**TEMPLATE STATEMENT OF UNDERSTANDING (SOU)**

RECOMMENDED FOR:

* Pastors: Associate Pastors / Specialist Pastors
* Pastors who are appointed by Senior Pastors or Governing Body (not by members); and who report directly to a Senior/Lead Pastor

**Important Notes:**

* This SOU Template is provided for the use of Member Churches or recognised groups (eg: Church plants / new groups) affiliated with Baptist Churches Western Australia.
* This SOU should be completed in conjunction with the *BCWA Remuneration, Conditions and Statements of Understanding: Guidelines for Churches and Pastors.*
* This SOU presumes that the Senior Pastor or Council has been delegated authority to appoint pastoral staff, and directly oversees staff.
* This SOU presumes a 38 hour working week.
* You will need to replace all highlighted text.
* Remove this page when ready to print / sign and publish.

**Clauses to update and check before you finalise this document:**

* Clauses 1.1 to 1.5
  + What is the title for your most ‘senior’ leader? Senior Pastor? Lead Pastor? Team Leader? You will need to replace the highlighted titles throughout the document.
  + Is this a position the Church members must approve? If so, this clause should be replaced, or template A for Senior Pastors should be considered.
  + What does your constitution or policies say about who can appoint Pastors and sign contracts on behalf of the membership?
* Clause 1.6.
  + Are you Incorporated? You will need to delete the irrelevant paragraph.
  + Are you a full Member Church of BCWA? Or an ‘other group’? eg Church plant?
* Clause 3.1, 8.1
  + Is your Church a Trading Entity? ie: does it receive an income other than through offerings? Eg: rental / lease arrangements. If so, then you may be limited on what type of term you can enter into (refer to the Guidelines) and may have to enter into a non-fixed term arrangement.
  + Does your constitution have a clause about the term a Pastor can be called for?
  + There is a choice of paragraphs for a fixed term, OR for a permanent arrangement with no fixed end.
* Clause 4.5
  + If the church is providing housing, this clause may need some specific information. It currently refers to the guidelines, which may change.
* Clause 6.5
  + If your Church does not participate in the BCWA Long Service Leave fund, you will need to replace the highlighted clause with your own Long Service Leave arrangements.

**STATEMENT OF UNDERSTANDING**

This Agreement is between:

**THE [insert name]**  **CHURCH,** ABN [insert ABN],of[insert address]

("Church")

- and -

[insert name] of [insert address]

("Pastor")

on the [insert date]

**THE CHURCH AND THE PASTOR AGREE** as follows:

1. **THE FRAMEWORK OF MINISTRY**
   1. This Statement of Understanding (“SOU”) addresses some of the practical aspects of the relationship between Church and Pastor, whilst recognising that this relationship is essentially spiritually formed and nurtured. Developing a common understanding will enhance the mutual trust and love which is vital to the ministry partnership between Church, Senior Pastor and Pastor.
   2. This SOU is not intended to limit the flexibility of the Church, the Senior Pastor and the Pastor in responding to the leadership of the Holy Spirit as they exercise ministry together. It seeks to establish a framework which is mutually understood and accepted by all concerned, in which decisions should be made.
   3. The Church and Pastor, in establishing this agreement, recognise and affirm the call of God to share in ministry together in this way, under the oversight of the Senior Pastor, recognising that this is a formative step in the ongoing ministry partnership, during the term of this agreement.
   4. In acknowledging the call of God upon the Pastor to minister within the Church and the community, the Pastor and Church agree to enter into a covenantal relationship of mutual trust and cooperation through open and honest communication, spiritual discernment, and courage in facing change, undergirded with ready forgiveness for human frailty.
   5. Section [insert clause] of the Church constitution delegates responsibility for the oversight of ministry leaders and support staff to the [Senior Pastor]. The [Senior Pastor] is authorised to sign this Agreement at the direction of and on behalf of the [Board/Council/Eldership] in conjunction with one other [Board/Council/Council] member. This direction was given on [insert date].
   6. The Church is not a separately incorporated entity. The Church is a member constituent OR recognised group of the Baptist Churches of Western Australia (“BCWA”) which is separately incorporated under the *Associations Incorporations Act 2015.*

*OR [choose the above or below statement and delete whichever is not correct]*

The Church is an individually incorporated entity under the *Associations Incorporations Act 2015* (WA). The Church is also a member constituent OR recognised group of the BCWA which is separately incorporated under the *Associations Incorporations Act 2015*.

