

Church Administration Manual

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12140 – 103 St. NW

Edmonton, AB T5G 2J9

(p) 780.426.0018

(f) 780.420.1318

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**Introduction to Church Administration Manual**

God's design and process evident throughout Scripture reflects there is an order for God’s accomplished plans. In the Book of Acts, the Church was established with specific instruction and the Church functions in a higher degree of effectiveness when leaders honour a godly structure and order in their ministry.

The Bible values and gives many examples of administration in fulfilling the work of God. For example, the advice given to Moses in Exodus 18 expresses the importance of working together for a higher good. There is an empowerment in ministry for God released when we value a proper respect for authority and governance.

The Apostle Paul expresses the importance of administration within the work of God when he said, “But everything should be done in a fitting and orderly way.” - 1 Corinthians 14:40.

The various structures of The Pentecostal Assemblies of Canada have been established over decades to lead to both a creative freedom and a guard from chaos.

This manual is designed to provide the Pastor and Church Leadership with ideas, processes, resources, contact information and tools for the healthy organization of the local Church.

For further information and assistance in administration for a local PAOC Church, please contact the ABNWT District at [info@abnwt.com](mailto:info@abnwt.com) .

Section 1—Affiliation with The PAOC in the ABNWT District

1. Affiliation with The Pentecostal Assemblies of Canada

2. Defining "Affiliation" for a Local Church with the PAOC

3. Definition of Terms

4. Clarifying Comments

5. Other

## 1. Affiliation with the Pentecostal Assemblies of Canada

For understanding the value of affiliation and the structures required, please refer to the following documents:

* + Better Together – http://abnwt.com/wp-content/uploads/Better-Together.pdf
  + Local Church Constitution Template – https://paoc.org/resources/church/constitutions
  + The PAOC Statement of Fundamental and Essential Truths – https://paoc.org/resources/church/constitutions

## 2. Defining “Affiliation” for a Local Church with The Pentecostal Assemblies of Canada

From the PAOC Local Church Constitution –

PREAMBLE:

For the purpose of establishing and maintaining a place for the worship of Almighty God, our Heavenly Father; to provide for Christian fellowship for those of like precious faith where the Holy Spirit may be honoured according to our distinctive testimony; to assume our share of responsibility and the privilege of propagating the gospel of Jesus Christ by all available means, both at home and in foreign lands, we, whose names appear on the local church roster under the above date, do hereby recognize ourselves as a local church in fellowship with The Pentecostal Assemblies of Canada, and shall adopt the following articles of church order and submit ourselves to be governed by them.

All local churches are recognized as self-governing with the inherent right to sovereignty in the conduct of their own affairs. This local church shall voluntarily enter into full cooperative fellowship with churches of like precious faith associated in the District Conference and the General Conference of The Pentecostal Assemblies of Canada, with headquarters at Mississauga, Ontario; and shall share in the privileges and assume the responsibilities enjoined by that affiliation.

**ARTICLE 2 DEFINITION - LOCAL CHURCH:** A local church desiring to affiliate with The Pentecostal Assemblies of Canada shall:

* 1. Assume all financial obligations in providing a place of worship and its operation, and adequate salary for its pastor, together with provision for suitable housing and travel reimbursement. Suitable housing shall be understood to mean an adequate dwelling, together with utilities such as heat, water, hydro and telephone or financial provision for such services.
  2. Assume responsibility in contributing to the support of the district office or branch conference with which it is affiliated, and to The Pentecostal Assemblies of Canada international missions, Bible colleges, and other responsibilities as may be determined by the General Conference of The Pentecostal Assemblies of Canada.

* 1. Have properly qualified leadership of sufficient maturity available for selection, and be able to maintain standards of discipline and doctrine over its members.
  2. Petition the respective district executive for status as a local church. In order to obtain this status, it is required that a duly called congregational meeting, presided over by the District Superintendent or an appointee(s), be held, in which there shall be:
     1. an adoption of the *Statement of Fundamental and Essential Truths;* and
     2. acceptance of the*Local Church Constitution and By-Laws,* as approved by the General Conference, together with a decision about the required available options; namely, the size of the Leadership Team and the decision concerning who shall be the trustees.

**2.5** Ensure that a credential holder of The Pentecostal Assemblies of Canada is established as pastor of the local church or one whom the district executive officers of The Pentecostal Assemblies of Canada approve.

