

Standing Rules Appendix 1

Terms of Call

October 2008

For Ordained Ministers Serving in Called Positions within the bounds of Central Carolina Presbytery

Before a candidate or minister moves on to the field, Presbytery is responsible to examine him, receive him as a member, and approve his call (BCO 20-1, 20-6, 13-9a & c). To that end, our Presbytery has adopted a policy on minimum compensation to help churches and Sessions construct the terms of call. In addition, Presbytery recommends guidelines on severance, which some churches might consider including in their terms of call.

Minimum Compensation Policy - Each year at the Fall stated meeting, the Admin Committee will recommend an amount as the minimum compensation package for ministers, and Presbytery will adopt an amount (salary, housing and benefits). A church or Session shall provide an explanation if they seek to call a minister with terms that do not meet Presbytery policy on minimum compensation. In such a case, the Examinations Committee will consult further with the church and prospective candidate or minister to discuss the reasons. This should be done before a call is presented to Presbytery. The committee will then report its recommendation to Presbytery.

The current minimum compensation package for **Senior** or **Solo Pastors** is \$55,000. (That equates to about \$44,000 salary/housing component, plus approx 25% of the salary/housing component for the benefits component - medical & dental insurance, retirement annuity, Social Security, life and disability insurance, tuition, etc). This figure was last revised on January 28, 2006. Minimum compensation for **Associate Pastors** is 90% of this figure and for **Assistant Pastors** it is 80%. These ratios are comparable to those reflected below in the 2007 nationwide Survey on Compensation for PCA Pastors.

When compared with the average compensation at the 1st quartile of PCA pastors nationwide (ACQ1), our minimum is 86% of the ACQ1 for senior/solo pastors, 77% of the ACQ1 for associate pastors and 81% of the ACQ1 for assistant pastors. (A quartile is a point of distribution marking the 25%, 50% or 75% percentile.)

Below are average compensation figures from the 2007 nationwide survey of PCA pastors (673 responding). Also listed are figures from the South Atlantic region, which includes 6 states: Virginia, West Virginia, North Carolina, South Carolina, Georgia and Florida.

Averages	Total	=	Salary	+	Housing	+	Benefits	=	CCP's min as %
Sr/Solo Pastors - nationwide	85,500		44,700		23,900		16,900		64%
S. Atlantic	84,200		44,000		23,500		16,700		65%
0-100 members - nationwide	67,400		34,900		20,300		12,200		82%
0-100 members – S. Atlantic	64,000		33,300		19,600		11,100		86%
1st quartile (ACQ1) – nationwide	65,000		31,400		24,000		9,600		86%
1st quartile – S. Atlantic	65,000		30,400		27,800		6,800		86%
1st quartile – 0-100	52,000		43,500		7,200		1,300		106%
1st quartile – 0-100 S. Atlantic	50,400		32,800		17,600		0		109%
Associate - nationwide	80,300		42,300		22,300		15,700		62%
S. Atlantic	76,500		41,000		21,300		14,200		65%
0-200 members - nationwide	66,300		35,000		19,000		12,300		75%
1st quartile (ACQ1) – nationwide	63,900		23,700		24,000		16,100		77%
1st quartile – S. Atlantic	64,000		36,000		18,000		10,000		77%
Assistant - nationwide	68,300		38,400		16,600		13,300		64%
S. Atlantic	68,000		35,700		18,800		13,500		65%
0-100 members - nationwide	57,200		39,100		8,400		9,700		77%
1st quartile (ACQ1) – nationwide	54,600		29,800		14,000		10,800		81%
1st quartile – S. Atlantic	56,000		39,400		16,600		0		79%

For comparison, in July 2007 the *salary* for NC public school teacher with a Master's degree ranged from \$33,000 to \$64,000 (0 to 31 years experience), which includes 2 months off - www.ncpublicschools.org.

Severance Guidelines

corrected August 2010

1. Severance Understanding in Terms of Call - The congregation (or the Session for assistant pastors) should consider formalizing some understanding of severance in its initial call to a minister or when it revises a call if not included initially. If doing so, the church can either adopt Presbytery's guidelines and include them (by reference) in the Terms of Call, or the church can express different stipulations in the Terms that they propose to the minister and to the Presbytery.
2. Severance is based on our Reformed understanding of compassion and grace, and thus should not be considered a reward for poor performance.
3. Due consideration should be given to the church's ability to pay severance.
4. Severance is considered in lieu of Unemployment Compensation.
5. If the minister was called for a set term (e.g. five years), then severance is not necessary at the expiration of the term, provided the minister was given reasonable notice that the call would not be renewed (similar to the periods shown below for severance). The renewal-decision date should be stipulated in original terms of call.
6. Severance is to be considered in instances when the congregation (or Session for assistant pastors) petitions Presbytery to dissolve the call (BCO 23-1), but there are no charges filed (BCO 32-2), offenses alleged (BCO 34-3) or Presbytery investigation pending of the minister (BCO 31-2). However, even if there are charges filed, offenses alleged, or a Presbytery investigation in process, consideration can still be given to the needs of the family even though there may be an absence of sympathy for the minister.
7.
 - a. If a minister voluntarily submits his resignation to Presbytery because he has received another call, severance is not customary.
 - b. However, if the resigning minister was encouraged to do so by the Session and he is not shortly moving to another call, the Session is encouraged to consider some agreement with the minister on "transitional support." The time periods below could inform this.
 - c. But if the minister resigns against the advice of the Session, transitional support is not customary (but the Session could still consider it).
 - d. Regardless, prior to submitting a resignation to the congregation or Presbytery, the minister and Session are encouraged to reach a formal agreement on transitional support if he is not shortly moving to another call.
8. Normally, the severance period would begin on the date when Presbytery or its commission approves the congregation's or Session's request and dissolves the call. In a case where a minister resigns (like the paragraph above), any "transitional support" could begin on whatever date the Session decides.
9. Normally, severance will cease when the minister obtains future employment comparable to or in excess of severance. However, if the minister obtains employment that is not comparable to the former compensation, the church will make up the difference during the term of severance package.
10. Normally, the severance amount includes "effective salary" (salary and housing) plus an amount equal to what was allocated for the benefit component (medical and dental insurance, life and disability insurance, social security, pension/annuity, tuition, etc.). Because insurance plans will not normally continue to cover a minister whose employment has ended, the benefit component should be paid directly to the minister. Severance does not usually include professional expenses or allowance amounts. Payments will usually be made according to the regular payroll schedule of the church, but lump-sum can be arranged if agreeable to both parties. The amounts in this paragraph will be based on the most recent terms of call on file in the office of Presbytery.
11. Consideration should be given to reimbursing unused vacation time by adding to severance amount.
12. If a manse is involved, the church and minister should reach some understanding in the original terms of call, in case a severance ever occurs.
13. Calculating severance, based on years of completed service (on a pro rata basis):

1 to 3 years = *6 months of severance*
4 years = *7 months of severance*

5 years = *8 months of severance*
6+ years = *9 months of severance*