1. **DEFINITIONS AND INTERPRETATION**
   1. “Council” means the Governing Group of the [insert name] Church from time to time.
   2. “Guidelines” means the “The Baptist Churches of Western Australia: Remuneration, Conditions and Statements of Understanding: Guidelines for Churches and Pastors” as published from time to time.
   3. “Pastor” means a person called to fulfil Pastoral functions and roles within the Church, but is not the Senior/Lead Pastor. This may include an Associate Pastor, Accredited, or Unaccredited Pastor, or other such Pastor whose role is to primarily to provide spiritual instruction, education and/or propagation of the Gospel.
   4. This SOU is designed to be capable of completely describing the engagement between the Church and the Pastor. This SOU should be read in conjunction with the Church Constitution and the Guidelines referred to above. If there is any ambiguity or uncertainty, the Guidelines may assist in resolving it, however in the event of any inconsistency, the terms of this Agreement prevail.
2. **THE CALL TO MINISTRY**
   1. God calls the Pastor to minister within the Church and the community and the Church affirms God's call to engage the Pastor. In acknowledging the call of God to a specific ministry, the Pastor and the Church agree to be guided by the terms of this Statement of Understanding.

This is a [insert term] year call and engagement, commencing on [insert date of commencement]and concluding on [insert date of conclusion of term] unless concluded earlier in accordance with the SOU.

*OR [choose the above or below statement and delete whichever is not correct]*

This call and engagement commences on [insert date of commencement].

* 1. This appointment is subject to a 6-month probation period overseen by the [Senior Pastor]. If either the Council or the Pastor elect to end the engagement during the probationary period, a notice period of 2 weeks applies. If the Church elects to do so, it must be done in accordance with the terms of the Church Constitution.
  2. The Pastor’s Ministry Description is contained in Schedule 1 and is to serve as a guide to the Pastor, the [Senior Pastor] and the Church in the exercise of ministry within the Church and local community.

1. **STIPEND AND BENEFITS**
   1. The Pastor is entitled to the stipend and benefits specified in Schedule 2.
   2. The Pastor’s stipend will be paid to the Pastor fortnightly or otherwise as agreed.
   3. The Church will pay superannuation to the extent required by law. Superannuation is paid on the gross stipend (including all payments for Exempt Benefits). This will be paid to a compliant superannuation fund of the Pastor’s choice. The Pastor may make additional contributions to their superannuation but should seek financial advice prior to doing so.
   4. The Pastor's stipend is deemed to include:

* all entitlements to leave loading, overtime loading, weekend or public holiday loading and any other form of stipend loading to which the Pastor may otherwise be entitled; and
* all service by way of overtime or attendance at functions or training outside the Pastor's usual working times;
* any accommodation provided by the Church.
  1. Where the Pastor is to be provided with accommodation, this shall be done in accordance with the Guidelines.
  2. The Church will meet the following expenses;
* the reasonable costs of the Pastor attending conferences, seminars, training courses and study as may be approved by the [Senior Pastor] for assisting the Pastor in the exercise of ministry within and through the Church. (It is expected that full-time Pastors should undertake study or professional development activities approved by the [Senior Pastor] of 40 hours per year for their enhancement of knowledge, understanding, development and growth);
* reasonable costs of regular clinical, Pastoral or spiritual supervision by someone who can nurture, develop and challenge the Pastor’s growth and development (as agreed with by the Council);
* provision of a dedicated mobile telephone and number for use in relation to the Pastors’ ministry within and through the Church. This mobile will remain the property of the Church;
* other reasonable costs not normally included as Exempt Benefits necessarily incurred by the Pastor as a result of the Pastor's ministry within and through the Church, as determined by the [Senior Pastor] from time to time. The Church may require reasonable documentary evidence and reasonable notice of expenses before meeting any such costs.
  1. The Council will review the Pastor's stipend and benefits annually in line with the BCWA recommendation. Any increase will take effect from the date of the Council recommendation.

