



The Commission on Equitable Compensation Conference Year 2022

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Equitable Salary Grant Application Section 2

Important Reminder:

This Application is due no later than **November 15, 2021** for all Grants to begin January 1, 2022

This Application is due no later than **May 1, 2022*** for all Grants to begin July 1, 2022

**in case of new appointment, please contact CEC Chairperson*

Equitable Compensation Commission New England Annual Conference of The United Methodist Church

The Mission of the Conference is to equip, connect, and support the local church. The Commission on Equitable Compensation is a Conference resource committed to that mission. Further, The Commission exists to fulfill the requirements of Paragraph 625 of the 2016 Discipline. The members of the Commission recognize their fiduciary and stewardship responsibilities in the operation of the Commission, and our deliberations and policy setting actions are evaluated to make sure that we are acting fairly and in the best interest of all the parties involved in the Equitable Compensation process.

The Commission believes that Equitable Compensation is just one part of the total support congregations need in their quest to fulfill their vision and mission. We work in conjunction with other Conference resources such as the District Superintendent, the District Finance Team, the Office of Congregational Development, the Conference Consultant Network, the United Methodist Foundation of New England, and others. All Conference and ancillary resources, not just money, should be utilized to assist the local church. Thus the Commission has made it a **requirement** that congregations seeking CEC support should also seek support from these other resources.

Base Cash Salary for 2022:

The New England Annual Conference has determined the minimum Base Cash Salaries at their Annual meeting on June 10-12, 2021. This chart is the recommendation of the CEC to that body:

EQUITABLE COMPENSATION PROPOSED MINIMUM SALARY SCHEDULE FOR 2022

2022 Salary

FE/PE/FD/PD/AM 44,500

3-5 Years 45,100 *Additional \$600*

6-10 Years 45,700 *Additional \$1,200*

11-15 Years 46,000 *Additional \$1,500*

Over 15 Years 46,500 *Additional \$2,000*

LP M.Div / Adv COS 42,400

3-5 Years 43,000 *Additional \$600*

6-10 Years 43,600 *Additional \$1,200*

11-15 Years 43,900 *Additional \$1,500*

Over 15 Years 44,400 *Additional \$2,000*

LP COS or Equiv. 41,400

3-5 Years 42,000 *Additional \$600*

6-10 Years 42,600 *Additional \$1,200*

11-15 Years 42,900 *Additional \$1,500*

Over 15 Years 43,400 *Additional \$2,000*

LOCAL PASTOR 40,400

3-5 Years 41,000 *Additional \$600*

6-10 Years 41,600 *Additional \$1,200*

11-15 Years 41,900 *Additional \$1,500*

Over 15 Years 42,400 *Additional \$2,000*

Compensation Package Special Arrangements with MOU:

In some instances and for very particular reasons, pastors and congregations make arrangements for compensation and benefits that are outside of the requirements outlined in this resolution. The Commission appreciates that such arrangements are warranted on occasion, and are in the best interest of the parties involved "provided that no member in good standing who is appointed to a pastoral charge is denied the minimum base compensation (2016 Discipline ¶ 625.9)." To maintain the integrity of the compensation and benefits system, the Commission recommends:

- The specifics of such arrangements, including explaining how the arrangement provides for at least minimum base compensation as approved by the Annual Conference be spelled out in a Memorandum of Understanding (MOU) that limits the conditions to one year. This may be as an addendum to the salary forms signed at Charge Conference, or as a separate letter included in the pastor's and SPRC's files.
- The MOU shall be signed by the Pastor, the District Superintendent, and the SPRC Chair.
- The MOU shall be reviewed and renewed annually.
- It is provided in the MOU that such arrangements have no impact on compensation and benefits packages to be negotiated for future appointments.
- In the case where a salary package includes special arrangements regarding salary or reimbursable funds, review of a clearly defined MOU will be required for consideration for any Equitable Compensation funds.

