

NOTE: The parental leave provision (Childbearing/Childrearing Policy pg. 2) is unchanged from the original and provide for 8 weeks of leave. Listening groups have been conducted and a workgroup is being formed to study the issue and make a recommendation to presbytery at a future meeting. The other changes in this version (presented at the 888<sup>th</sup> Gathering) primarily bring the policy into conformity with new Board of Pensions provisions and language and current tax law.



## Baltimore Presbytery Policy on Pastoral Compensation

### TERMS OF CALL

All pastoral calls approved by the Presbytery must **be consistent with the values and requirements of the Pension Plan of the PCUSA and conform** to the *Presbytery's Factoring Guide for Professional Positions* (attached as an addendum) for determining minimum compensation. Each of these separately and together insure adequate and just compensation and the benefits necessary for the well-being of the pastor and pastor's family.

The Compensation Plan, and *Factoring Guide* apply to all installed and temporary pastoral positions and to Certified and Associate Certified Educators.

For purposes of calculating salary ranges the Presbytery will use a minimum salary [BO G-2.1103b, G-2.0804] for a fully qualified professional (factor of 520) representing an effective salary that is at least 80% of the moderate standard of living for a family of four in our area<sup>i</sup>. Salary adjustments will be based on the average of the Consumer Price Index for all urban consumers and all wage earners for the region defined by the U. S. Bureau of Labor Statistics to include Baltimore and surrounding areas for the latest of the months of May, June or July of the prior year<sup>ii</sup>.

Because ministers must pay the full amount of Social Security taxes, a church shall provide a reimbursement for SECA. Such an amount would equal the amount that would have been paid if the church were required to pay the employer's share. The amount will be separately itemized and be included in the Terms of Call. However, it will neither be included in effective salary as defined by the Board of Pensions nor be used to meet the minimum salary requirements of the Presbytery of Baltimore. *The SECA reimbursement is taxable income for the minister and included as salary on the W-2 Tax form each year.*

If a pastor has opted not to be covered by Social Security, the church may provide for an amount that would be equal to the amount of FICA taxes that would have been paid if the church were required to pay the employer's share. Such pay will be deposited in a retirement account by the church. The amount will be separately itemized and be included in the Terms of Call. However, it will neither be included in effective salary as defined by the Board of Pensions nor be used to

meet the minimum salary requirements of the Presbytery of Baltimore. Neither the Church nor the Presbytery will be held liable should the minister later seek redress because he or she feels that his or her retirement or disability benefits are inadequate due to his or her non-participation in Social Security.

Clergy Couples. A clergy couple sharing the equivalent of one full-time pastoral position may be called as co-pastors and compensated at the sole pastor minimum. The couple will be splitting both the compensation and benefits package based on one position.

Part-time and Tentmaking Pastorates. The position of pastor is to be considered full-time unless otherwise approved by the session and the Presbytery. The Presbytery will determine if the compensation package offered by the church meets the minimum requirements according to the percentage of time worked. Pastors wishing to supplement their income by working outside the church must have approval of the session

Exceptional Cases. If a church is unable to compensate its pastor at the required levels, or if the required level is greater than 50% of the income of the church, the church should consult with the COM, which may recommend an exception to the compensation requirements, which must be approved by the Presbytery.

## **BENEFITS**

Pension Plan All pastoral calls approved by the Presbytery, must provide for participation in the Pension Plan of the PCUSA. Full participation in the *Pastor's Participation Plan* is normative. Participation in an alternative form of enrollment in the Pension Plan (Such as *Pathways to Renewal*) will be considered on a case by case basis and must be approved by the Board of Pensions and the Commission on Ministry. Professional educators and other professionals should either be enrolled in the Pension Plan or receive comparable benefits under an alternative plan

Supplementary Benefits. All pastoral calls approved by the Presbytery, including all changes in call, must--and other professional calls should--additionally provide:

**Automobile mileage** vouchered and at the current IRS rate.

At least four full weeks, including four Sundays, **vacation** per year.

Reasonable **moving expenses** to the field. *This amount is taxable for the pastor.*

**Continuing Education.** All pastoral calls approved by the Presbytery, including all changes in call, must--and professional calls should--additionally provide for at least two weeks study leave. The COM will provide and publish *Guidelines for Continuing Education* as part of its manual.

**Sabbatical Leaves.** Sessions are encouraged to grant sabbatical leaves when appropriate. *The COM maintains a policy on sabbatical guidelines.*

**Sick Leave** is ordinarily not included in terms of call. We encourage sessions to develop a sick leave policy for their staff members, including pastors.

Childbearing/Childrearing Policy. All pastoral calls approved by the Presbytery of Baltimore must – and professional calls should – adhere to this Childbearing/Childrearing policy: The

addition of children to a family is a gift and blessing of God. The church recognizes and agrees to accommodate to the special needs of pastors and professionals who are parents. While under a physician's care for childbirth without serious complications, pastoral/professional compensation and all terms of call continue. The following specific guidelines will apply:

Minimum leave will be: Maternity Leave: 8 weeks; Paternity Leave: 8 weeks; Adoptive Parent Leave: 8 weeks.

The need for longer leaves will be upon the recommendation of the physician and will be subject to the same procedures as apply to extended sick leave.

Sessions will make adequate provisions for the continuation of pastoral/professional functions during the leave period.

Pastors/professionals will inform their sessions and the COM as early as possible regarding the need for leave.

Childbirth brings risks of complications, unexpected needs, and other uncertainties. It is the duty of the pastor/professional and the session to deal with these issues in an open and caring relationship.

## **LOANS**

Loans to pastors by congregations. All loans to pastors by congregations shall be considered a term of call. The congregation and the COM on behalf of the presbytery must approve each such individual loan. Loans made to assist the pastor in obtaining or maintaining a home shall be recorded as a second mortgage or as a shared equity arrangement between the pastor and the congregation and so recorded in the mortgage. The COM strongly recommends consultation with a lawyer and/or accountant, for tax and legal implications, before finalizing such loans.

## **AMENDING THIS POLICY**

The Compensation Plan, by its adoption here, becomes a policy of this Presbytery, and may be amended by majority vote of those present and voting at a Presbytery meeting. This Plan will incorporate recommendations for the compensation of all professionals in the Presbytery and its particular churches.

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· The initial salary was set using information from the U.S. Government Bureau of Labor Statistics. The BLS no longer provides this data. We have been adjusting the basic salary using the Consumer Price Index every year.  
· The factoring system was initially the United Presbyterian Compensation Plan, approved by the 188th General Assembly of the United Presbyterian-Church (USA) (1976), and amended by this Presbytery, including the salary adjustment figures based on the average of the Consumer Price Index for all urban consumers and for all wage earners, both for the Washington-Baltimore region. We used the CPI for July of the prior year until 2018, when the Bureau of Labor Statistics changed the areas and the months. They now do the CPI for Washington-Arlington-Alexandria for the odd numbered months and for Baltimore-Columbia-Towson for the even numbered months. In 2018 COM chose to use Baltimore-Columbia-Towson and to change from July to June. For 2019 we did an 11-month comparison (June 2018 to July 2017).