**2.6** Be duly registered as a charity under the *Income Tax Act*.

**ARTICLE 3 PREROGATIVES**

* 1. This local church shall have the right to govern itself according to the standards of the New Testament Scriptures, "endeavouring to keep the unity of the Spirit in the bond of peace ... till we all come in the unity of the faith, and of the knowledge of the Son of God, unto a perfect man, unto the measure of the stature of the fullness of Christ" (Ephesians 4:3, 13).
  2. This local church shall have the right to govern itself according to the *General Constitution and By-Laws* and district constitutions and by-laws in force by order of General Conference and district conferences.
  3. This local church shall have the right to develop policies and procedures which guide its operation as determined by the Leadership Team or the congregation.
  4. This local church shall have the right to purchase or acquire by gift, bequest or otherwise, either directly or as trustee, and to own, hold in trust, use, sell, convey, mortgage, lease or otherwise dispose of any real estate or chattels as may be necessary for the furtherance of its purpose; all in accordance with its constitution and by-laws or as the same may be hereafter modified or amended.
  5. This local church shall have the right to borrow any sum or sums of money from a lender upon the credit of the local church either by way of overdraft, discount, loan, line of credit or otherwise, and upon such terms as they may think proper and as security for any money so borrowed or as security for any advances, reliabilities heretofore made or incurred or that may hereafter be made or incurred, to hypothecate, mortgage, pledge and give to the lender all or any stock, bonds, debentures, negotiable instruments, in action or other real property of the local church or other assets of the local church as they may see fit, or as may be required by or on behalf of the lender, and it is expressly declared that any security given pursuant to this article may be by way of chattel mortgage or in such other form as the lender may require, or as this local church sees fit.
  6. The activities of this local churchshall be carried on without purpose of gain for its members, and any profits or other accretions to the organization shall be used solely to promote its objectives, in accordance with its constitution and by-laws or as the same may be hereafter modified or amended.
  7. In the event of dissolution or winding up of the organization, all its remaining assets after payment of liabilities shall be distributed to The Pentecostal Assemblies of Canada for its continuing ministries.

## 3. Definition of Terms

The terms *affiliation*, *self-governance* and *cooperative fellowship*, used in the Local Church Constitution, have significance in defining the relationship within the structure of The Pentecostal Assemblies of Canada.

The term *affiliation* describes:

• Being affiliated with the PAOC’s history, identity, spirituality, values.

• Being affiliated with the PAOC’s doctrinal beliefs (The PAOC Statement of Fundamental and Essential Truths).

• Being affiliated with the PAOC in structure and governance (Local Church, District and General Constitutions).

• Being affiliated through credentialed leadership (Senior/Lead Pastor role). Credential Holders have a direct, accountable and privileged relationship with the PAOC (GC&B By-Law 10 and Minister’s Code of Ethics).

The term *self-governance* describes:

• Right of self-government – “inherent right to sovereignty in the conduct of their own affairs”.

• Congregational governance through membership.

• Provides for calling of a Pastor (Senior/Lead/Solo), electing and/or appointing leadership, holding property, setting policies, etc.

The term *cooperative fellowship* describes:

• A voluntary entrance into full fellowship through affiliating.

• Participation and input into the shared vision and mission of the fellowship.

• Financial support in the fellowship’s District, National and International ministries and services.

## 4. Clarifying Comments

Each affiliated PAOC Church is considered to be self-governing, and through affiliation with the PAOC chooses to work in a shared mission with like-minded churches and ministries.

1. Self-governing does indicate a high level of empowerment for local churches in their missional and administrative functions. This allows for a diversity of expressions of worship, instruction and preaching, outreach, programming and internal structure. There is not a “one size fits all” model.
2. Self-governing does **not equate with independent or autonomous**. These words are never used in the PAOC’s approved constitutions because they do not correlate with the principles of affiliation and cooperative fellowship.
3. A cooperative fellowship demands a relationally based model of interaction among local, district, national and international leadership. To be cooperative demands mutual trust, value, respect and high levels of communication, participation and input.

## 5. Other

* Please refer to the *New Church Information Sheet* (Appendix A) and *New Church Affiliation Application* (Appendix A) to assist the District with a request for affiliation.
* For further information on the process for Affiliation with The Pentecostal Assemblies of Canada in the ABNWT District, please contact the ABNWT District Director of Finance and Administration, Rev. Phil Doroshuk at [phil@abnwt.com](mailto:phil@abnwt.com) .

Section 2—Charity Requirements

1. How to Apply for Charity Status

2. T3010 Charity Return

## 

## 1. How to Apply for Charity Status

You can download the necessary forms from the [Government of Canada website](http://www.cra-arc.gc.ca/chrts-gvng/chrts/formspubs/menu-eng.html) <http://www.cra-arc.gc.ca/chrts-gvng/chrts/formspubs/menu-eng.html>.

* The following is a list of forms you will need. You can request them by number and then download.

T4063 “Registering a Charity for Income Tax Purposes” (guide)

T2050 “Application to Register a Charity Under the Income Tax Act” (application)

For further information on the process for registering as a Charity with the Canada Revenue Agency, please contact the ABNWT District Director of Finance and Administration, Rev. Phil Doroshuk at [phil@abnwt.com](mailto:phil@abnwt.com) .

## 2. T3010 Charity Return

This form needs to be completed annually six months following your church financial year-end and submitted to Revenue Canada.

T4033 “Completing the Registered Charity Information Return” (guide)

T3010 “Registered Charity Information Return” (return)

