

MINIMUM 2024 TERMS OF CALL FOR MINISTERS, PITTSBURGH PRESBYTERY

On May 14th, 2024, the Commission on Ministry revised the 2024 Minimum Terms of Call. Specifically, the policy was revised to eliminate the line previously labeled as “Medical Reimbursement” and replace that line with a new line: Church FSA Contribution. Details of this revision and steps for implementing this change are included on Pgs. 4-5. This revision also references the Dissolution of Terms for Teaching Elders policy that the commission approved in late 2023 and became effective January 1, 2024.

Previously, the Commission, at its meeting held on June 13th, 2023 approved the following minimum terms of call for installed and non-installed (temporary) pastors, commissioned pastors, and certified Christian educators serving churches, effective January 1, 2024.

Notes and Significant Changes to Minimum Terms of Call for 2024

1. The Commission on Ministry has voted to increase the minimum terms of call by 3% for 2024.
2. The Book of Order was recently amended to include a requirement for congregations to provide up to 12 weeks of family leave for installed positions. Further information is contained in these minimum terms of call.
3. Since 2020, SECA offset has been required for all pastoral positions. The minimum terms of call for positions that do not include SECA offset have been moved to the legacy information of this document, and can be found on Pg. 10
4. Board of Pensions dues for 2024 remain the same as they were in 2023.

For Full-Time Called/Installed Positions:

The minimum terms of call approved for *calls after January 1st, 2020*¹ to be either

- An Effective salary of \$56,353 (or \$55,595 with a 2% FSA Contribution) to be divided among cash salary and housing allowance as the minister requests + SECA Offset of 7.65%. *(The Commission on Ministry has defined utilities as fuel, electric, sewer and water, trash collection, and home telecommunications services.*
- Salary of \$39,447 (or \$38,917 with a 2% FSA Contribution) and a SECA Offset² of 7.65% + free use of the manse + cost of utilities.

	Housing Allowance w/ FSA	Housing Allowance (No FSA)	Manse w/ FSA	Manse (No FSA)
Salary and Housing (Effective Salary)	\$55,595	\$56,353	\$38,917	\$39,447
Church FSA Contribution ³ (2%)	\$1,112	\$0	\$1,112	\$0
Pension (8.5%)	\$4,726	\$4,790	\$4,726	\$4,790
Medical (27%)	\$16,123	\$16,342	\$16,123	\$16,342
D&D (1%)	\$556	\$564	\$556	\$564
Temporary Disability (0.5%)	\$278	\$282	\$278	\$282
SECA Offset (7.65% Effective Salary)*	\$4,253	\$4,311	\$4,253	\$4,311
Study Leave Allowance	\$2,000	\$2,000	\$2,000	\$2,000
Expense Allowance	\$2,000	\$2,000	\$2,000	\$2,000
Study Leave Time	2 Weeks	2 Weeks	2 Weeks	2 Weeks
Vacation Time	4 Weeks	4 Weeks	4 Weeks	4 Weeks
	\$86,642	\$86,642	\$69,964	\$69,964

In addition to salary, employing churches will:

- Full dues payment for the Pastor's Participation Plan of the Board of Pensions
- Provide payment for or reimbursement of medical expenses, including deductibles or co-pays, vision, and dental costs up to 2% of effective salary through a reimbursable account or a qualified Health Savings Account.
- Provide \$2000 for professional expenses and travel reimbursement at the rate allowable under I.R.S. regulations, subject to the organization's accountable reimbursement policy.

¹ A minister in an existing call *may* choose to switch to the minimums that include SECA offset at their own discretion.

² SECA Offset - Because ministers are classified as self-employed, they are responsible for paying both the employer and employee portion of FICA (Social Security and Medicare taxes). SECA Offset pays the employer portion to the minister, which is considered taxable income by the IRS, but is not considered effective salary by the Board of Pensions.

³ The church FSA contribution of 2% requires the pastor to contribute an equal amount to an FSA. If the pastor which to contribute less than 2%, please see Pgs. 4-5 for more information.

(For more information about reimbursement policies, please contact the Presbytery's business office)

- Grant two weeks (two Sundays) study leave, cumulative to six weeks, and a study leave allowance of \$2000 per year cumulative to \$6000, regardless of hours worked per week. The Commission on Ministry encourages Sessions to temporarily permit Pastors to accrue up to eight weeks of study leave and accrue up to \$8000 in study leave allowance due to the COVID-19 pandemic which significantly limited study leave options in 2020 and 2021.
- Provide four weeks (four Sundays) of vacation time for all pastors, regardless of hours worked per week.
- Provide parental and family leave for all pastors, regardless of hours worked per week, per the Pittsburgh Presbytery Parental/Family Leave Policy as well as the Book of Order requirements for Installed Pastoral positions.
- Agree to the *Dissolution of Terms Policy for Teaching Elders* (available on the Presbytery website)

If you have questions regarding these new terms, you are welcome to direct them to the Commission on Ministry Office (412-697-9209) of Pittsburgh Presbytery.

