

Ending Well – The Local Church Transition Packet

Dear Local Church Leader,

Saying good-bye to your current pastor and preparing to welcome a new pastor is part and parcel of the itinerant ministry of United Methodist Church. Whether your pastor has been introduced to a new congregation or is retiring (and whether this is the first pastoral transition you have experienced or the tenth), the season of transition is one of much work, many emotions and great opportunity.

The change of pastoral leadership is an important time in the life of the congregation, and we want to help you handle it well. We are praying for you, your congregation, your pastor and for the pastor whom God is preparing to serve in your congregation next.

We have gathered resources and weaved in our experiences and learning to create this Transition Packet for you. It includes individual pages on topics such as Communicating Well, Recognizing the “Lasts,” and Welcoming Your New Pastor, as well as a Transition Checklist to assist your planning. Our desire is to assist you and your congregation in **Ending Well** by focusing on effectively concluding ministry with your current pastor, paving the way for your new pastor, and getting off to a good start with the next appointment. Your pastor is receiving a related but different Transition Packet to help guide herself/himself through the transition and we encourage you to partner in this process.

In addition to this **Ending Well** Transition Packet, in-person **Starting Well** Equipping Sessions will be offered throughout the conference. You will be invited to attend a Starting Well Equipping Session with your new pastor to further prepare you for the first year of ministry together.

We realize that each transition is unique. Some of the information included will not apply in your local church. You may have a situation that is not currently addressed in these materials. Our hope is that this packet makes the planning easier and more robust.

Please share these resources with others in leadership. Gift yourself the time to become acquainted with the packet and provide leadership in your congregation to develop a transition plan that fits your setting. We are available to support you in developing your plan and navigating your particular transition.

The West Ohio Conference District Superintendents

When Your Pastor's Appointment is Ending

The Ending Begins Immediately

Begin praying for your congregation, for the transition, for your pastor's new appointment, for the pastor who will be appointed as your new pastor.

Work with your pastor to begin planning the transition.

Do not encourage or expect your pastor to begin new initiatives.

As the time draws near, mention the transition with increasing frequency.

Wrap Up Well

Consult with the pastor to prepare essential information for your new pastor and to be sure important files are up to date. Collection of the information can be distributed among leaders and staff. (See: [TRANSITION CHECKLIST for Appointment Changes](#))

S/PPRC: Ensure that staff job descriptions and evaluations are up to date.

Staff/Ministry Leaders: wrap up work with the current pastor, prepare to introduce the new pastor to your ministry area.

With the pastor, do a walkthrough of the office with Trustees and office help; if applicable, arrange a walkthrough of the parsonage with the pastor, SPRC and Trustees representatives.

Nurture Good Successor Relationships

Talk about the next pastor only in positive terms.

Avoid making comparisons between the current pastor and the next pastor.

Encourage the current pastor to schedule and spend time with the new pastor to begin sharing information.

Keep Your Eyes on the Mission

Discourage conversation about the pastor's new appointment; there is no need to discuss the details, observations, plans, etc. of another church's ministry.

Help the pastor to settle as many open issues as possible, including (and especially) staff difficulties.

"Great is the art of beginning, but greater is the art of ending."

– Henry Wadsworth Longfellow

Letting Go of This Pastor and Preparing for the Next

Adapted from an article by church consultant Susan Beaumont at <https://www.churchleadership.com/leading-ideas/letting-go-of-this-pastor-and-preparing-for-the-next/>

Change and Transition

“People don’t resist change — they resist transition.” - William Bridges, *Managing Transitions*

Change is an external event. It is realized in a new outcome: the new pastor, a new worship experience, a new policy, etc. People negotiate such outcomes without much trauma.

Transition is the psychological process people go through when changing from one situation to another, coming to terms with the loss of the old and learning to embrace the new. Transition begins with ending and continues long after the actual change. This is where people struggle.

Define what is ending and what is not

“When faced with a leadership loss, people often have one of two extreme responses: they pretend that nothing is changing, or they overly dramatize that everything is ending.”

Explore what is actually coming to an end and what is not.

Talk openly about losses and gains. Recognize that some will feel the loss more sharply than others.

Communicate, communicate, communicate

In times of anxiety and disorientation, people need to be told again and again.

Don’t assume that since the leaders know, all other congregants know too.

Don’t confuse confidentiality with secret-keeping. Some aspects of the transition require confidentiality. Most parts of the process can be shared transparently – who is involved, what practices are being used, where you are in the process, etc.