1. **WORKING WEEK**
   1. Working as a Pastor of a Church is a unique role as a Pastoral leader, spiritual guide, servant of a Church community, representative of the Church and God to our community and the members and attendees of our congregation. The role has great benefits but also has demands that do not neatly fit into set hours or days of work each week. However, it is also recognised that Pastors need, and have a right to, time when they are not performing work. Pastors need time for family, friends, rest, recreation and their own space. Pastors also undertake tasks or activities that are a blend of performing their duties or role and the activities that Christians commonly undertake such as prayer, meditation, reading and sharing fellowship with others. These activities don’t neatly fit into either “duties” or personal activities.
   2. The Church recognises that in fulfilling the Pastor’s duties this will frequently result in the Pastor performing duties at Church, at their own home, visiting Church attendees, hospital visits, being involved in community activities, participating in the activities of the BCWA and of other Churches, conducting funerals, weddings, baptisms and other events at the Church or elsewhere and these may result in duties occurring on any day and at any time. It is not reasonable or possible to expect that being “at Church” is a fair representation of the activity or time spent by the Pastor.
   3. It is for the Senior Pastor and Pastor to agree on any specific aspects of the Working Week, which may include evenings and weekends.
   4. By nature of the role, the Pastor has an ability to build in necessary flexibility in managing the demands of their role and the time away from the role and are expected to manage with approval from the Senior Pastor. It is also incumbent on the Senior Pastor to monitor this ensuring that adequate time away is occurring (the most common issue) and that adequate duties are being performed (a far lesser issue usually).
2. **LEAVE ENTITLEMENTS**
   1. **Annual Leave**

Full time Pastors are eligible for 20 days annual leave per annum. Part time Pastors are eligible for a pro-rata amount of annual leave his leave accrues with each pay cycle. Annual leave, and time away from the Church congregation is important for the health and general well-being of the Pastor and the Pastor should take the full 20 days each year. It is preferable that this leave is taken in 1 or 2 blocks per year to have an adequate time for rest and recreation. It is expected that this leave would result in the Pastor being on leave for 4 Sundays.

The timing of leave is to be by agreement between the Senior Pastor and the Pastor.

In addition to Annual Leave, the Pastor is eligible for at least one weekend away from the Church congregation every 6 months to visit other Churches, attend conferences or seminars or camps or to spend time with family and friends. This is in recognition of the contribution made in working every Sunday.

Any accrued but unused annual leave is paid out on the termination of employment.

* 1. **Personal Leave**

Personal Leave combines both sick leave (where the Pastor is ill or injured or unwell and is unable to perform their duties) and carers leave (where they need time away from their duties to provide care for an ill or injured member of their immediate household).

Full-time Pastors are eligible for 10 days per annum which accrues per pay cycle. Part-time Pastors are eligible for a pro-rata amount.

Personal leave is not paid out on termination.

The Senior Pastor, or delegate, may require the Pastor to provide a medical certificate for Personal Leave but must notify them prior to a period of Personal Leave if this is the case.

The Council may exercise discretion to provide extended paid Personal Leave if all accrued leave has been exhausted.

* 1. **Compassionate Leave**

In the event of the death or life threatening event of a member of the Pastor’s immediate family, the Pastor is eligible for 2 days paid Compassionate Leave.

* 1. **Public Holidays**

The Pastor is eligible for the Public Holidays gazetted in Western Australia. If the Pastor is required to perform duties on a Public Holiday they are expected to perform those duties and take another day off, and this should be within the same pay period as the Public Holiday.

* 1. **Long Service Leave**

The Pastor is eligible for Long Service Leave of 13 weeks after 10 years of service.

The Church participates in the BCWA Long Service Leave Fund which provides for portability of long service leave (from Church to Church). This provides a continual benefit for those Pastors who move Churches and, for the purpose of long service leave only, service with prior Churches counts as continuous service for calculating and taking long service leave. The Church makes a monthly contribution to the Fund. The BCWA Recommended Stipends are issued annually and advise the contribution required.

If long service leave is taken, the Pastor will be paid by the Church who will be reimbursed by the Fund.

The Fund has strict rules and the Church and the Pastor can refer to those rules for eligibility and entitlements.

* 1. **Parental Leave**Parental leave is available in accordance with the legislation.
  2. **Family and Domestic Violence Leave**Pastors are entitled to 5 days unpaid family and domestic violence leave each year.
  3. **Other Leave**

The Pastor may be eligible for other leave, such as Emergency Service Leave, or Jury Leave.