Section 3—Money Matters

1. Church Offering Information

2. Income Tax Receipts

3. Gifts

4. Budgeting

5. Church Financial Accounting Software

## 

## 1. Church Offering Information

* Rules
  + For reasons of transparency and integrity, two unrelated people are needed to count the offering.
  + Gift Policy. See sample in Appendix B
  + Offering Protocol Information. See sample in Appendix B
  + Offering announcement. Sample in Appendix B
* Offering sheets
  + See samples in Appendix B
* How to count
  + Sort through and count the loose offering.
    - Any envelope that is numbered or marked is separated from the loose offering.
    - Count the loose offering first.
    - Each person counts, records and totals.
    - Compare the totals (they should match).
  + Sort through and count envelope offerings.
    - Open each envelope. Each envelope is marked and verified according to its content (cash money or cheque & cheque #), then placed in the appropriate container.
    - After all the envelopes are opened, verified and sorted, one person will count the cash, the other person will put the “cash” envelopes in numerical order, record them and total them. Both totals need to agree.
    - Next, one person will record the cheques (last name and amount) and total them. The other person will put the “cheque” envelopes in numerical order, record and total them. Both totals need to agree. You will need to prepare a separate adding machine tape for these totals.
  + Add all three amounts (loose cash, envelope cash & cheques) for the grand total.
  + Complete the deposit slip and deposit bag.
  + Go to the bank and deposit the bag.
  + Record totals in accounting program (or ledger) and cheque book.
  + Record designated amounts.
  + Record envelope tithe amounts by name and number.
  + Keep records for back-up income tax receipts, on file at the church for 7 years.

## 2. Income Tax Receipts

Required Information on receipt:

* Business number (charity number)
* Date
* Amount
* Charity name (full, legal name), address
* Name and address of who is receiving the receipt
* Authorized signature

To be completed and mailed by February 28th.

See Appendix C for samples of Official Donation Receipts, letter to accompany donation receipt, plus Terms & Definitions information sheet.

**CRA States:**

*Under no circumstances should a registered charity lend its registration number to another organization for receipting purposes. A registered charity is responsible for all tax receipts issued under its name and number and must account for the corresponding donations or its annual information return. A charity that lends it registration number risks losing its charitable registration.* (See <http://www.cra-arc.gc.ca/chrts-gvng/chrts/prtng/>

## 3. Gifts

What is a “gift”?

* A gift is a voluntary transfer of property without consideration.
* This includes monetary gifts of product or service to the church.
* “Gifts-in-kind” refers to gifts of product or service to the church.
* An income tax receipt can be issued … please ensure that all appropriate paperwork is kept, (i.e. a receipt, invoice or statement of value.)

See sample receipts in Appendix C.

Information from Income Tax Act—Gifts and Official Donations Receipts can be found in Appendix C.

## 4. Budgeting

* Each church should have an annual budget (a forecast of revenue and expenses for the year).
* If you are needing assistance in the process for creating a church budget, contact Rev. Phil Doroshuk at [phil@abnwt.com](mailto:phil@abnwt.com) .
* A budget will help you plan your year and see where you are expecting to receive and spend revenue.

## 5. Church Financial Accounting Software

Book Keeping Programs

* You may want to consider purchasing an accounting software program. Contact the District Office for recommended programs.

Section 4—Rebates/Grants/Fundraising

1. GST Rebates

2. Government Grants

3. Other Fundraising Ideas

4. Renting or Leasing Facilities

## 

## 1. GST Rebates

* + As a registered charity in Canada, you may apply for a 50% rebate on all GST paid throughout the year.
  + The church should keep a running total for all the GST paid throughout the year and then apply for a GST rebate following year-end.
  + Applicable receipts need to show the GST business number and amount of GST paid.
  + Please see Appendix D.

## 2. Government Grants

**Summer Student Grant Program**

Canada Summer Jobs provides funding to help employers create summer job opportunities for students. It is designed to focus on local priorities, while helping both students and their communities.

Canada Summer Jobs:

* provides work experiences for students;
* supports organizations, including those that provide important community services; and
* recognizes that local circumstances, community needs and priorities vary widely.

Canada Summer Jobs provides funding to not-for-profit organizations to create summer job opportunities for young people aged 15 to 30 years who are full-time students intending to return to their studies in the next school year.

Not-for-profit employers are eligible to receive funding for up to 100% of the provincial or territorial adult minimum hourly wage. An employer may choose to pay more than the minimum wage; however, the percentage reimbursed will apply only to the applicable provincial or territorial adult minimum hourly wage.

Employers are required by law to pay the Mandatory Employment Related Costs (MERCs) for their employees. These costs include Employment Insurance premiums, Canada Pension Plan contributions, vacation pay, Workers’ Compensation premiums or equivalent liability insurance (if applicable), and health insurance (if applicable).

For your information, payroll deductions tables can be found on the [CRA website](http://www.cra-arc.gc.ca/tx/bsnss/tpcs/pyrll/t4032/menu-eng.html) <http://www.cra-arc.gc.ca/tx/bsnss/tpcs/pyrll/t4032/menu-eng.html>. Check with the appropriate provincial or territorial authorities to ensure that you have the most up-to-date rate information.

Not-for-profit employers are eligible for reimbursement of MERCs for up to 100% of the adult minimum hourly wage in the province or territory where the activities will take place.

The job must provide meaningful work experience for the student. It must not contribute to the provision of a personal service to the employer (e.g. the job must not involve gardening, domestic services, child care services, etc., for the employer).

The students must work in Canada for the entire duration of the approved funding period; jobs that take place outside of Canada are not eligible.

The duration of the job must be between six and sixteen weeks. Normally, these weeks are consecutive.

The employer is expected to provide employment for the number of weeks approved. If employment is less than the minimum six weeks duration, the employment may be deemed ineligible (i.e. costs would not be reimbursed).

Jobs must be full-time (i.e. from a minimum of 30 to a maximum of 40 hours per week). Any weeks during which the employer provides fewer than the minimum 30 hours of work may be deemed ineligible.