Mark the endings

“Don’t just talk about the endings; create actions to dramatize them.”

Tell the story

A good ending narrative respects the past but does not get stuck there.

Be honest about both triumphs and failures. Remember God’s faithfulness in past transitions and God’s presence in the new beginnings that followed.

Healthy Boundaries in Transitions

No Contact for at Least 1 Year

It is the **STRONG RECOMMENDATION** of the Cabinet that there be no contact between the pastor and the congregation where the appointment is ending for at least one year. As a congregation, you need time to establish relationship with your new pastor. As pastor, she/he needs time to establish relationship with her/his new congregation or new life situation. An explicit period of separation facilitates this change in relationship.

Special Occasions

When the pastoral appointment ends, the pastoral duties for the congregants are handed to the new pastor.

If, after the 1-year separation, there is a request to co-officiate a wedding, funeral, baptism, or other special occasion, the request must come through the current pastor. If a previous pastor receives a request from a parishioner, she/he is to refer them back to the current pastor.

Staying “Friends”/ Social Media

Set clear boundaries when communicating with former pastors after their time with you is ended:

- No church talk
- No counseling
- No discipling/mentoring

Don't Play the Blame Game

There are many factors that go into pastoral transitions in the United Methodist Church.

Do not place blame for the transition.

Do the important work of ending the current pastorate well and starting the new pastorate well so that the mission of the church continues.

Communicating Well as the Pastorate Ends

Communication with the Congregation

Communication with the congregation will take a variety of forms and will be through one-on-one conversations, congregational announcements, meeting agenda items, etc. As you communicate, keep the following in mind:

- Express gratitude for the pastor's ministry among you
- Stay positive
- Share ownership for the change (members of your leadership have worked with the Superintendent in this process)
- Do not blame others for the move
- Communicate what changes (the person in the pastoral role) and what doesn't (mission and ministry)
- Clarify, in spoken and written communication, the new relationship between the pastor and the congregation – be clear that the pastor will not be returning for pastoral roles
- Teach the congregation about closure and boundaries
- Affirm love and friendship while releasing persons from the pastoral relationship
- Be gracious to everyone, especially those who have experienced difficulty

Communication with the Community

If appropriate, communicate the pastoral transition through community news channels.

The art of communication is the language of leadership. – James Humes

Recognizing the “Lasts”

The Last Worship

Plan for recognizing and celebrating your time together as pastor and congregation during the last worship service you will share.

“An Order of Farewell to a Pastor” (United Methodist Book of Worship #598) provides a suggested litany, a closing prayer and hymn suggestions. If “An Order for the Celebration of an Appointment” (UMBOW #595) will be used, elements of that can be incorporated in the liturgy of farewell.

In a non-traditional worship setting, the intent of the formal liturgy can be shared informally by the pastor and a lay leader.

Farewell Reception

Plan an opportunity for the congregation to say “thank you” to the pastor and to send the pastor (and the pastor’s family) to their “next” with God’s blessing.

This can be simple and informal, or elaborate. Share your plans with your pastor so that he/she is not surprised during a time already full of emotions.

Plan the gathering prior to or on the last day of your pastor’s presence with you.

Last Meetings

Consult with the pastor to plan for the last church council, committee meetings, ministry team meetings, small group meetings, and/or staff meetings.

Include a time of sharing stories; acknowledge both triumphs and struggles; affirm God’s presence and continued work in and through them.

Questions that can be used to prompt sharing:

- How are we different today from how we were when the pastor came?
- What accomplishments in ministry are we most grateful for?
- What challenges have we overcome and what did we learn from those situations?
- What do we wish we might have done had time and resources allowed?

God be with you till we meet again... (UMH #672, Jeremiah Rankin)

Welcoming Your New Pastor

For additional information, reference The Lewis Center for Church Leadership resource, [50 Ways to Welcome a New Pastor](https://www.churchleadership.com/50-ways/50-ways-to-welcome-a-new-pastor/), at <https://www.churchleadership.com/50-ways/50-ways-to-welcome-a-new-pastor/>.

Prepare to Welcome Your New Pastor

Open your hearts and decide that you are going to love your new pastor.

Begin praying daily for the new pastor and the pastor's family, as you continue praying for your departing pastor and family.

Appoint a specific liaison to whom the pastor can go for help or information during the transition.

Make Things Move-in Ready

Make sure the parsonage and pastor's office are clean and ready. Provide help or a cleaning service if needed.

Care for any repairs or painting as convenient for the outgoing and incoming pastor.