Eligibility for Equitable Compensation grants:

To be eligible for an Equitable Compensation grant, a charge must:

- a. Pay Mission Shares in full or must demonstrate commitment to pay each year in full. *If Mission Shares are not paid in full, succeeding applications may be denied.* Churches and pastors should note the relationship between payment of Mission Shares and payment of the pastor's salary. (See Para 622 of the 2016 Book of Discipline. Churches are expected to pay minimum salary and at the same time pay Mission Shares). If a church is unable to pay the full apportioned Mission Shares, we encourage you to consult with your District Superintendent and apply for Mission Share Relief.
- b. Increase on an annual basis the amount of local support for the pastor's cash salary
- c. Conduct a stewardship campaign for financial support consisting of dated parameters and specific financial objectives directed to all members and constituents of a given church. Annual, reconcilable, and reportable results are to be indicated in the Lay Leadership section of the application.
- d. Employ no additional ordained or licensed personnel for pastoral services.
- e. Submit a Grant Application request by e-mail to your District Superintendent and the Commission on Equitable Compensation (shandi.maawoko@gmail.com) no later than November 15 of the year preceding the grant, or May 1 (or later in the case of a pastoral appointment change, with communication with the CEC Chair) for a half-year grant.
- f. If support is being sought for a multiple point charge, regardless of how funds will be disbursed to the pastor, only one application is needed. However, financial information for each church in the charge must be included.
- g. Consult with your District Superintendent as to whether this is an appropriate grant for your church. The grant application form is attached to these instructions. The application is to be electronically completed and signed (or electronically signed) by the Pastor and either the Lay Leader or Administrative/Church Council Chairperson and sent to your District Superintendent, the chairperson of the Commission on Equitable Compensation, and your Grant Monitor by the appropriate deadline date (see "e." above). In the case of a new application, once the application has been received by the Chairperson, a Grant Monitor will be assigned to assist you and to review your grant application.
- h. EACH APPLICANT CONGREGATION MUST SUBMIT A COPY OF THE LAST EXTERNALLY AUDITED FINANCIAL STATEMENT ON THE FUND BALANCE REPORT FORM. An external audit must be performed every 2 years. This is to be sent as an attachment. For this purpose an external audit is defined as being performed by a person that is not a member of your church. One way to meet this requirement is to exchange auditors with another church.
- i. Complete ALL the questions found in the Grant Application Form.
- j. Churches wishing to apply for a Minimum Salary grant must pay exactly Conference set minimum salary plus any years of appointment addition (except in the case of churches eligible for an additional Strategic or Missional Salary Grant*).

***Additional Considerations for Strategic and Missional Compensation Grants** Additional Compensation Grants in Strategic and Missional situations will be determined by the Cabinet and will be administered by the Commission on Equitable Compensation based on the recommendation of the Cabinet, with input from the Director of Congregational Development as requested by the Cabinet. These additional grants may be used for Strategic Appointment initiatives and for appointments to Missional churches which provide vital ministry to an underserved community, in order to provide the additional funding needed for salaries above the Minimum Base. These grants may be in addition to a Minimum Compensation Grant or may be stand-alone grants. The Compensation Grant Application shall be completed by the local church in all situations.

In consultation with the Cabinet and Director of Congregational Development, the Commission will expect clear financial management and total reporting of all assets from the local church for Strategic and Missional grants

received in conjunction with Minimum Compensation Grants. Whether in conjunction with a Minimum grant or as a stand-alone grant, in the case of Strategic Compensation grants, the church(es) and/or District Superintendent shall report the strategic plans for ongoing mission and ministry in this appointment. In the case of Missional Compensation Grants, the church(es) and/or District Superintendent shall have developed a ministry plan detailing how the congregation provides vital ministry to an underserved community, and/or the church shall have been designated a Mission Church by the Annual Conference. Questions related to these requirements are included in the application form.

Compensation Grants provide support for the pastoral appointment; they fulfill the requirements of ¶ 625 of the 2016 *Discipline*. Except for Missional Grants, the goal should be to bring this funding to zero by having each church become self-sufficient over time. While our United Methodist connectionalism requires this support, which is embodied in our Conference's Mission statement, the Commission strives to have each charge independently support its pastor. Compensation grants cannot be used to fund new staff positions, programs, or church improvements, *either directly or indirectly*.

Please note, grant amounts will be determined based on eligibility and need as determined by the Commission on Equitable Compensation after consultation with the Pastor, the Charge and the District Superintendent.

Maximum Award Size:

Equitable Compensation Grants will begin at a maximum of 30% of Minimum Base Compensation according to the Cash Salary Resolution*, declining 5% each year for up to 5 years (except in the case of Missional Grants which have no particular time limit). Some of the rationales of need for the Minimum Grant may include: minor or temporary disruptions in Church life; when transitioning appointments from LP to Elder (e.g., at Commissioning), etc.