Medical Reimbursement Reconfiguration Information

In early 2024, the Commission on Ministry was informed that churches providing direct reimbursement for out-of-pocket medical expenses should no longer be recommended or required as policy. In May 2024, the Commission on Ministry approved the following process for reconfiguring pastors' terms of call.

Qualifiers and Disclaimers:

- This advice pertains **only** to Pastoral calls approved in 2024 and that include a line for medical reimbursement (sometimes noted as medical deductible).
- All the options for reconfiguring a Pastor's 2024 terms of call, as presented, are cost-neutral and will not impact the congregation's bottom-line cost. **The Commission on Ministry has determined that any changes to a Pastor's terms of call, as long as the bottom line cost does not change, do not constitute a change in terms of call. Therefore, a congregational meeting is not needed.**
- The Commission on Ministry recommends that the Pastor(s) and the Personnel Committee (or its equivalent) develop a plan for reconfiguration and present it to the Session for approval.
- If a Pastor wishes to continue submitting medical expenses for reimbursement, the COM recommends establishing a Healthcare FSA.
- For more information on the Healthcare Flexible Spending Account (FSA) option available through the Board of Pensions, [please visit their website](#).

Option 1: Flexible Spending Account (FSA) with Matching Employee Contribution

- If an employee currently has an FSA Account and is contributing an amount equal to or greater than 2% of their effective cash salary
- OR an employee is willing to establish an FSA account and contribute an amount equal to or greater than 2% of their effective cash salary.
- The amount currently designated as "Medical Deductible" should be renamed "Church FSA Contribution" and used to match the funds contributed by the Employee.

Option 2: Flexible Spending Account (FSA) with less than 2% or No Employee Contribution

- If an employee does not want to contribute to a flexible spending account or wants to contribute less than \$500, the employer can fund up to \$500 without a corresponding match.
- If an employee wishes to contribute more than \$500 but less than 2%, the employer can match up to that amount.
- The remaining funds would be reallocated into salary, Board of Pensions dues, and SECA offset (if applicable). This change must be reported to the Board of Pensions as it will change the effective cash salary.

Option 3: Discontinue medical reimbursement entirely.

- The funds initially designated for medical reimbursement would be reallocated into salary, Board of Pensions dues, and SECA offset (if applicable). This change must be reported to the Board of Pensions as it will change the effective cash salary.

A change in policy such as this qualifies as a change in life event. As such, [Further](#) (the Board of Pensions FSA partner) has indicated that they will allow new FSAs to be established and current ones amended outside of the typical open enrollment season to accommodate this policy change. You will [find on our website](#) a downloadable, Microsoft Excel-based calculator where you can enter the current 2024 terms of call and review various terms of call for the options shown above.

If you have any questions, don't hesitate to get in touch with the Commission on Ministry Office @ 412-697-9209

Minimum Terms and Hourly Allocations for Non-Installed Positions and Part-Time Installed Positions initiated after January 1st, 2020:

	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>	<u>Tier 3B</u>	<u>Tier 4</u>	<u>Tier 5</u>
Hours Range	Full-Time	32-36	24-27	20-22	16-18	10-12
Salary/Housing	\$55,595	\$42,252	\$27,242	\$27,242	\$27,242	\$13,899
SECA Offset	\$4,253	\$3,232	\$2,084	\$2,084	\$2,084	\$1,063
Benefits	\$22,794	\$16,570	\$14,769	\$7,384	\$0	\$0
Minister's Choice	\$5,560	\$4,225	\$2,724	\$2,724	\$0	\$0
Other	\$17,234	\$12,345	\$12,045	\$4,660	\$0	\$0
Expenses*	\$2,000	\$1,600	\$1,200	\$1,000	\$800	\$400
Study Leave	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Total Cost	\$86,642	\$65,655	\$47,295	\$39,710	\$32,126	\$17,362

In addition to salary, employing churches will:

- Provide for professional expenses and travel reimbursement, up to the amount listed for the type of call, at the rate allowable under I.R.S. regulations, subject to the organization's accountable reimbursement policy. (For more information about reimbursement policies, please contact the Presbytery's business office)
- Grant two weeks (two Sundays) study leave, cumulative to six weeks, and a study leave allowance of \$2000 per year cumulative to \$6000, regardless of hours worked per week. The Commission on Ministry encourages Sessions to temporarily permit Pastors to accrue up to eight weeks of study leave and accrue up to \$8000 in study leave allowance due to the COVID-19 pandemic which significantly limited study leave options in 2020 and 2021.
- Provide four weeks (four Sundays) of vacation time for all pastors, regardless of hours worked per week.
- Provide parental and family leave for all pastors, regardless of hours worked per week, per the Pittsburgh Presbytery Parental/Family Leave Policy
- Agree to the *Dissolution of Terms Policy for Teaching Elders* (available on the Presbytery website) for installed positions OR the termination section of the relevant agreement for non-installed positions.