Consult the new pastor on any paint, design, or furnishing issues.

Clarify with the new pastor and church officials how moving expenses are paid and all matters related to compensation, benefits, and reimbursement policies.

Welcome the New Pastor on the First Day

If moving into a parsonage, have a small group on hand to greet the family and help as needed; consult on dietary needs and stock the parsonage refrigerator and pantry with some staples.

On the first day in the office, make sure keys, passwords, and any needed equipment is ready and waiting for the pastor's arrival.

Continuing the Welcome

Organize a welcome reception on the first Sunday (or another more appropriate time during the first month).

Invite the pastor to ministry and/or social events during the early months.

As Your New Pastor Begins

The Role of S/PPRC

Make things “move-in ready”

Welcome! Welcome! Welcome!

Help the new pastor become familiar with the congregation.

Help the new pastor connect with your community.

Meet monthly during the first year to establish communication, set expectations, and give and receive feedback.

The Role of Staff (paid and unpaid)

Help the new pastor learn your role and responsibilities.

Help the new pastor learn the systems and processes associated with your ministry.

Orient the new pastor to information systems and the way records are kept.

The Role of the Congregation

Pray for your new pastor.

Extend hospitality: send the pastor a welcome note or email.

Introduce yourself repeatedly. You have one (or a few) name to learn; your pastor has many.

Get to know the pastor: embrace his/her distinct personality, unique set of spiritual gifts and diverse set of experiences.

Ending Well Resource Sheet

“50 Ways to Improve Pastoral Transitions” – Lewis Center for Church Leadership,
<https://www.churchleadership.com/50-ways/50-ways-to-improve-pastoral-transitions-2/>

Articles on Pastoral Transitions, Lewis Center for Church Leadership,
<https://www.churchleadership.com/tag/pastoral-transitions/>

“Letting Go of This Pastor and Preparing for the Next” – Lewis Center for Church Leadership,
<https://www.churchleadership.com/leading-ideas/letting-go-of-this-pastor-and-preparing-for-the-next/>

Making a Good Move: Opening the Door to a Successful Pastorate, Michael J. Coyner, Abingdon Press, 2000.

Saying Goodbye: A Time of Growth for Congregations and Pastors, Edward A. White, editor, Rowman & Littlefield, 1990.

Ten Commandments for Pastors Leaving a Congregation, Lawrence W. Farris, Wm. B. Eerdmans Publishing, 2006.

INTRODUCTION CHECKLIST for Local Church Appointment Changes

Now that your new pastor has been introduced, there is work to be done to be ready to receive the pastor. Not all of the listed items will be applicable in every situation. A double column is provided to help you to know where you are in the information gathering process.

| | SPRC /Pastor Responsibilities | Assigned | Completed |
|----|--|----------|-----------|
| 1. | SPRC: Forward completed Statement of Benefits to Treasurer | | |
| 2. | Review “ <i>Ending Well – Local Church</i> ” package with SPRC; work with current pastor to complete Transition Checklist | | |
| 3. | Register and plan to attend a <i>Starting Well</i> workshop with the new pastor. | | |
| 4. | Communicate with new pastor regarding moving expenses (e.g. how many bids required, direct pay or reimbursement, etc.) <i>Note that these are W-2 reported income.</i> | | |
| 5. | Oversee parsonage transition (See the Parsonage section of the <i>Transition Checklist</i>) Note: The current pastor is responsible for the condition of the parsonage and financially responsible for unreasonable wear and tear. | | |
| 6. | Consult with new pastor on needs for pastor’s office | | |
| 7. | Complete new Accountable Reimbursement Policy form and Housing Allowance Exclusion when new pastor arrives; and approve at Church Council/Leadership Board. Submit a copy to your District Office. | | |
| | | | |

