

MINISTERIAL COMPENSATION

The compensation paid and/or furnished to a teaching elder should appear reasonable, just, and fair to the leaders of a congregation, to a majority of the members of a congregation, and to the teaching elder. Remuneration for services rendered by the teaching elder should be in line with the income levels of the area in which that service takes place. The teaching elder is a trained professional with responsibilities for which the Church has required preparation and training.

Each congregation in the Presbytery, through its Session and its teaching elder(s), should annually discuss compensation.

SECTION 1 MINIMUM EFFECTIVE SALARY

The Presbytery sets the Minimum Effective Salary requirements at 80% of the Churchwide Median Salary as established annually by the Board of Pensions. These figures will be reported annually to be effective for the following calendar year. **“Effective Salary” is defined as the combination of cash salary and housing.**

For 2020, the Churchwide Median Salary is \$60,800; **therefore the Minimum Effective Salary is \$48,640.** Exceptions may be allowed with approval of the Committee on Ministry.

Other requirements include:

- a. Full dues to the Benefits Plan of the Board of Pensions (**37%** for 2020 of Effective Salary as defined by the Board of Pensions). The cost of family coverage shall be covered for full time installed teaching elders.
- b. Salary supplement equal to no less than 50% of the Social Security Self-Employment Tax.
- c. Four weeks or one month paid vacation inclusive of Sundays.
- d. Professional Expense Reimbursement Plan - Presbytery has approved a minimum of \$2500 for reimbursement of automobile expenses, books, continuing education and other professional expenses when substantiated to the Church Treasurer or other person designated by the session.
- e. Annual Study Leave of two weeks.
- f. Annual review of the terms of call and covenant with an evaluation of the mutual achievement of mission goals by teaching elder and session.
- g. A comprehensive evaluation of teaching elder every five years to grant a three month sabbatical from church duties after six years of continuous full time service.

SECTION 2 TAX INFORMATION

Each person's tax situation will be different, and advice should be sought from professional financial / legal counsel. Please note that it is the *responsibility of the teaching elder* to substantiate the amount and use of funds spent for housing if audited by the Internal Revenue Service.

IRS Publication 517 [<http://www.irs.gov/publications/p517/index.html>] provides information on reporting income, Social Security, expense reimbursement, housing allowances, etc.

SECTION 3 SABBATICAL POLICY

All full-time (35 hours per week or more) teaching elders and commissioned ruling elders in permanent installed positions are to be granted a compensated sabbatical of at least three months after completion of six years of continuous full-time service to a particular church, and such sabbatical is part of the terms of call / contract. The Committee on Ministry strongly endorses this policy for all full-time professional staff of any church. With the agreement of the session, a sabbatical will be combined with vacation and study leave. If the teaching elder / commissioned ruling elder leaves within 12 months of completion of the sabbatical, he / she is not eligible for severance. In churches

with multiple staff, congregations may limit sabbatical leave to one staff person per year. Pastoral Nominating Committees in the presbytery are required to incorporate sabbatical leave provisions into pastoral terms of call in order for such terms to be approved by COM. The requirements of this policy go into effect upon approval by presbytery and will only apply to all new terms of call after date of approval.

Responsibilities of the Teaching Elder / Commissioned Ruling Elder

- * A minimum of six months prior to the proposed commencement of the sabbatical, bring a sabbatical proposal to the session. The proposal may include a description of the proposal, and may include the goals to be achieved, the expected results, and a personal statement as to how sabbatical leave will be beneficial to the teaching elder / CRE and to the church.
- * Make any necessary arrangements for coverage of pulpit, pastoral, and other responsibilities during sabbatical leave. In cooperation with the session, assure that pending responsibilities are brought up to date prior to departure on sabbatical leave.
- * Upon return, present an overview of the sabbatical experience with the session and the COM. Sharing of the experience with the entire congregation is strongly encouraged.

Session Responsibilities

- * Review the sabbatical proposal with the teaching elder / CRE and negotiate any necessary clarifications or changes.
- * Communicate to the congregation the importance and value to the church of the sabbatical leave.
- * Continue terms of call / financial commitments to the teaching elder / CRE during sabbatical leave.
- * Receive from the teaching elder / CRE the written overview of the sabbatical experience upon his/her return.
- * Set aside funds annually to accumulate toward the sabbatical year. For example, if a congregation determines that the cost of providing a sabbatical for its teaching elder / CRE will be \$3,000 - \$5,000, the congregation would write \$500 - \$834 into its annual budget to accrue to the Sabbatical year.

COM Responsibilities

- * Serve as mediator in any concerns of the session or the teaching elder / CRE with respect to the sabbatical, making sure the agreement is being met.
- * Appoint a moderator for the session for the duration of the sabbatical.
- * Provide human and financial resources as needed.

SECTION 4

MINISTERIAL COMPENSATION FOR PULPIT SUPPLY

The Committee on Ministry recommends pulpit supply at \$150 per Sunday, with mileage (at the current IRS rate) negotiated in advance.

Congregations may vary from this guideline only in extraordinary circumstances (i.e. multiple worship services, congregation size, etc.) and with prior negotiation with the teaching elder.

SECTION 5

CALCULATING COMPENSATION AND BOARD OF PENSIONS DUES

The Board of Pensions website provides information on the Board's dues for medical, death and disability, pensions, and optional benefits. The Board also provides a calculator for effective salary as well as a calculator for dues. These calculators can be found at <http://www.pensions.org/what-we-offer/employer-guidance/calculators>.

Call Form (Initial)

The _____ Presbyterian Church of (Location) _____, Tennessee, belonging to The Presbytery of Middle Tennessee, being well satisfied with your qualifications for ministry and confident that we have been led to you by the Holy Spirit as one whose service will be profitable to the spiritual interests of our church and fruitful for the Kingdom of our Lord, earnestly and solemnly calls you,

(Name)

to undertake the office of pastor (associate pastor) of this congregation, promising you in the discharge of your duty all proper support, encouragement, and allegiance in the Lord.

That you may be free to devote yourself full time (part time) to the ministry of the Word and Sacrament among us, we promise and obligate ourselves to pay you the following (those agreed upon are to be filled in):

- Annual salary \$ _____ (in regular monthly or semi-monthly payments)
- Use of the manse \$ _____
- Housing allowance \$ _____
- Utilities allowance \$ _____
- Other medical insurance \$ _____
- Professional expenses \$ _____ (includes: automobile, continuing education, books, and personal business expenses)
- Social Security Tax \$ _____
- Other (specify) \$ _____
- Moving costs \$ _____

Vacation of (time period) _____ Continuing Education (time period) _____

and we will pay regularly in advance to the board responsible for benefits a sum equal to that requisite percent of your salary which may be fixed by the General Assembly of the Presbyterian Church (U.S.A.) for participation in the Benefits Plan of the Presbyterian Church (U.S.A.), including both pension and medical coverage, or any successor plan approved by the General Assembly, during the time of your being and continuing in the pastoral relationship set forth in this call to this church. We further promise and obligate ourselves to review with you annually the adequacy of this compensation, and to conduct a comprehensive evaluation of ministry every five years to grant a three month sabbatical from church duties after six years of continuous full time service. In testimony whereof we have subscribed our names this _____ day of _____, A.D. _____.

(Signatures)

Having moderated the congregational meeting which extended this call for ministerial services, I do certify that the call has been made in all respect according to the rules laid down in the Form of Government, and that the persons who signed the foregoing call were authorized to do so by vote of the congregation.

(Signed) _____

Moderator of the Congregational Meeting