – for reimbursement of “on-the-job” expenses and mileage plus continuing education. Appointed pastors are encouraged to work with the local church leadership team to establish a fully qualified Accountable Reimbursement Plan. See the [Guidelines for the Accountable Reimbursement Plan](#).
  - 3) Health insurance for pastor and his/her family
  - 4) Life insurance, disability insurance, and accidental death & dismemberment insurance. These are available as a [group policy](#) through the Conference. The local church is responsible for making timely premium payments to Conference if this method is used.
  - 5) Workers' Compensation Insurance
  - 6) FM Pension – Pension payments for eligible appointed pastors are made directly to the FMCUSA Human Resources based on Pension formula provided by [FMCUSA fm:hr](#). Pastors are responsible for filing their own [Change of Status](#)



Form, whenever needed.

- Additional benefits for full-time pastors will include:
  - 1) Paid Vacation
    - a) Pastors with up to 10 years of service within the denomination qualify for a minimum of three weeks vacation per year.
    - b) Pastors with 11 or more years of service within the denomination qualify for a minimum of four weeks vacation per year.
    - c) Vacations must be taken within current conference year (July 1-June 30).
    - d) Pastors keep track of their own vacation time and personal days. Pastors provide the local church board with advance notice of vacation plans and emergency contact information.
    - e) A pastor is responsible for providing to the local church board a ministry coverage plan for his/her vacation time period.
    - f) The local church will assume the cost of a guest speaker while the pastor is on vacation.
  - 2) Personal and family health - Pastors are encouraged to pay special attention to their mental and emotional well-being, and that of their families. Guidelines are found in the [Pastor Wholeness policy](#).
  - 3) Paid Holidays – Recognized holidays are: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas. If a holiday falls on a Sunday, another day of the week will be designated as a paid holiday.
  - 4) Paid Personal Time / Sick Days – Churches and pastors are to work out a policy of paid sick time and personal days. Unusual circumstances requiring extended sick leave are to be reviewed by local church board and MEG Board and should follow the Pastor Wholeness and FMLA policy referenced in number 2.
  - 5) Family Medical Leave Policy - Pastors are eligible for up to 12 weeks of leave to care for themselves, their spouses, parents and children. Please see the link for a full description.
  - 6) Maternity/Paternity Leave - Parents to newborns, and/or new parents by virtue of adoption or foster care are eligible for paid leave to care for the child and aid in the family transition. Please reference the link for a full description of the benefits that are offered.
  - 7) Paid Continuing Education – 1 week per year - to attend a conference or other training event
  - 8) Paid Study Leave – 1 week per year – for purpose of study and reading (Distinct from vacation weeks and any continuing education)
  - 9) Ministry Involvement Outside the Local Church – Such ministry is considered work-time and arrangements are to be worked out with the local church board.

**NOTE:**

- Churches are to pay any lodging, meal, and travel costs for pastor to attend Annual Conference.
- Continuing Education - Churches are to pay registration cost for the pastor (and spouse when appropriate) to attend at least one ministry conference or training annually, such as M.I.N.E. – Minister’s Institute of the Northeast, or an

- alternative approved by the Superintendent.
- Churches and pastors are to comply with current Federal & State Tax regulations and also specific Clergy Salary tax guidelines including:
  - Appropriate designation of housing allowance portion of annual salary
  - Actual reimbursement for professional expenses
  - Quarterly reporting and payment of withholding & self-employment taxes
  - Taking advantage of savings through items such as Roth IRA

#### **FM PENSION PROGRAM**

- The local church must ensure that their pastor's pension is fully funded.
- Churches are responsible for making monthly pension payments for their pastors who are eligible for the FM pension program. Payment is made directly to FMCUSA.
- Since pension is part of expected pastoral support, churches are responsible for regular, on-time monthly payments.
- Pastors are responsible for submitting a [Change of Status Form](#) in a timely manner whenever there is a change in compensation (cash salary or housing allowance). This form is to be submitted within 30 days of any change. [See <http://fmcusa.org/hr/forms/>]
- All qualified newly hired pastors and first-time salaried pastors are required to enroll in the FM Pension program by completing the [Pension Enrollment Form](#) no later than December 31 of year in which they were hired or began receiving a salary.