| | Treasurer/Business Office/Pastor Responsibilities | Assigned | Completed |
|----|---|----------|-----------|
| 1. | Direct eligible clergy to wellness page to enroll into HealthFlex Program at: https://www.westohioumc.org/stewardshipfinancebenefits/healthflex-group-health-plan or contact WOC Benefits Office. (New enrollees only.) | | |
| 2. | Ensure eligible clergy register on the Wespath Benefits Access Portal at: www.benefitsaccess.org . | | |
| 3. | Setup billing arrangements for COMPASS pension and health care with WOC Benefits Office (Accounts Receivable/Rhonda Tyree, rtree@wocumc.org , x10310). Health and pension are withdrawn via ACH on the 25 th of each month. | | |
| 4. | Set-up UMPIP (403B) account for clergy personal contributions with Wespath at: 1-800-851-2201. | | |
| 5. | New Treasurers should contact Wespath to update their contact information at: 1-800-851-2201. | | |
| 6. | Follow-up with your Clergy to ensure the following forms are completed and sent to WOC Benefits Office: Health Flex Enrollment or Waiver Form and COMPASS Enrollment or Waiver Form, within first 30 days. (New enrollees only.) | | |
| 7. | Confirm any grants for salary with District Administrator. | | |
| 8. | Setup payroll withholdings for new pastor <ul style="list-style-type: none"> - tax forms - setup automatic direct deposit (if available) - notify of payroll schedule -personal HSA, FSA, DCFSA, 403B contributions -clergy healthcare premium share, if applicable | | |
| 9. | Treasurer should register new clergy with <u>Bureau of Workers Compensation</u> by contacting Kathy Redmond at Sedgwick, Kathy.Redmond@Sedgwick.com . | | |
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| West Ohio Conference Resource List | | |
|-------------------------------------|---|--|
| Health Insurance Questions | https://www.westohioumc.org/stewardship-finance/healthflex-group-health-plan | Questions regarding healthcare benefits, premium credit, healthcare rates, and billing and withholding |
| Pension Information | https://www.westohioumc.org/pension-calculator | Pension Calculator |
| Benefits/HR Specialist | Grace Welch, Director of Benefits, gwelch@wocumc.org Autumn Shelby, Benefits & HR Analyst, ashelby@wocumc.org | Questions not answered through the above website resources, or escalation to Director of Benefits/HR. |
| Accounts Receivable | Rhonda Tyree, rtyree@wocumc.org , x10310 | Specific health and pension billing questions |
| Personal Pension Account Assistance | Wespath Benefits and Investments 1 -800-851-2201 | Account Information, Consultation, Distributions, etc. |

TRANSITION CHECKLIST for Appointment Changes

The **departing** Pastor and the Staff/Pastor-Parish Relations Committee should work together to provide information that will enable the new pastor to enter into effective ministry as readily as possible. It will relieve the pastor during a time of preparation for moving to have others share in the gathering and recording of the information requested. Not all of the requested information will be applicable in every situation, but it will be to the benefit of the church to provide as much information as possible. A double column is provided to help you to know where you are in the information gathering process.

| | THE CHURCH | Assigned | Completed |
|-----|--|----------|-----------|
| 1. | Summary of recent history of the church | | |
| 2. | Up-to-date membership and constituency lists, with needed comments. | | |
| 3. | Staff directory: name, position, email, phone number, address, hours per week, | | |
| 3a. | Staff job descriptions/contracts, current evaluation/goals | | |
| 3b. | Personnel Policy/Handbook | | |
| 4. | List of church officers and others with regular responsibilities (head usher, altar flowers, candles, communion, acolytes, greeters, etc.) | | |
| 5. | List of church school leaders, teachers, youth counselors. | | |
| 6. | List of shut-ins, others needing special pastoral care, and needed information about them. | | |
| 7. | List of students, service personnel, others temporarily away. | | |
| 8. | List of hospitals and nursing homes, and expectations for worship or chaplaincy service. | | |
| 9. | List of prospects, information about them, and sources for new prospects (water dept lists, etc.) | | |
| 10. | Maps of community and parish; if neighborhood plans or zones, lists of members accordingly. | | |
| 11. | Accustomed dates and times of scheduled meetings, church calendar events as far ahead as planned, including weddings and rehearsals. | | |
| 12. | List goals in process, elaborate as needed. | | |
| 13. | File of bulletins showing hymns and worship materials used, ways of observing special days, etc. | | |
| 14. | List and identify traditional seasonal events and celebrations, person or groups responsible, communion practices, confirmation, etc. | | |
| 15. | Present lay participation in worship. | | |