1. **REGISTRATION WITH BAPTIST CHURCHES WESTERN AUSTRALIA**
   1. The Pastor will Register as a Person in Ministry with BCWA within 6 months of this appointment.
   2. The Pastor will maintain Registration with BCWA. As part of maintaining Registration, the Pastor will ensure:

* Current Safe Church endorsement with BCWA, which includes:
  + Safe Church Training
  + Mandatory Reporting Training
  + Working with Children’s Card
  + National Police Check
  + Standards Check
* External Supervision arrangements
* Professional Development Plan
* Ongoing commitment to abide by the BCWA Code of Ethics and Ministry Practice.

1. **REVIEW OF MINISTRY**
   1. Regular performance reviews will be undertaken by the Senior Pastor and aims to provide the Pastor with feedback, both positive and identifying possible areas for improvement or change. This should inform the Professional Development needs and Supervision arrangements. An external review will be conducted in partnership with BCWA at least every 5 years, OR 12 months before the end of the call period.
   2. From time to time, the Council may institute review of the overall life and witness of the Church on an ongoing basis to assess:

* the ministries of the Church;
* Pastoral needs;
* lay participation in relation to the goals and objectives established in the Church vision and mission statements and;
* the Pastoral profile.

Such a review should be conducted midway through the term however a review may be initiated at any time if required by either the Pastor or the Council.

* 1. The Pastor and the Senior Pastor agree to use their best endeavours to deal with matters of review and coping with conflict in accordance with the Guidelines, seeking early assistance from the BCWA is recommended.

1. **MISCONDUCT**
   1. The Pastor agrees to abide by the BCWA Code of Ethics and Ministry Practice.
   2. In the case of a complaint made against the Pastor involving alleged misconduct, the Pastor agrees to follow the procedure adopted by the BCWA.
   3. The Pastor and the Church agree to notify the Director of Ministries of the BCWA (“Director of Ministries”) immediately a complaint is made against the Pastor involving alleged misconduct.
   4. In the event that the Senior Pastor has been made aware of misconduct, or a claim of misconduct, the Senior Pastor can suspend the Pastor’s engagement either with or without pay. Suspension without pay is highly unusual and would only apply in a limited number of circumstances. This is a serious action that should not be taken lightly and has the potential to damage reputation and relationships. As such, the Senior Pastor shall only take such action following conferring with the Council and the Director of Ministries. Following conferral with the Director of Ministries, the Council will determine what, if any, information is provided to the Church congregation as to the reasons for suspension.
2. **CONCLUSION OF MINISTRY**
   1. **Conclusion at the Expiry of the Term**

The Pastor’s call and engagement by the Church (and this SOU) will cease at the conclusion of the term stated at 3.2.

12 months prior to the conclusion of the Term the Senior Pastor is to commence a review of the Pastor’s call. The Pastor is also encouraged to individually and prayerfully reflect and assess the call. The Senior Pastor is to present a recommendation to Council to either renew the call to the Pastor for another term or to let the engagement of the Pastor expire at the conclusion of the term. The Senior Pastor is to discuss its recommendation with the Pastor prior to advising the Council of its recommendation.

If the Pastor’s call is not renewed, the Pastor is to be advised following the Council meeting. There is no formal requirement to provide written notice of the conclusion of the engagement which will end on the date in 3.2.

* 1. **Conclusion by the Pastor Prior to the Term Expiring**

The Pastor may at any time conclude the Pastor's call and engagement by giving one month’s written notice to the Senior Pastor. The Church may elect to make a payment in lieu of the notice period and conclude the engagement early. If the Pastor seeks to conclude early, it is anticipated that the Church would accept a shorter notice period but this would not result in making any payment in lieu of that notice. However, where the Pastor is requesting an early conclusion of the term which has arisen from ill-health, injury, or significant personal circumstances a Church would ordinarily agree to the payment of the full notice period without requiring service during that period.

* 1. **Conclusion of the Term Without Notice for Serious Misconduct**

In the event of serious misconduct, the Pastor’s engagement may be terminated without notice. To terminate for serious misconduct the Senior Pastor must firstly confer with the Council, Director of Ministries and there must be a properly constituted Council meeting that votes to terminate on the grounds of serious misconduct.

The Guidelines provide some detail as to the sort of conduct that may be regarded as serious misconduct warranting termination without notice.

* 1. **Conclusion of the Term by the Church on Notice**

The Council may conclude the Pastor's call and engagement allowing one month’s notice to the Pastor. The Church may elect to make a payment in lieu of notice. The Pastor may elect to conclude service prior to the expiry of the month notice period but will remain entitled to the full entitlement of the notice.