Under exceptional circumstances, students with disabilities or with other barriers to full-time employment are eligible to work part-time. If applicable, this must be discussed with Service Canada once your application has been approved and the student selected.

There is no maximum number of participants. Depending on demand and available funding, approval may be given for fewer jobs than requested in the application.

## 3. Other Fundraising Ideas

**Donation Mailings**

* Not just for money but for product as well,
* Most companies have a donation coordinator who you can fax or write a request to,
* A “project” (carnival, kid’s camp, community day, etc.) is a more effective way to obtain donations,
* See Appendix E for example of a donation letter.

## 4. Renting or Leasing

* Seek legal and accounting advice on a suitable lease document.
* Ensure that the lease is signed by both parties
* What needs to be included in a lease agreement?
  1. Length of Agreement
     + Outline when the lease agreement will begin and end (e.g. September 1, 2015 - July 30, 2018)
     + Also include how many months written notice should be given when the renter wishes to leave.
  2. Rental Price
     + Outline what the rental price will be per month.
     + Also advice when a rent review will be done.
  3. Service Times and Room Locations
     + Outline what rooms will be used and on what time (days and hours) during the week.
     + Be sure to include that if additional rooms are needed, notice must be given and there may be an additional fee for these extra rooms.
     + You may also want to outline “room” rules (i.e. rooms are to be left the way they find them, and this includes cleaning up after their group is done).
  4. Liability Insurance
     + The renting church needs to obtain liability insurance and provide proof of the insurance policy before any meeting can take place.
  5. Audio Equipment
     + Both parties will need to agree about the use of audio equipment, (i.e. will you share equipment or will each church provide their own?)
  6. Church Security
     + Outline the rules regarding church security.
  7. Other Potential Issues
     + Agreement needs to be met on signage (i.e. will a sign be able to placed outside advertising the church?)
     + Will the renting church be allowed to have a bulletin board in the lobby?
     + Also, outline what happens when something gets damaged by the renting church.
     + Outline the parameters of office space and storage.

Section 5—Employee Matters

1. Healthy Teams Resources

2. Building Healthy (Pastoral) Teams

3. Personnel Files

4. Vacation Entitlement

5. Payroll

6. Employee Benefits

7. Sick Day Policy

8. Motor Vehicle Allowance or Mileage Reimbursement

9. Personnel Policy Manual

10. Leadership Philosophy Manual

## 

## 1. Healthy Teams Resources

* **Visit** [**www.healthyteams.org**](http://www.healthyteams.org) to find resources, other websites, and tools for building and maintaining health on leadership teams.
* **Healthy Church Boards** – this is an excellent document for developing a church leadership team. See Appendix F.

## 2. Building Healthy (Pastoral) Teams

**Core Values**

Healthy Teams flourish when built upon the foundation of the greatest commandment and Paul’s admonition to live worthy of imitation. Honour, Communication, Servanthood, and Authenticity are vital core values for all Christian leaders.

* Honour—We value the unique giftedness of each member and recognize they are called by God, and should be esteemed by their worth as His child, beyond their role on the team. This leads to genuine concern for the overall health and wholeness of each team member.
* Communication—We value the unique giftedness of each member and recognize they are called by God, and should be esteemed by their worth as His child, beyond their role on the team. This leads to genuine concern for the overall health and wholeness of each team member.
* Authenticity—We value the unique giftedness of each member and recognize they are called by God, and should be esteemed by their worth as His child, beyond their role on the team. This leads to genuine concern for the overall health and wholeness of each team member.
* Servanthood—We value the unique giftedness of each member and recognize they are called by God, and should be esteemed by their worth as His child, beyond their role on the team. This leads to genuine concern for the overall health and wholeness of each team member.

**Best Practices**

Best practices act as opportunities for us to express our Core Values. They move our values from being abstract to tangible. While the following is not an exhaustive list, it can provide the necessary framework to assist in the development of strong teams.

Team ministry has three consistent timeframes:

1. Engagement—The process of invitation and acceptance of new team members.
   * Clarity of invitation sets the stage for healthy team relationship. Below are best practices for each season of ministry.
     + Hiring Practices
       - Create detailed job descriptions; and
       - Effectively extend the invitation.
     + Clarity of Vision & Values
       - Review the expectations (character, demeanour, etc.)
       - Provide the ministry’s strategic platform.
     + Organizational Systems
       - Provide the organizational chart of the ministry;
       - Explain approval protocols; and
       - Outline the procedures and practices of the working environment.
     + Personality/Gifts Profile
       - Prior to the interview, individuals should complete personality/gift profiles.
     + End Game Discussion
       - Review the expectations (character, demeanour, etc.); and
       - Provide the ministry’s strategic platform.
2. Environment—The backdrop for team life and function.
   * Team ministry achieves its potential when common culture is created and embraced.
     + Culture of the Spirit
       - Praying together, regular team devotions, and practicing gifts of the Spirit create a culture that is led by the Spirit.
     + Culture of Peace
       - Honouring of organizational structure and execution of a conflict resolution plan (when necessary) sets the stage for a culture of peace in the workplace.
     + Culture of Clarity
       - Regular staff meetings, defined achievements, open dialogue, and regular evaluations are best practices that create a culture of clarity.
     + Culture of Health
       - A culture of health is achieved when individuals’ needs are met in the areas of: family care, equity of schedule, direct communication, understanding of warning signs, etc.
     + Culture of Completion
       - To achieve a culture of completion the organization must identify team wins, celebrate team wins, and evaluate team efforts on a consistent basis.
3. Endgame—The exit process of a team member.
   * The culture of the team is honoured with the successful exit of team members.
     + Finishing Well
       - An individual finishes well when: commitments are fulfilled, confidences are kept, relationships remain intact, and there is a transition strategy.
     + Exit Interview
       - Exit interviews create opportunity for the organization to address any missed opportunities and identify areas of change within the position or among the personnel.
     + Honour & Release
       - The successful honour & release of an individual is the measure of a personnel transition.