ENDING WELL TRANSITION CHECKLIST
Transition Checklist for Appointment Changes

| | THE CHURCH | Assigned | Completed |
|-----|--|----------|-----------|
| 16. | Record of marriages, baptisms, funerals. | | |
| 17. | Information about memorial gifts, - where listed, how handled, etc. List of special interest givers and appropriate information | | |
| 18. | Explain purchasing system, persons responsible, sources, controls, etc. | | |
| 19. | List churches with which you participate ecumenically, and shared events which are traditional or are likely to continue. | | |
| 20. | Identify ministerial associations, cluster relationships, circuit relationships, and responsibilities | | |
| 21. | Provide information about church newsletter, and area newspapers which carry church news. | | |
| 22. | Unusual practices of the local church such as funeral & wedding customs, etc. | | |
| 23. | What has been outgoing pastor's relationship to church school, teacher training, vacation school, youth groups, camping programs, etc. | | |
| 24. | What has been the confirmation program and where may materials be found? | | |
| 25. | Local funeral directors and comments about them. | | |
| 26. | What organized groups are there (couples clubs, singles, church school classes, etc.) | | |
| 27. | Church email: how to set out of office message and close/forward the account | | |
| 28. | Disable logins: church management system/database, subscriptions, social media accounts, other services, ... | | |
| 29. | Leave passcodes: security system (church and/or parsonage), phone system, internet provider/network router, ... | | |
| | Anything else that would be helpful to the new pastor? | | |
| | | | |

ENDING WELL TRANSITION CHECKLIST
Transition Checklist for Appointment Changes

| | THE CHURCH BUILDING and PROPERTY | Assigned | Completed |
|----|--|----------|-----------|
| 1. | Arrange for keys clearly marked and additional key information as needed. | | |
| 2. | List of maintenance needs, or concern with which the pastor should be familiar | | |
| 3. | Name of contact person in case of building emergency. | | |
| 4. | Copies of building use policies if there are such and names of contact persons. | | |
| 5. | Garbage collection information, lawn and grounds care, snow removal. | | |
| 6. | Describe relation of outgoing pastor to management and supervision of building and use. | | |
| 7. | Provide for clean-up of pastor's study after outgoing pastor has left and any refurbishing needed. (S/PPRC Chairperson should consult with new pastor before changes are made). | | |
| | Other? | | |
| | | | |
| | | | |

ENDING WELL TRANSITION CHECKLIST
Transition Checklist for Appointment Changes

| | THE PARSONAGE | Assigned | Completed |
|-----|---|----------|-----------|
| 1. | Leave keys with all duplicates labeled. | | |
| 2. | Leave file of appliance folders and guarantees plus names and phone numbers of servicing companies. List special maintenance instructions which new pastor needs to know (e.g. heating equipment, water softener, etc.) | | |
| 3. | List of recent improvements, and others planned. | | |
| 4. | Last date parsonage was visited by committee. | | |
| 4a. | Complete a walk-through of the parsonage with the pastor and a representative from SPRC and a representative from Trustees. | | |
| 4b. | The pastor is responsible for the condition of the parsonage and financially responsible for unreasonable wear and tear. | | |
| 5. | Arrange for visit of new pastor and spouse with S/PPR Committee to plan any adjustments to their particular needs. | | |
| 6. | Identify any parishioners among the service personnel you have used. List also any parishioners from whom you have purchased other services. | | |
| 7. | Are electrical circuits properly identified? | | |
| 8. | Garbage collection information. | | |
| 9. | Lawn care understandings - who provides, who pays. | | |
| 10. | Information about mail and newspaper delivery. | | |
| 11. | Information about schools, fire protection, etc. | | |
| 12. | Leave some notes on neighbors in the vicinity of the parsonage. | | |
| 13. | If the parsonage has a landline, arrange with telephone company to keep same number for the parsonage | | |
| 14. | Arrange for utilities to be continued without interruption | | |
| 15. | Be sure parsonage has been cleaned before the new pastor moves in. | | |
| 16. | Arrange for welcome of new pastor on arrival. | | |
| | Other? | | |
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| | | | |

ENDING WELL TRANSITION CHECKLIST
Transition Checklist for Appointment Changes

| | PERSONAL and PROFESSIONAL (to be completed by pastor) | Completed |
|-----|--|-----------|
| 1. | Does church owe pastor any salary? Reimbursement for supplies? | |
| 2. | Does pastor owe church for toll calls, expense reimbursement? | |
| 3. | Are there any unpaid bills being left in the community? | |
| 4. | Where have you had your car serviced? | |
| 5. | Provide information about doctor, dentist, pharmacy, baby sitters, emergency numbers, community groups, service clubs... | |
| 6. | Have you left forwarding address and sent change of address notices? | |
| 7. | Have you set an out of office email to direct senders to the new pastor, church office, or other person as appropriate? | |
| 8. | Disable logins: church management system/database, subscriptions, social media accounts, other services, ... | |
| 9. | Leave passcodes: security system (church and/or parsonage), phone system, internet provider/network router, ... | |
| 10. | If you have a church provided credit card, turn it in | |
| 11. | What recreation is available? | |
| | | |

