

Understanding Terms of Call

“Terms of Call” refers to the contractual agreement concerning salary and benefits between a minister and a congregation. These must be approved by the Presbytery so it is a 3-way agreement. The appropriate Commission on Ministry Task Force (COM) acts on behalf of the Presbytery in this agreement. The Presbytery is also directed by our Form of Government* to set the minimums that must be met for all Terms of Call, including all pastoral calls and for those serving in temporary pastoral service as well as Certified Christian educators. These minimums are reviewed and established annually and are available on the Salem Presbytery website ([Compensation Guidelines | Salem Presbytery](#)). **Book of Order (G-2.0804): “The session shall review annually the minister’s terms of call and shall propose for congregational action (G-1.0501) such changes as the session deems appropriate, provided that they meet the presbytery’s minimum requirements.”*

Contract/Form

The appropriate contract/form as established by the Commission on Ministry must be used. These are on the Presbytery website as fillable forms ([Forms and Contracts | Salem Presbytery](#)) These forms may also be downloaded, filled in manually, and then emailed or mailed to the Presbytery office.

Changes and renewal

Terms of Call and changes in Terms of Call for those in Installed positions (Pastor, Co-Pastor, Associate Pastor) are approved by the congregation. An Annual Report of Compensation ([Salem Presbytery Annual Compensation Report Form \(cognitofirms.com\)](#)) is to be completed following the congregational meeting during which the Terms of Call are approved. Terms of Call for those in Temporary Relationships (Stated Supply, Transitional, CRE’s) are renewed annually by the appropriate Commission on Ministry Task Force.

Medical and Retirement benefits

Ministers in an installed call are required by our Form of Government to have coverage under the Board of Pensions. This includes Medical and Retirement benefits. The dues that the church must pay for this coverage is based an established percentage of “Effective Salary”. Effective Salary is the combined amount of salary and housing. This information is available from the Board of Pensions (www.pensions.org) Optional coverages such as dental and vision are not required but are subject to negotiation.

It is the ethical duty of the church, and therefore all churches are mandated to provide 100 percent of the cost of the major medical insurance premiums to cover all church professionals (Ministers of the Word and Sacrament/Certified Christian Educators/Commissioned Ruling Elders) who work in excess of 20 hours/week.

Housing

Ministers of Word and Sacrament and Commissioned Ruling Elders are considered “self-employed” by the IRS and have the benefit of not paying taxes on housing expenses. The pastor may designate any portion of their salary as housing expense which they can substantiate to the IRS. This amount must be in writing as part of the Terms of Call or part of Congregational Meeting minutes if it changes.

If ministers are provided with a manse in which to live, the churches to which such ministers are called are encouraged to establish an equity allowance for the minister.

Other Minimum requirements

The annual minimum salary requirements are posted on the presbytery website. ([Compensation Guidelines | Salem Presbytery](#)). Note this is only the minimum.

Social Security - Since the Pastor is considered self-employed for tax purposes and is responsible for paying 100% of that tax to the government, the church shall include supplemental income to the Pastor for ½ of Social Security costs.

Paid Family Leave - Effective July 9, 2023 a provision was added to our Form of Government requiring a minimum of twelve weeks paid family leave defined as including but not limited to:

- Leave to accommodate the birth, foster placement, or adoption of a child;
- Leave to provide care to an ill or disabled family member;
- Leave to heal following a loss or tragic event.

This minimum requirement for Family Leave replaces Salem’s Parental Leave policy.

Days off – a minimum of 2 days off per week was established by the Presbytery in 2022

Vacation – a minimum of 4 weeks is required.

Continuing Education – a minimum of 2 weeks is required.

NOTE: Minimums for continuing education, vacation and days off are established by the Presbytery and must be included in the Terms of Call. In that these are minimums, additional time can be given.

Sabbatical Leave - Salem Presbytery requires the inclusion of a provision for Sabbatical leave for all installed calls and Certified Christian Educators. A church may follow the suggested Salem Presbytery guidelines or its own sabbatical leave policy. The terms of this are to be written in the initial call.

A Sabbatical Leave is not required, but is encouraged for Temporary relationships and Commissioned Ruling Elders.

Travel – Mileage reimbursement (provided at the current IRS rate) shall be provided and included in the Terms of Call. According to the IRS, the miles driven between home and place of work for the first round trip of the day are not reimbursable.

Moving Expenses – reimbursement for moving expenses are to be included as part of the initial call. However, that reimbursement to the pastor is taxable.

Other

Cell phones – The church should consider providing the pastor with a mobile phone dedicated to church work.

Retirement benefits for uninstalled positions are not required but are encouraged and subject to negotiation.

Terms of Call do not include the cost of someone to fill the pulpit when the pastor is away or the cost of Worker's Compensation insurance, or other similar expenses.

Any questions should be addressed to the appropriate Task Force of the Commission on Ministry.