## 3. Personnel Files

Personnel files should be kept for each employee and should include:

* Personal information
* CRA payroll forms (i.e. TD1)
* Signed Confidentiality sheet
* Job description
* Record of employment
* Letter of Hire or Employment Contract
* Copy of application/resume
* Record of disciplinary issues, signed by employee.

Example(s) of a Personnel File can be found in Appendix G.

## 4. Vacation Entitlement

Employment Standards in Alberta require vacation time or pay for employees.

Each church should have a written policy (e.g. after the first year—two weeks’ vacation, after the third year—three weeks’ vacation, after the fifth year—four weeks’ vacation).

The employer must "pay out" any vacation pay owed to the employee for any prior completed "year of employment". In addition, the employee is entitled to vacation pay for the partially completed current year.

For further information, go to <http://work.alberta.ca/employment-standards/vacations-and-vacation-pay.html>

## 

## 5. Payroll

Canada Revenue Agency website provides all needed forms for payroll. You can also view samples in Appendix H.

## 6. Employee Benefits

Extended Health Care & Dental Benefits

* For our District Health Plan please contact our office (780-426-0018 or [info@abnwt.com](mailto:info@abnwt.com)).

Pension

* PAOC Pension Plan - You can contact our National Office (905-542-7400, 1-866-877-8481 and ask for Retirement Services or email [pensioninfo@paoc.org](mailto:pensioninfo@paoc.org)).
* RRSP Contribution - See Appendix I for an example of an RRSP contribution program.

## 7. Sick Day Policy

Each church should set up a policy for Sick Days

* E.g. Each staff member is entitled to 10 sick days per year. Sick days cannot be carried forward to another year. If a staff is absent for more than three consecutive working days, the senior leader may request a letter signed by his/her doctor regarding the nature of the illness.

## 8. Motor Vehicle Allowance or Mileage Reimbursement

An allowance is any payment that employees receive from an employer for using their own vehicle in connection with or in the course of their employment without having to account for its use. This payment is in addition to their salary or wages. An allowance is taxable unless it is based on a reasonable per-kilometre rate.

If you pay your employee an allowance based on a per-kilometre rate that the CRA does consider reasonable, **do not deduct** CPP contributions, EI premiums, or income tax.

The CRA considers an allowance to be reasonable if **all** the following conditions apply:

* The allowance is based only on the number of business kilometres driven in a year.
* The rate per-kilometre is reasonable. Using the recommended motor vehicle allowance rate recommended on the CRA website would define “reasonable”.
* You did not reimburse the employee for expenses related to the same use of the vehicle. This does not apply to situations where you reimburse an employee for toll or supplementary business insurance, if you have determined the allowance without including these reimbursements.

When your employees complete their income tax and benefit return, they do not include this allowance in income.

For 2016, they are:

* 54¢ per kilometre for the first 5,000 kilometres driven; and
* 48¢ per kilometre driven after that.

In the Northwest Territories, Yukon, and Nunavut, there is an additional 4¢ per kilometre for travel.

Mileage … additional notes:

* It is important to keep a mileage log, see Appendix J for examples.
* Record all your business mileage accurately with dates.
* Regular trips to and from church/office are not considered business mileage.
* You can find the recommended automobile allowance rate on the CRA website <http://www.cra-arc.gc.ca/tx/bsnss/tpcs/pyrll/bnfts/tmbl/llwnc/rts-eng.html> .

## 9. Personnel Policy Manual

Church should have a “Personnel Policy Manual”—see Appendix K for an example.

Go to HealthyTeams.org for additional information on Personnel Manuals and related Human Resources topics.

## 10. Leadership Philosophy Manual

The purpose of a Leadership Philosophy Manual is to provide a clear understanding for all Church leaders (Pastoral staff, Church staff, lay leaders, salaried, volunteer) to “be on the same page” in how a leader is expected to function. This may include a section on the purpose of the Church and what “ministry” is. There can be a section specifically for those who are serving as pastors in the church.

Example of a Leadership Philosophy Manual—see Appendix L for an example.

Section 6—Legal Issues

1. Termination of Employment

2. Protecting Your Children’s Program

3. Honorariums to Ministry Guests

4. Church Name Change

5. Offer to Purchase

## 

## 1. Termination of Employment

You can terminate someone who has done nothing wrong but be prepared to spend money.

You can dismiss an employee with “just cause” … the employee’s conduct must amount to a fundamental breach of the employment contract (to make it easier … please have your employee sign an employment contract with code of conduct included). For purposes of direction to improve, employee must receive written direction with dates and milestones to be accomplished. The documents must be signed by both the employer and the employee. This document must be kept in individual’s personnel file.