| | THE COMMUNITY (to be completed by pastor) | Completed |
|-----|--|-----------|
| 1. | Names and addresses of local officials such as mayor, town clerk, etc. | |
| 2. | Location of post office. <i>Who is your mail carrier?</i> | |
| 3. | Area pastors - names, addresses, phones. | |
| 4. | Township or county Plat Book. | |
| 5. | Local County Extension Advisor. | |
| 6. | Area CROP representative | |
| 7. | Information on community (type of farming or industry) | |
| 8. | Information about town meetings, township and county offices. | |
| 9. | Information about local industries and business owners. | |
| 10. | Hospital used by members. | |
| 11. | County and State Police offices and Court locations | |
| 12. | School System and Superintendent. | |
| 13. | Mental Health Resources | |
| 14. | Local newspaper offices. | |
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VII. PASTORAL APPOINTMENT CHANGES STANDARDS

Whenever a new parsonage family will be moving into the parsonage the following standards apply.

Moving Arrangements

1. **Moving costs for up to 15,000 pounds shall be paid by the receiving church**, including rental of up to five wardrobes. Moving costs in excess of those for the 15,000 pounds must be paid by the pastor. [In the event of a clergy couple, the maximum weight permissible is 20,000 pounds. If the clergy couple is appointed to two separate charges, the moving costs shall be equally divided between the two charges.]
2. **A minimum of two itemized bids, including adequate insurance, shall be secured by the pastor** from qualified professional movers. The pastor shall provide the local church receiving the pastor a copy of each bid.
3. Before moving **the pastor shall arrange with the moving company and the receiving church for payment of the bill for moving.**
4. The pastor shall request the moving company to furnish **two copies of the moving bill**. One copy for the receiving church, the other copy to be sent to the District Superintendent.
5. Expenses for removal and **installation of appliances** owned by the pastor shall be allowed only when these items are not furnished in the receiving church's parsonage.
6. Unnecessary stops and delays of the moving van should be avoided. However, in order to properly repair and redecorate the receiving church parsonage **a one or two day delay of unloading of the moving van may be necessary.**
7. **It shall be the responsibility of both the outgoing parsonage family and the local church to see that the parsonage being moved out of is left clean and in good repair.**

Outgoing Pastor Activities

1. The outgoing pastor shall **leave the parsonage in clean, empty and orderly condition** (with refuse ready for proper disposal). Arrangements shall be made for any cleaning, repairs or disposal which fall beyond the scope of normal wear and tear or accumulation (e.g., pet damage). Such **cleaning or repairs shall be done, whenever possible, before the parsonage is vacated**. Should the outgoing pastor fail to take care of such matters, the **Staff / Pastor Parish Relations Committee shall have them completed and bill the outgoing pastor for expenses incurred**.
2. The outgoing pastor shall **leave her/his successor**:
 - a) Tagged keys for all locks.
 - b) The Parsonage Record Book, updated to the time of the current move.
 - c) Forwarding address and phone number.

d) The **outgoing pastoral family shall complete a pre-move out inspection report** noting any items in the parsonage which are in need of remedy or repair. This report shall be made on the Yearly On-Site Inspection of a Parsonage (West Ohio Annual Conference) form which is otherwise used for evaluating the parsonage on a yearly basis. In addition to those persons and committees who are listed on the form, a copy shall all be supplied to the new parsonage family.

3. The outgoing pastor should **tour the parsonage with the incoming pastor** to acquaint her/him with the features, operation and needs of the parsonage as soon as possible after the appointment is announced.

Incoming Pastor Activities

1. The incoming pastor shall consult with the Chairperson of the Staff / Pastor Parish Relations Committee and Chairperson of the Trustees as soon as practical with regard to matters of **operation, repairs, maintenance and decoration of the parsonage**. The pastor and the Chairpersons shall determine **a plan for any necessary action**, which shall be undertaken in timely and prudent fashion.

2. The incoming pastor shall **familiarize her/himself with the facilities** and operational procedures of the parsonage, in order to insure the continuance of proper operations and maintenance.

Staff-Pastor Parish Relations Committee Activities

1. The Chairperson of the Staff / Pastor Parish Relations Committee shall **consult with the outgoing pastor prior to that pastor's moving with regard to necessary and / or desirable repairs, maintenance and redecoration of the parsonage**. They shall also consult about any necessary replacement or addition of items mandated by these Standards.