1. **CONFIDENTIALITY**   
     
   ‘Confidential Information’ includes all the Church’s ministry information, operating procedures, intellectual property, financial information, and details of Church members, beneficiaries of support and suppliers, obtained by the Pastor because of their Pastoral ministry with the Church.

The Pastor, during and after the term of ministry, must not disclose confidential information to any person or entity, except where disclosure is:

* necessary while performing the Pastor’s duties.
* to an officer or employee of the Church;
* to a professional legal adviser;
* made with the prior written consent of the Church; or
* required by law, or the code of conduct for Pastoral leaders;

in which event, the Pastor must disclose the confidential information only to persons who are aware and agree that the confidential information must be kept confidential, and who have a need to know (and only to the extent that each has a need to know).

The Pastor must use confidential information solely for the purpose of performing the Pastor’s duties and not for the benefit of the Pastor or any third party.

The Pastor must immediately notify the Church of any suspected or actual unauthorised use, copying or disclosure of confidential information, and must provide all assistance reasonably requested by the Church in relation to any proceedings the Church may take against any person for unauthorised use, copying or disclosure of confidential information’.

1. **OWNERSHIP OF SERMONS AND MATERIALS DEVELOPED**

The Pastor shall retain all intellectual property in sermons, bible studies, or teaching material prepared whilst engaged at the Church and has the full right to use those for any purpose outside of the current engagement, including any commercial benefit that arises from it (such as book sales, fees for speaking engagements, etc).

The Pastor shall grant a licence for recorded sermons and materials to the Church for use through its social media platforms, or electronic or print copies of those materials for Church members at no cost.

1. **WORK HEALTH AND SAFETY**

The Pastor will take all practicable steps to ensure their own safety while at work, and to ensure that no action or inaction by them while at work causes harm to any other person. Pastors will ensure Church safety procedures are followed.

1. **GENERAL TERMS**

It is anticipated that this SOU would be reviewed midway through the term, however a review may be conducted at any time. Any change to the terms and conditions are only valid when the agreement is recorded in writing and signed by the Senior Pastor and Pastor.

1. **THE COMMITMENT OF THE CHURCH**

In making this call through the Senior Pastor, we the members of this Church, dedicate afresh our time, talents and financial resources to work with the Pastor in the service of our Lord in this Church. Indeed, we pray that all children, young people and adults who support the work of this Church will do likewise.

1. **PASTOR’S** **WARRANTY**

The Pastor warrants that:

* The information provided to the Church in their application is true and correct;
* They have the lawful right to work in Australia;
* They have the necessary qualifications, certificates, experience and skills to perform the role;
* They do not have any restrictions that would restrict their ability to fulfil the inherent requirements of the role, including and physical or psychological restrictions or limitations;
* They have disclosed all relevant facts and circumstances to the Church leadership that might affect the decision to offer the Pastor this position.

SIGNED as an agreement by the Church and the Pastor on the date set out at the beginning of this agreement.

.................................................... On behalf of the **[insert name] Church**

Name: [insert name] Position: [insert title] Date:

.................................................... On behalf of the insert name **Church**

Name: [insert name] Position: [insert title] Date:

.................................................... **Pastor**

Name: [insert name] Date:

# Schedule 1

## The Pastor’s Ministry Description

A BCWA Support Pastor can assist you in developing this document.

# Schedule 2

**Stipend and Benefits**

**Role Category:** Team Leader / Senior Minister / Accredited Minister / Student – Non Accredited Minister

**Stipend**: $XXXXX per annum

**Percentage of Stipend in Exempt Benefits**: XXX %

**Housing:** insert details

**Remote Area Allowance:** $ XXX (or delete if not applicable)

|  |  |  |
| --- | --- | --- |
|  | % of Stipend | Amount (per week) |
| Taxable Salary | 40% | $X,XXX |
| Exempt Benefits   * Value of accommodation * Other benefits   Total Exempt Benefits | 60% | $0  $X,XXX  $X,XXX |
| Total Stipend | 100% | $X,XXX |

**Other:**

|  |  |
| --- | --- |
| Desktop computer or laptop | $X,XXX |
| Computer software | $X,XXX |
| Internet access | $X,XXX |
| Telephone | $X,XXX |
| Office/study | $X,XXX |
| Office expenses | $X,XXX |

**Resources**:

**Supervision: xx sessions per year, up to $xx per annum.**

**Professional Development: up to $xx per annum**