*Half-year grants beginning July 1 shall be counted as Year 0 for determining continued eligibility and will be eligible for up to 50% of the maximum grant.

Emergency Compensation Grants:

The primary responsibility for paying the pastor remains with the local Church/Charge—for this reason, the responsibility to apply for Equitable Compensation assistance lies with the local Church/Charge. If the local Church/Charge encounters difficulties or fails to pay a pastor in a timely manner at any time throughout the appointment year, after the church has initiated the process of the NEAC Arrearage Policy (adopted in 2014), the pastor whose charge is unable to meet its compensation obligation has a right to an Emergency Minimum Salary Grant based on ¶ 625.9 of the 2016 *Discipline*. The pastor should immediately contact her/his District Superintendent who shall immediately contact the Commission on Equitable Compensation for assistance and, if necessary, begin the process of applying for emergency Equitable Salary assistance. The church shall complete only the demographic information on the application form in an emergency situation (pages 1 and 2 of Section 2, Application).

Working with both the local Church and the Commission, the Superintendent will work to assure the Pastor is paid for the remainder of the appointive year. If the Cabinet determines a need for the appointment to continue beyond the appointive year, the District Superintendent shall instruct the Church/Charge to apply for an Equitable Compensation grant, in consultation with the Commission on Equitable Compensation.

Note about CEC Grant rules and procedures:

The basic rules for grants changed substantially for 2020. Beginning in 2022, Equitable Compensation Grants are available only for full-time appointments, except in the case of emergency grants (¶ 625.9 of the 2016 *Discipline*). CEC's primary responsibility, through the process of application, monitoring, and dialogue with DS, pastor and laity, is to provide a Grant which will assist the church or charge to meet the Minimum salary (as approved by the Annual Conference) for their full-time pastor. In situations where a higher salary is warranted for strategic or missional purposes, additional funds for that particular appointment will be made available using a process involving Cabinet, Congregational Development, and CEC in collaboration. These additional funds continue to be included in the CEC budget, currently labeled as Strategic and Missional salary grants.

Instructions for Application Form:

All grant applications are to be submitted electronically. They require a computer with Microsoft Word and Excel installed, at a minimum of Office 2000. If using a newer version of Office, please save all forms in the 'Legacy' (Word 97-2003).doc format, NOT .DOCX FORMAT for ease and uniformity of assessment by the various monitors. If using a MAC computer, please submit your application as a pdf document or export to a WORD document. Use a subject line as follows: *Name of Church, City, State, Year of Grant, Year.* (Example: *Wesley UMC Concord NH 3rd year 2022*)

For Churches with no computer or internet access: The Commission recognizes that there may be some churches in the conference without access to computers. In such instances, contact your District Office, your Grant Monitor or the Commission chairperson for further instructions. Please note that the responsibility for completing the application and submitting it on time remains with the applicant congregation and that these applications are still due by the due date.

Please submit all materials electronically NO LATER THAN NOVEMBER 15 (May 1 for ½ year grants) to your District Superintendent, the Chairperson of the Commission (shandi.mawoko@gmail.com), and to your Grant Monitor once this person is assigned to you.

Filling in the forms:

The Pastor and Church complete the application by filling in the indicated blocks in the file. The file is in template format, so only data entry may be made – the format of the application cannot be changed. These template forms allow direct entry of typewritten information, as well as a “cut and paste” option in locations where essay or tabular information is needed. The file is set up as a form - therefore, you may to use the tab key or your mouse to move from one entry location to another within the form. Certain sections allow you to “Cut and Paste” information into the application form, others have pull-down menus for automatically filling in the required information.

Budget information must be provided in the embedded Excel form which only allows information to be inserted into the shaded areas. To open the form, double click on the form itself. Please be sure to completely fill in the income and expense for the previous year, current year to date and next year’s budget.

The following **Expense and Income** information for each church must be included in the application form:

- a. Previous Year-end report
- b. Current year-to-date information
- c. Next year Income and Expense Budget projections

Indicate how “investment income” is used in the ministry of the church in the budget information of the Financial Statements of the application. If earnings are being accumulated, what are their designated purposes as a ministry of the church?