If you decide to terminate an employee, it is important to know your obligations under the Employment Standards Act (<http://work.alberta.ca/employment-standards>).

It is always wise to seek legal counsel in a termination.

If you do have to terminate an employee … follow these guidelines regarding the “exit” interview:

* Two members of the management team should attend the exit interview.
* The interview should take place away from other employees and at the end of the day.
* A letter of termination should be given to the employee. Do not pressure the individual to take your offer if one is offered. The employee should be given sufficient time to obtain independent legal advice. If the employee accepts the offer he/she should be required to sign a legal release.
* Make note of the exit interview.

## 2. Protecting Your Children’s Program

Your insurance company will require that you have a protection plan in place for your children, youth, and leadership. Contact the District office for more information regarding “*Plan to Protect”*.

**Plan to Protect**—A Protection Plan for Children and Youth, A Protection Plan for Churches

You can order a manual from our International Office at:

The Pentecostal Assemblies of Canada  
2450 Milltower Court  
Mississauga, ON L5N 5Z6

Tel: 905-542-7400  
Fax: 905-542-1624  
Web: [www.paoc.org](http://www.paoc.org)  
Email: [orderdesk@paoc.org](mailto:orderdesk@paoc.org)

For more information on this program and how to implement it in your church, please contact District Children Ministries Director at 780-426-0018 or [children@abnwt.com](mailto:children@abnwt.com?subject=).

**Video Surveillance**

* In case of any “allegation” … it’s a good idea to protect both the children and your workers.
* Cameras should be located in your nurseries, preschool room, and near the washroom entrances.

## 3. Honorariums to Ministry Guests

**T4A’s (Canadian Residents)**

If an honorarium has been paid to an individual for an amount over $500 during the year … it is necessary to issue a T4A to the individual at the end of the year. See Appendix M for example.

**T4A-NR (Non-Residents)**

There are certain requirements when you make payments to non-residents for services performed in Canada, including ministering at your church:

* A withholding tax may be required to be deducted from an honorarium. At the end of the year, you will need to issue a T4A-NR for the amount paid.
* Please refer to RC4445 (http://www.cra-arc.gc.ca/E/pub/tg/rc4445/rc4445-15e.pdf) for completing the T4A-NR. See Appendix M for example of T4A-NR.

## 4. Church Name Change

A change of name form must be completed by church officials. Contact the District office for all details regarding a change of name.

A copy of the resolution recording 75% approval for the membership to change the name must be attached to the application, including date of the meeting and percentage of the results. This must be submitted to the District Office for official endorsement. You must also advise Canada Revenue Agency of this change.

See Appendix N for Church Name Change form (available from District Office).

## 5. Offer to Purchase

In the event that your church wishes to make an *Offer to Purchase* on a property, the offer should include “**SCHEDULE A**”.

See Appendix O for sample of Offer to Purchase - Schedule A.

Section 7—Church Info

1. Church Journal

2. Insurance Records

3. Church Leadership Team Binder

4. Building Information

5. Church Membership

## 

## 1. Church Journal

A church journal records:

* Weddings
* Funerals
* Baptisms
* Baby dedications

Sample sheets can be found in Appendix P.

Note: It is recommended that churches make wedding recordings of the ceremonies performed in their building. Also, a suggestion would be to take a photocopy of the completed and signed registration of marriage license form, as provided by the Alberta Vital Stats Department, and three holed punch and then put it in the binder for the church record.

## 2. Insurance Records

For insurance purposes, it is recommended that a church have a photo album of the building and contents, and an equipment listing (with serial numbers).

This book should be kept in a “fire safe” place off-site.

## 3. Church Leadership Team Binder

Each local assembly affiliated with the PAOC will identify the Leadership Team with a specific title. This title will be specified in the Local Church Constitution of the assembly. Examples of titles are Church Board, Pastor’s Council, Lead Team, and Deacon Board. See Article 17 for Church Leadership Team accountability.

A Church Leadership Team binder should include:

* Incorporation documents (if applicable)
* Constitution & By-Laws
* List of church activities (with dates and times)
* List of Leadership Team Members
* Leadership Team meeting minutes
* Church policies

This binder needs to be updated regularly.

Please refer to Appendix Q for definition of “conflict of interest” on the Leadership Team, and the Canada Revenue Agency requirement of “arm’s length” for the relationship of the Leadership Team members.

## 4. Building Information

Building Insurance & Directors and Officers Liability Insurance

* Each church, whether you rent or own, needs building insurance as well as directors’ and officers’ liability insurance.
* You can obtain these insurance coverages from Robertson Hall Insurance at 1-800-640-0933.

Fire Extinguisher & Fire Alarm Annual Testing

* If you own your own building, an annual check of both your fire extinguishers and fire alarms need to be done.
* An outside company must do this and a certificate will be issued when your building passes the inspection.
* Please check your equipment for the company to contact for an inspection.

## 5. Church Membership

The Local Church Constitution has established requirements and the process for individuals desiring to become members of a local PAOC Church. The specific article and by-law regarding Church membership will assist the Church Leadership with a process for those seeking to become members.