#### **PARSONAGE AND HOUSING ALLOWANCE GUIDELINES**

- Churches and pastors are to work out housing arrangements.
- Each appointed pastor is encouraged to determine whether a housing allowance is appropriate for his/her circumstance. A Housing Allowance Resolution must be approved annually by the local church board. See [Guidelines for Clergy Housing Allowance](#) and [Sample Housing Allowance resolution](#). Also, please see [FMCUSA guidance on clergy housing allowance and tax considerations](#).
- When a pastor wants to own his/her own home, the church is encouraged to facilitate this process and compensate the pastor with a Housing Allowance.
- When a parsonage is provided by the church, it should be large enough to accommodate the needs of current and future pastors and their families. The parsonage should be attractive and functional so it represents the church well in the community and brings joy to those who live in it.

#### **SABBATICAL FOR PASTORS**

- This policy was established and will be updated periodically by the MEG Board.
- See [Sabbatical Policy](#) for full policy and guidelines.

#### **EMPLOYMENT OF CHURCH STAFF IN MINISTRY POSITIONS**

- **Non-Appointed Persons in Ministry in Local Churches:** Churches are allowed and even encouraged, if financially able, to hire needed staff to support the ministry of the local church. Appropriate background checks are required. Such persons should be in agreement with the Free Methodist Statement of Faith in the Book of Discipline.
- **Appointed:** When considering hiring a pastor under appointment as an associate pastor

or an assistant to the pastor, the local church will work in accord with the Superintendent and the MEG Board.

#### **RETIRED PASTOR'S AND SPOUSAL BENEFIT (LEGACY)**

For pastors who retired prior to December 31, 2015, a monthly stipend for supplemental health care was provided as a fixed benefit amount. Eligibility was as follows:

- Applicant must have been a member of the Conference and been of an age eligible for Medicare at the time of their retirement to have been eligible for retirement benefits.
- Applicant must have served as a full-time pastor within the Free Methodist Church for 15 years.
- Applicant must have served the Genesis Conference full-time for ten or more years during his/her active ministry.
- Applicant must have served the Genesis Conference full-time within the last five years before retirement.
- Surviving spouse qualifications are based on the pastor's qualifications and are eligible to receive one half (½) of the benefit.
- Qualifications can be waived by the Administrative Team in extenuating circumstances.
- Pastors retiring after 2015 will not receive a monthly stipend for supplemental health care.

#### **RETIRED PASTOR'S EMERGENCY HEALTH BENEFIT**

- The Conference has established a Pastors' Emergency Fund for healthcare emergencies during retirement. Amounts provided depend on the availability of funds.

#### **SURVIVING SPOUSE OF AN ACTIVE PASTOR – BENEFITS**

- Health insurance will be provided to the surviving spouse of an active appointed pastor if the pastor was the provider of health insurance for the family. Eligibility would be as follows:
  - The qualifying pastor's spouse must be in good standing with the Free Methodist Church.
  - The qualifying pastor's spouse will be fully covered under health insurance at Conference expense for a reasonable period of time as determined by the Board of Administration.
  - If insurance is available from another source, the Conference will reimburse the surviving spouse up to the cost of the Conference plan.
  - Each and every situation will be reviewed by the Board of Administration.
- The Conference will cover the moving costs of the surviving spouse of an appointed pastor who passed away while under conference appointment if the spouse is living in a parsonage.
- In the event an appointed pastor dies, the Conference Superintendent will work with the local church to assist the surviving spouse with the provision of housing for up to six months.

### **GLOBAL ASSOCIATE (GA)**

- A Global Associate is a pastor under appointment in the conference for ministry broader than a church. He or she raises their own funds/salary. A GA remains under oversight of the conference.