

# Having a conversation about terms of call

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Determining the “terms of call” is an important conversation between minister, congregation and presbytery. Prayerfully entering this part of the call process with a spirit of discernment, practicality and wisdom can set the tone for your future ministry together. The size of the church and lifestyle of its members and community have an impact on the congregation’s resources and theology of compensation. The call process is an opportunity to discuss the needs and expectations for both the minister and congregation. One of the first questions to ask is what are the policies and guidelines of the calling presbytery. Most presbyteries have minimum terms of call; however, some presbyteries allow exceptions to these guidelines. It is important to check with the calling presbytery before you begin Terms of Call conversations with Pastor Nominating Committees (PNCs). Some of the items that are typically discussed in the calling conversation are outlined below.

## What type of position is this? “Installed” or “Temporary” (G-2.0504a & b)

“Installed” calls can be for an “indefinite period” or for a “designated term” with a predetermined end date. A “temporary pastoral relationship is for ... a specified period not to exceed twelve months,” although it may be renewed with the presbytery’s approval. Presbyteries have different terms for identifying “temporary” relationships, so be clear as to whether the position is “installed” or “temporary.”

## What will be your compensation?



### **Effective Salary = Cash Salary + Housing Allowance**

*When discussing a call your cash salary and housing allowance is negotiable. If the church provides a manse in lieu of a housing allowance, the value of the manse is usually set at the equivalent of at least 30% of the cash compensation for effective salary and tax purposes.*

**Other items to discuss:** SECA [Self-Employment Contribution Act] salary adjustment, utilities, and professional expenses (mileage, continuing education and book allowances, etc.).

**To Do:** Obtain an annual declaration of your housing allowance for tax purposes, and be sure it is recorded in the Session’s minutes at the beginning of the call and at the beginning of each budget year. *Consult the yearly Tax Guide for Ministers from the Board of Pensions for guidance [see [www.pensions.org](http://www.pensions.org)].*

## What other types of benefits may be included in a call package?



### **Leave is provided for Rest, Sabbath and Continuing Education**

*All Terms of Call include leave in the following categories as a benefit to church workers:*

Annual Leave (Vacation)

Study Leave (continuing education and in some cases Sabbatical after specified years of service)

**Other items that may be included:** Sick Leave and Family Leave [FMLA] (may be paid or unpaid according to the calling presbytery’s policy).



## Insurance Augments: Dental, Supplemental Life, Co-Coverages

The Board of Pensions offers members optional coverages such as dental and supplemental life insurance for members and their families. If you elect to participate in these programs, you must discuss who will pay for the additional cost of the coverages. Additionally, you may want to ask about the opportunity to establish a “Flexible Spending Account” for either medical or dependent care expenses.



## Moving Costs are a negotiated item!

*This is a very important item to discuss with PNCs. Some congregations cover the full cost of a move. Most congregations cover the cost up to a maximum amount. Know both the amounts agreed to and the process the congregation expects to be followed (multiple bids submitted, reimbursement or direct bill, etc.).*

## Managing Educational Debt

- ❖ Investigate “Income Based Repayment” (IBR) and other student loan repayment options (<http://www.consumerfinance.gov/students/repay/>). IBR offers up to three years of interest subsidies to ease the transition into repayment.
- ❖ Congregations with 150 members or less meet one of several requirements for debt assistance offered by Board of Pensions and the General Assembly Mission Council, if:
  - If the position is full-time and not temporary or designated, go to Board of Pensions Seminary Debt Assistance Program to learn more <http://www.pensions.org/portal/server.pt?open=514&objID=246&mode=2>
  - If the position is part-time and/or temporary (including designated) go to the Transformational Leadership Debt Assistance program to learn more <http://www.pcusa.org/tlda>

## RESOURCES

Sample Call Form found in On Calling A Pastor: A Manual for Churches Seeking Pastors page 49

[www.pcusa.org/resource/calling-pastor-word](http://www.pcusa.org/resource/calling-pastor-word)

Understanding Effective Salary [www.pensions.org/Publications/pensions/Home/.../pln-103.pdf](http://www.pensions.org/Publications/pensions/Home/.../pln-103.pdf)

The Tax Guide for Ministers <http://www.pensions.org>

Bankrate.com “Cost of Living Calculator” [www.bankrate.com](http://www.bankrate.com)