See Appendix R for the document, “Membership Matters! – Approval, Resignation and Dismissal of Church Membership in an Affiliated PAOC Church”.

Also,

* Church Membership Application
* Examples of Church Membership Brochure and Application (Sylvan Lake Gospel Chapel)
* Welcoming New Church Members in a Church Service

NOTE: Church needs to keep a file with ALL applications for membership received, and mark on them “APPROVED” or “NOT APPROVED”, with the date of the Church Leadership Team minutes. The Membership Applications can be place alphabetically in either “Current Members” or “Former Members” files.

Section 8—Helpful Hints

1. Church Calendar Binder

2. Church Directory Binder

3. Credential Matters

4. Guidelines for a Pastoral Resignation

## 

## 1. Church Calendar Binder

This binder contains:

* Monthly calendars of three years (current year, past year, and next year),
* Any paperwork (registration information, confirmation letters, etc.) for events,
* A section of weekly calendars with church events on them.

This binder will create an archive of past events that will aid with administration of future events, will act as a deciding factor when it comes to scheduling conflicts, etc.

## 2. Church Directory Binder

You should create a database for your church. A database will help you keep track of those who attend your church and provide information for ministry opportunities (i.e. membership anniversary’s, baptisms, weddings, baby dedications, family anniversaries and birthdays). A simple database could be created in an Excel document.

A database could include:

* Church Directory—Sample can be found in Appendix S.
* Data for mail merges (letters, labels, etc.)
* Ministry rosters

## 3. Credential Matters

**Applying for Ministerial Credentials**

Information can be found on the District website at <http://abnwt.com/resources/credentials/>.

**Renewals for PAOC Ministry Credentials**

Credentials with the PAOC expire annually on June 30. Credential Holders must send in a renewal application to keep the credentials in good standing. Renewal applications are sent annually in mid-April. The early renewal deadline is June 1 and all credentials expire June 30.

Requirements to maintain active standing are outlined in By-Law 10.5.11 of the General Constitution and By-Laws, amended to the General Conference 2014.

See sample in Appendix T.

**Performing Marriage Ceremonies as a PAOC Credential Holder**

Every Senior/Lead/Solo Pastor in a PAOC Church in the Alberta & NWT District and every Ordained Credential Holder in the Alberta & NWT District is provided certification to legally perform marriage ceremonies in the Province of Alberta through certification provided by Alberta Vital Statistics.

If you have not received this certification, please contact the Alberta & NWT District at [info@abnwt.com](mailto:info@abnwt.com).

If you are performing the marriage of an individual or individuals that have previously been divorced, you must follow the requirements established in the PAOC General Constitution and By-Laws.

Please see the following documents in Appendix U:

* Information page regarding performing marriage ceremonies
* Sample of a Alberta Vital Statistics Certificate
* Sample of an Alberta Marriage Application
* Requirements of the General Constitution and By-Laws (By-Law 10) for performing marriage ceremonies of previously divorced person(s).
* PAOC Affidavit for performing marriage ceremonies of previously divorced person(s)

**Annual Church Life Reports (ACLRs) – Required by The PAOC**

The ACLR is sent out January 2nd and is due February 28th for the previous year. The ACLR must be completed and sent in to The PAOC International Office.

Failure to complete and return the ACLR will result in hold-back of your new credential card from our National Office.

See sample in Appendix V.

## 4. Guidelines for a Pastoral Resignation

**Leaving Well**

The story is told of a young Pastor who went to his first church fresh out of seminary. As he approached his first Sunday of public ministry he was filled with excitement and anticipation. He was the Pastor of a very small congregation and he felt that he certainly could pastor a larger congregation but this would do for now. He did think that this little church was fortunate to have him as their Pastor of he had been the Graduation Speaker and graduated with highest honours.

As Sunday approached he became more confident. When he went to the pulpit on Sunday he delivered this message with confidence assuring himself that these poor people must not have had such a great message spoken in years. How blessed they were to have him as their Pastor.

When he finished the message he realized that the people were not responsive and he felt totally dejected. He felt like he had great material but there was no connection with the people. It was one of the lowest moments of his young life.

When he was shaking hands with people at the door after the service an old gentleman came to him with a word of advice. He told his Pastor that he appreciated the message but here was a little tip from an old church member. “*If you had gone up to the pulpit the same way you came down, you would have come down the way you went up.”*

How we leave a church is more important that how we begin! Finishing in a church says more about our character than beginning strong.

Often we forget about relying on the Holy Spirit to help us farewell. The temptation is to say, “*I don’t care what happens now. I’m done here. What can these people do to me now? I’ll take my parting shots and move on.*”

We need to depend on the Holy Spirit to guide us when closing a chapter of ministry. Leaving is when we are most vulnerable to ignore the leading of the Holy Spirit and give in to fleshly desires. It is a time when integrity is needed most.

**10 Things to Keep in Mind When You Resign**

1. Never Resign When Angry or Frustrated

Wait until you have time to process decisions prayerfully and with wisdom and patience.

2. Communicate Resignation First With Board and Leadership

Resign with class and in writing, first to your board and leadership, then to your congregation. If you publicly resign to the church body, do it with a positive spirit. Be brief and affirming.

3. After Resigning Stay Only 4 to 6 Weeks

If you stay any longer it can cause difficulty to you and your church.