2. The Chairperson of the Staff / Pastor Parish Relations Committee shall **consult with the incoming pastor as to any special needs of the incoming parsonage family** and as to considerations of taste and style before matters of replacement, addition or redecoration are undertaken. Final decisions about such matters shall rest with the Staff / Pastor Parish Relations, in accordance with these Standards, but the desires of the parsonage family shall guide the Staff / Pastor Parish Relations Committee's decision wherever practical.

3. At the time of pastoral transition, the **Staff / Pastor Parish Relations Committee is responsible for major housekeeping items**, including cleaning and waxing of floors, washing of windows, cleaning of rugs, drapes or other window treatments, and any other cleaning and repairing necessary to prepare the parsonage for the new parsonage family.

4. The Chairperson of the Staff / Pastor Parish Relations Committee shall consult with the incoming pastor shortly after the family has taken up residence to **insure that the pastor is familiar with the parsonage, its equipment and operation**, and has the necessary information she/he needs to care for those aspects of the ongoing operation and maintenance of the parsonage which are the pastor's responsibility.

5. In the event that there exist items needing remedy or repair in the parsonage which for whatever reason, require more time for attention that the short period during the pastoral change over, and where those items are significant and may involve disruption or displacement of the parsonage family during the repair period, the Staff/Pastor Parish Relations Committee shall **provide temporary housing** and pay for any necessary storage charges for the Pastor in order that there are suitable alternative living arrangements for the pastoral family during the repair period.

Resolution for 2026 Parsonage or Housing Allowance Exclusion

Instructions

What is the purpose of this form? The Internal Revenue Code Section 107 has a provision that allows ministers of the Gospel to exclude from their reportable income some costs of living in a parsonage or their own home. The church uses the Parsonage or Housing Allowance Exclusion form.

Does this cost the church anything? No. The pastor's salary is not increased or decreased as a result of the resolution. It merely *designates* a portion of the pastor's salary as being excluded from the amount of compensation the church reports to the IRS on the pastor's W-2.

When should this form be filled out? At least annually and whenever there is a change in pastors. It must be done before the pastor incurs the expenses. The exclusion cannot be made retroactive.

How much should the exclusion be? The pastor establishes the amount in consultation with the Pastor/Parish Relations Committee. For a church-owned parsonage, the amount should not exceed the fair rental value of the parsonage or house. A rule of thumb for the annual "fair rental value" is to take 5% - 8% of the market value of the parsonage or house. If a housing allowance is paid to the pastor, the exclusion should include the amount of the allowance as well as other anticipated expenses.

What is included in the exclusion? Any expenses the pastor may incur in living in the parsonage or home. The following is a partial listing and not meant to be inclusive of all items that may be excluded.

1. Rent or principal payments, cost of buying a home, and down payments, if paid by the pastor.
2. Real estate taxes and mortgage interest for the home, if paid by the pastor.
3. Insurance on a home, if paid by the pastor.
4. Improvements, repairs, and upkeep of the home and/or contents. New roof, room addition, carpet, garage, etc.
5. Furnishings and appliances: dishwasher, vacuum sweeper, TV, VCR, DVD, piano, computer for personal use, washer, dryer, sewing machine, cookware, dishes etc.
6. Decorator items: drapes, throw rugs, pictures, knick-knacks, painting, wallpapering, bedspreads, sheets, towels, etc.
7. Utilities: heat, electricity, cable TV, etc. (ONLY IF PAID BY THE PASTOR)
8. Misc: anything that maintains the home and its contents that you have not included in repairs or decorator items: cleaning supplies for the home, brooms, light bulbs, expense to run the lawnmower, landscaping tools etc.

These may be excluded even if they become the pastor's personal property, as long as they are paid from money received as salary. Major appliances such as refrigerators and ranges purchased with church funds may not be excluded.

DO NOT INCLUDE THE FOLLOWING: Maid (or any labor hired for maintenance such a lawn care), groceries, personal toiletries, CD's etc. **What if I have other questions?** Speak with the District Superintendent or the Conference Treasurer's office.

Resolution for 2026 Parsonage or Housing Allowance Exclusion

WHEREAS this church provides a parsonage or housing allowance as part of the compensation of our regularly appointed or assigned minister of the Gospel, and

WHEREAS the cost of providing the parsonage or housing allowance with utilities and/or furnishings may be excluded from gross income the Internal Revenue revised rule 599,359-51-52 and Section 107

THEREFORE, BE IT RESOLVED that _____ United Methodist Church will designate \$ _____ of the pastor's salary as parsonage/housing allowance. This amount is to be excluded from the reported taxable income.

This resolution is effective during the calendar year 2026.