Benefits Policy:

All non-installed ministers employed more than 20 hours per week are required to receive benefits of equal value to that of single-member pastor's participation in the Board of Pensions. However, the allocation of those benefits is at the minister's sole discretion, depending on their specific needs. The total cost of the Board of Pensions benefits plus any medical reimbursement

provided must be at least equivalent to the amounts listed in the benefits line above. Please see the case study on the next page for an example:

Minimum Terms and Hourly Allocations for Certified Christian Educators and Commissioned Pastors:

	Certified Christian Educators and Commissioned Pastors
Salary and Housing	\$52750
Study Leave Allowance	\$2000
Expenses*	\$2000
Study Leave Time	2 Weeks
Vacation Time	4 Weeks
	\$54214

In addition to salary, employing churches will:

- Provide four weeks of vacation time for all regardless of hours worked per week.
- Grant two weeks (two Sundays) study leave, cumulative to six weeks, and a study leave allowance of \$2000 per year cumulative to \$6000, regardless of hours worked per week. The Commission on Ministry encourages Sessions to temporarily permit Pastors to accrue up to eight weeks of study leave and accrue up to \$8000 in study leave allowance due to the COVID-19 pandemic which significantly limited study leave options in 2020 and 2021.
- * - For Commissioned Pastors, provide for professional expenses and travel reimbursement, up to the amount listed for the type of call as detailed on Pg. 4 of this document, at the rate allowable under I.R.S. regulations, subject to the organization's accountable reimbursement policy. (For more information about reimbursement policies, please contact the Presbytery's business office)

Although not required, congregations are encouraged to offer health care coverage, as well as death/disability/pension benefits through the Board of Pensions plans or other qualified providers.

If you have questions regarding these new terms, you are welcome to direct them to the Commission on Ministry Office (412-697-9210) of Pittsburgh Presbytery.

PLEASE NOTE: The following pages pertain to **installed positions** that were initiated *prior to January 1st, 2020*.

For Full-Time Called/Installed Positions:

The minimum terms of call approved for *calls before January 1st, 2020*⁴ to be either

- An Effective salary” of \$59454 (or \$58611 with a 2% FSA Contribution) to be divided among cash salary and housing allowance as the minister requests. (*The Commission on Ministry has defined utilities as fuel, electric, sewer and water, trash collection, and home telecommunications services.*)
- Salary of \$41,618 (or \$41028 with a 2% FSA Contribution) + free use of the manse + cost of utilities.

	Housing Allowance w/ FSA	Housing Allowance (No FSA)	Manse w/ FSA	Manse (No FSA)
Salary and Housing (Effective Salary)	\$58,611	\$59,454	\$41,028	\$41,618
Church FSA Contribution ⁵ (2%)	\$1,172	\$0	\$1,172	\$0
Pension (8.5%)	\$4,982	\$5,054	\$4,982	\$5,054
Medical (27%)	\$16,997	\$17,242	\$16,997	\$17,242
D&D (1%)	\$586	\$595	\$586	\$595
Temporary Disability (0.5%)	\$293	\$297	\$293	\$297
SECA Offset (7.65% Effective Salary)*	\$0	\$0	\$0	\$0
Study Leave Allowance	\$2,000	\$2,000	\$2,000	\$2,000
Expense Allowance	\$2,000	\$2,000	\$2,000	\$2,000
Study Leave Time	2 Weeks	2 Weeks	2 Weeks	2 Weeks
Vacation Time	4 Weeks	4 Weeks	4 Weeks	4 Weeks
	\$86,642	\$86,641	\$69,058	\$68,805

In addition to salary, employing churches will:

- Full dues payment for the Pastor’s Participation Plan of the Board of Pensions
- Provide payment for or reimbursement of medical expenses, including deductibles or co-pays, vision, and dental costs up to 2% of effective salary through a reimbursable account or a qualified Health Savings Account.
- Provide \$2000 for professional expenses and travel reimbursement at the rate allowable under I.R.S. regulations, subject to the organization’s accountable reimbursement policy. (For more information about reimbursement policies, please contact the Presbytery’s business office)
- Grant two weeks (two Sundays) study leave, cumulative to six weeks, and a study leave allowance of \$2000 per year cumulative to \$6000, regardless of hours worked per week. The Commission on Ministry encourages Sessions to temporarily permit Pastors to accrue

⁴ A minister in an existing call *may* choose to switch to the minimums that include SECA offset at their own discretion.

⁵ The church FSA contribution of 2% requires the pastor to contribute an equal amount to an FSA. If the pastor which to contribute less than 2%, please see Pg. for more information.

up to eight weeks of study leave and accrue up to \$8000 in study leave allowance due to the COVID-19 pandemic which significantly limited study leave options in 2020 and 2021.

- Provide four weeks (four Sundays) of vacation time for all pastors, regardless of hours worked per week.
- Provide parental and family leave for all pastors, regardless of hours worked per week, per the Pittsburgh Presbytery Parental/Family Leave Policy as well as the Book of Order requirements for Installed Pastoral positions.
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