Vouchered travel expenses, continuing education, parsonage, and other ministerial expenses through an Accountable Reimbursement Plan should be paid by the church in addition to Base Cash Salary. List that information in the application where indicated. *Please note that while Travel, Continuing Education, Professional Expenses may be individually adjusted up or down, the total of the 3 must be at least \$3,200 as approved by Annual Conference.*

If you can't find a line to enter specific information, then total up all the amounts for unlisted categories and enter it in “other”. If “other” is greater than 10% on the total income and or expense, please send an explanation under separate cover for the major items included in “other”. Failure to include all information will cause delays and may result in a smaller (or no) award.

On the **Compensation Worksheet** please enter the total number of years under appointment where indicated, and complete the other items requested.

If support is being sought by a pastor serving more than one congregation or ministry, only one application is needed. **However**, the financial report(s), especially concerning compensation, are required for **each** church/ministry in the appointment.

If applicants experience difficulty with this process or need examples of financial reporting, please call either a member of the commission or refer to the denomination's GCFA website for examples of Financial Statements and Budget Plans. Questions concerning this form or the process may be addressed to the Commission Chairperson or your assigned monitor.

Audit: EACH APPLICANT CONGREGATION MUST SUBMIT A COPY OF THE LAST EXTERNALLY AUDITED FINANCIAL STATEMENT ON THE GCFA FUND BALANCE REPORT FORM. An external audit must be performed every 2 years. This is to be sent as an attachment. For this purpose an external audit is defined as being performed by a person that is not a member of your church. One way to meet this requirement is to exchange auditors with another church. The auditor does not need to be a CPA. If you have questions, please check with your Grant Monitor.

Reminder: When saving the file, rename the file as follows: *Church Name, City, State, year of grant, 2022.*

Special Considerations:

Full-calendar-year applications (January-December) are due as indicated. Notification of any grant awarded will be sent to the applicant as soon as possible once the application is complete and a grant is awarded. Check distribution begins in January, unless otherwise indicated.

For applications approved in December, checks will start in January of the year of the grant and will be issued on a monthly basis thereafter. Mid-year applications (July-December) due date is May 1st (or in special circumstances before Annual Conference) with notification thereafter. Checks will start in July, unless delayed, and will be issued monthly.

Applications which require additional work will be delayed, and if approved they will begin at a later date, and the grant amount will be divided by the remaining months of the grant term. Thus it is important that churches gather and submit the requested information in the specified format by the required date. The Commission and the Cabinet review cycle is at fixed times in December/January and June.

Reminder: The Application is to be sent to:

- The Commission on Equitable Compensation chairperson (shandi.mawoko@gmail.com) and your grant monitor, by email no later than Nov. 15, or May 1 for a ½ year grant (for July-December). In the case of new applications, the Commission chair will forward the application to the person assigned to be your Grant Monitor.
- The Office of the District Superintendent by e-mail no later than Nov. 15, or May 1 for a ½ year grant.
- Note: Be sure to keep a copy for the church and your use.

For the District Superintendent:

1. The District Superintendent reviews the Application Packet as submitted by the pastor for determination of completeness.
2. The District Superintendent answers the questions in **Part 11** (District Superintendent Reflections).
3. The District Superintendent sends the file to the Equitable Compensation Commission Cabinet Representative **by November 22 of the year preceding the grant year, or by May 25 for ½ year grants.**
4. **The District Superintendent sends a Summary of District Grant Requests including church number, church name, pastor’s name, type and amount of the request to the Commission Chairperson via the Cabinet Representative to the Commission.**

For the Cabinet and Cabinet Representative to the Commission:

1. The Cabinet reviews the application.
2. The Cabinet discerns how this congregation and pastor support the vision and mission of the New England Annual Conference, and how the Annual Conference can best “equip, support, and connect” with this congregation.
3. The Cabinet Representative **reviews all of the requested information and comments, and then forwards or brings** their recommendations to the Equitable Compensation Commission Chairperson (shandi.mawoko@gmail.com) prior to the December meeting of the Commission.

Additional Contact information for the Chairperson of the Commission
shandi.mawoko@gmail.com

Mailing Address Equitable Compensation Commission,
NEAC c/o Rev. Shandirai Mawokomatanda
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