Approved at the Charge or Church Conference or Administrative Board, Church Council, or Leadership Team meeting on _____ (date).

Required Signatures:

_____ Date: _____

Chair, Administrative Board/Church Council/Leadership Team

Please Print Name _____

I accept full responsibility for maintaining and keeping available for any requirements of the Internal Revenue Service all supporting leases, mortgages, tax bills, utility bills, repair or maintenance bills and any other documentation necessary to document that portion of the above estimate that I shall claim as actually expended for housing or furnishings.

_____ Date: _____
Pastor

Please Print Name _____

Distribution: This signed document is to be kept on file at the local church, a copy provided to the pastor, and either uploaded online or submitted to your district office.

2026 Accountable Reimbursement Policy

The following resolution was duly adopted by the Administrative Board/Church Council/Leadership Team (or Charge Conference) of the _____ United Methodist Church at a meeting held on _____.

Under Internal Revenue Code Section 62(a)(2)(A) gross income does not include reimbursed business expenses or adequately accounted business expense allowances for employees. Internal Revenue Service Regulation 1.162-17(b) provides that an employee need not report on their tax return expenses paid or incurred by them solely for the benefit of their employer, for which they are required to account and do account to their employer, and which are charged directly or indirectly to the employer. Further, I.R.S. Regulation 1.274-5(e)(4) provides that an adequate accounting means the submission to the employer of an account book, diary, statement of expense, or similar record maintained by the employee in which the information (as to each element of expenditure amount, time and place, business purpose, and business relationship) is recorded at or near the time of the expenditure, together with supporting documentary evidence, in a manner that conforms to all the adequate records requirements as set forth in the regulations.

Therefore, the _____ United Methodist Church hereby establishes an accountable reimbursement policy pursuant to I.R.S. Regulations upon the following terms and conditions:

1. Expenses deemed ordinary and necessary shall be made solely for the benefit of the church and shall be paid directly, whenever possible by the _____ United Methodist Church, or indirectly and reimbursed to the person or entity who does pay the expense. Ordinary expenses include, but are not limited to automobiles, office supplies, postage, computer supplies, books, subscriptions, professional dues, vestments, continuing education, lodging and meals while traveling and entertainment related to church business.
2. The church must be given an adequate accounting of the expense, which means that there shall be submitted a statement of expense, account book diary, or other similar record showing the amount, date, place, business purpose, and business relationship involved. Appropriate documents, cash receipts, canceled checks, credit card sales slips, and contemporaneous records for those non-receipt expenses less than \$25.00 must be attached to a monthly expense report. Both the minister/staff person and the church shall retain copies of the documentary evidence and expense report. Voucher information need not include data that would violate pastoral confidences.
3. Reimbursements or advances must be paid out of budgeted church funds and not by reducing the compensation of a minister/staff person. Budgeted amounts not spent must **not** be paid as a salary bonus or other personal compensation in any fiscal year. *If such payments are made, the entire amount of the accountable reimbursement policy account will be taxable income to the pastor/staff person.*

4. The church may pay amounts in advance of the minister/staff person's actual expenditure on either an as needed basis or by standard monthly expense allowance. However, an adequate accounting of the advances by expense report must be made in the month following an expenditure. Any excess advance must be returned to the church before additional needed or allowance amounts are provided to the minister/staff person.
5. It is understood by the various parties that all elements of this resolution must be carefully followed to prevent the church salary-paying unit from being required by regulation to list total payments for the following items on I.R.S. W-2 as includable compensation. The primary responsibility of expense reporting is the minister/staff person to the church payroll person.
6. The Staff/Parish or Pastor/Parish Relations Committee (SP/PPRC) is responsible for approving vouchers submitted by the pastor. The local church treasurer is responsible for paying approved vouchers.
7. By previous or concurrent resolution, duly adopted by the Administrative Board/Church Council/Leadership Team (or Charge Conference) of the _____ United Methodist Church at a meeting held on _____, the following ordinary and necessary expenses as suggested for the employment needs of the minister/staff person, are included in this accountable reimbursement policy from January 1, 2026 to December 31, 2026.

2026 Accountable Reimbursement Total (annualized) \$ _____

Attested to this ____ day, _____, 202_, the foregoing resolution is hereby accepted.

REQUIRED SIGNATURES:

Chair, Administrative Board/Church Council/Leadership Team

Treasurer, Church or Charge

Pastor

Distribution: This signed document is to be kept on file at the local church, a copy provided to the pastor, and either uploaded online or submitted to your district office.