4. Contact Your District Office Immediately to Inform Them of Your Resignation

After hearing from you, the District will immediately come to your church to begin the pastoral transition process.

5. Stay Out of the Pastoral Replacement Process

The District will ask for your input, but they (not you) will not give direction to the process, allowing the church the opportunity to prayerfully choose their new pastor.

6. Stay Positive with the Church

Dwell on the good experiences you had during the tenure of ministry. Do not cause any dissension. No cheap shots on the way out.

7. Help to Prepare the Church for Your Departure

* + Complete all unfinished business.
  + Put together a binder for the incoming Pastor with information that would include policies, job description, daily schedule and routine directions.
  + Vacate your office prior to the farewell.
  + Get your financial details cared for with the church treasurer and board prior to the farewell.
  + Ensure that you appoint individuals to care for jobs that need to be done in the interim so leadership is in place (especially tasks that you have been doing specifically). Do this in consultation with the board.

8. Preach to Help the Congregation with Their Future

* + Be positive.
  + Be thankful.
  + Be instructional by preparing them in Biblical principles for your day of departure.
  + Get the congregation ready for the next chapter in their history.
  + Never, never, never, never vent your frustrations or use the pulpit for your advantage.
  + Don’t brag or complain.

9. Take the High Road

Whenever a Pastor resigns there will be those who may say things to him to hurt him or raise questions as to the reasons for the resignation. Do not, under any circumstances, give them negative information or react to their questions.

10. When You Leave a Church, Leave the Church

* + Move on to a new chapter.
  + Cut ties with the church for the first year.
  + Don’t meddle in the affairs of the congregation.
  + Remember you are no longer the Pastor.
  + Stay out of all the church business and processes.
  + Do not visit the church unannounced.
  + Know and understand the principles that are stated in the PAOC Standard of Pastoral Ethics and live by them.

*Hopefully, we remember that we are in a pastoral ministry  
to love the church and bless the church not to get your own  
self-worth from the church.  
Jesus loved the Church and gave His life for the Church.  
The Church of Jesus Christ is more important than me.  
What is best for the Church is best for me.  
How we leave the Church shows how much we really care!!*

-L. Gibbons

Section 9—Important Contacts

1. Websites

2. Phone Numbers

## 

## 1. Websites

* Canadian Government (Charity Information) [www.cra-arc.gc.ca](http://www.cra-arc.gc.ca) 1-800-267-2384
* Charity Law Bulletin & Upgrades [www.charitylaw.ca](http://www.charitylaw.ca)
* Government of Alberta [work.alberta.ca](http://work.alberta.ca)
* Canadian Council of Christian Charities (CCCC) [www.cccc.org](https://www.cccc.org)

## 2. Phone Numbers

* ABNWT District Office—780-426-0018
* PAOC International Office (Pension Plan)—905-542-7400
* Robertson Hall Insurance (Building & Liability)—1-800-640-0933

Section 10—Articles

**A**

* New Church Information Sheet
* New Church Affiliation Application

**B**

* Gift Policy
* Offering Protocol Information
* Offering Announcement
* Offering Sheets

**C**

* Sample Official Donation Receipts
* Letter to Accompany Donation Receipt
* Terms & Definitions Information Sheet
* Income Tax Act - Gifts and Official Donation Receipts

**D**

* Application for GST Rebate

**E**

* Donation Letter

**F**

* Healthy Church Boards

**G**

* Personnel Files (Province of Alberta)
* Employee Information
* Personal Tax Credits Return
* Worksheet for 2016 Personal Tax Credits Return
* Letter of Confidentiality
* Process for Record of Employment (ROE)

**H**

* Salary Calculation
* Your Finances & The Clergy Residence Deduction
* Instructions - Request to Reduce Tax Deductions at Source for Clergy Residence Deduction
* Form T1213 - Request to Reduce Tax Deductions at Source
* Form T1223 - Clergy Residence Deduction
* Clergy Residence Deduction
* Canada Revenue Agency and Payroll
* CRA Form T1223 & Job Descriptions
* Income Tax Act - Clergy Residence Deduction
* T4 Sample

**I**

* RRSP Contribution Sample

**J**

* Mileage Log

**K**

* Personnel Policy Manual

**L**

* Leadership Philosophy Manual

**M**

* T4A Sample
* T4A-NR Sample

**N**

* Church Name Change Form

**O**

* Offer to Purchase - Schedule A

**P**

* Wedding Information
* Funeral Information
* Water Baptismal Service Information
* Baby Dedication Information

**Q**

* Church Leadership Team Accountability
* Defining Conflict of Interest on the Church Leadership Team
* Church Leadership Team - Defining "Arm’s Length"

**R**

* Membership Matters!
* Application for Church Membership
* Membership Application - Sylvan Lake
* Welcoming New Church Members

**S**

* Sample Church Directory

**T**

* Credential Renewal Application

**U**

* Information Page Regarding Performing Marriage Ceremonies
* Sample of an Alberta Vital Statistics Certificate
* Sample of an Alberta Marriage Application
* Requirements of General Constitution and By-Laws (By-Law 10) for Performing Marriages Ceremonies of Previously Divorced Person(s)
* PAOC Affidavit for Performing Marriage Ceremonies of Previously Divorced Person(s)

**V**

* Annual Church Life Report (ACLR)