



National Capital
PRESBYTERY
MISSIONAL · PASTORAL · PROPHETIC

Terms of Call Packet for PNCs -2018

Entrance Process (Part IV)

NATIONAL CAPITAL PRESBYTERY

Strengthening & Transforming Our Congregations

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Terms of Call Packet for PNCs - 2018
Entrance Process (Part IV) - National Capital Presbytery

Terms: Call Forms (A and B), Requirements & Information, Equity Allowances
Additional Components: Sexual Misconduct Policy & Housing Assistance Agreements

Terms of Call Form A. This form is submitted as part of the Entrance Process and must be signed by both the chair of the PNC and the minister/candidate. It is due one week before the Entrance Exam to Colette Ramm, COM Administrator.

Terms of Call Form B. This is identical to Form A (minus the housing assistance section) and is the official call form. Four original copies of this form must each be signed at the congregational meeting by the PNC Chair, minister/candidate and the moderator of the meeting. The Stated Clerks will sign the forms later. The four signed forms are to be mailed to Sara Coe, Stated Clerk of National Capital Presbytery as soon as possible following the congregational meeting.

Requirements and Information

1. Nominating committees should check the National Capital Presbytery's Compensation Policy for Clergy, which is found on the Presbytery website.
2. Presbytery Minimums. See <http://www.thepresbytery.org/documents/committee-ministry-documents/>. Spreadsheets are available from the COM Administrator. They allow you to plug in your salary and housing figures and automatically calculate other elements of the terms of call.
3. Elements of Effective Salary. Some of these are included in the spreadsheet and are also explained in the Presbytery's compensation policy (#1). This is explained in detail in "Understanding Effective Salary" published by the Board of Pensions. (<http://www.pensions.org/AvailableResources/BookletsandPublications/Documents/pln-103.pdf>)
4. Salary Ceilings/Caps. At certain effective salaries there is a cap on earnings subject to FICA and BOP requirements. See page 2.
5. Your PNC liaison can always contact the Transitions Team Chair or the COM Administrator, for clarification, additional answers, or where to find them.

Equity Allowances. For pastors/educators who will live in a manse. See page 5.

Sexual Misconduct and Administrative Leave Policies. By signing the Terms of Call form, the Pastor and Session agree to abide by the Book of Order (D 10.0106) and the Presbytery's Sexual Misconduct and Administrative Leave Policies which permit the Presbytery to put a minister on administrative leave upon receipt of allegations of sexual misconduct or for failure to participate in the mandated education of the Presbytery's Sexual Misconduct Policy within the first year of the call and every three years thereafter. Both parties need to be aware of this and review these policies. It's the responsibility of the PNC to inform Session and their candidate. Both policies are on the website and are sent to the candidate when the Clearance Interview is scheduled.

Housing Assistance Agreements. In addition to the terms of call, many churches are able to help pastors new to the area purchase housing with equity sharing agreements or loans.

- Equity sharing agreements must be approved by the Transitions Team of COM* and are kept on file. The key element that will be evaluated is the shared risk of either profit or loss at the end of the contract. Risk cannot be assigned to one party over the other. Templates and samples are available from the General Presbyter.
 - Loans and other agreements must also be approved by the Transitions Team of COM* and are kept on file. Note: the interest savings of an interest-free loan is included in Effective Salary.
- Documentation for these agreements, if available, should be submitted to the COM Administrator along with the Terms of Call Form prior to the Clearance Interview.
 - If an agreement is planned but will not be negotiated by the time of the Entrance Exam, a general description of the anticipated agreement must be submitted along with Terms of Call Form and full documentation should be submitted to the Transitions Team of COM when complete. Please see page 4. This form may be submitted or you can supply your own documents containing all of the specified information.
 - These agreements (or descriptions) are not part of the Terms of Call nor are they voted on by the congregation. It is required that an agreement/description be submitted with the terms of call.

*Note. The General Presbyter is authorized to approve these documents for the Transitions Team.

Salary Ceilings/Caps

1. FICA Offset. Note. The required 7.65% FICA is a combination of 6.2% for Social Security and 1.45% for Medicare.
 - The cap on earnings subject to Social Security tax is available at <http://www.ssa.gov/planners/maxtax.html>. There is no cap on the earnings subject to Medicare tax.
 - This means that for Effective Salaries above the cap the requirement is 7.65% of the cap amount, plus 1.45% of the amount above the cap. This changes annually.
2. Board of Pensions
 - The cap for medical dues assessment is 2x median salary, so any effective salary in excess of that figure escapes from that piece of the dues calculation.
 - For our purposes this means that any effective salary beyond 2x median salary is assessed at 12%: 11% for retirement, 1% for death/disability.
 - The medical cap is pegged at 200% of the church wide median salary figure set by BOP so it's going to change each year.

General Agreement for Housing Assistance
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If an agreement for housing assistance is anticipated but not completed by the time of the Entrance Exam, please complete the following form and submit it along with the Terms of Call form. (You may submit your own document(s) containing all of the information below.)

Amount of assistance (required) _____

Check type of assistance anticipated (if known at this time):

_____ Equity Sharing Agreement. (Sample and templates can be provided.)
Both parties (church and minister) must agree to the shared risk of either profit or loss at the end of the contract. This is assumed in the Verification and Agreement below.

_____ Loan. Indicate type of loan. _____
(I.e. interest free, low interest, deferred interest)

_____ Other (describe) _____

Verification of Assistance

Note: for confidentiality, this section must be completed without the candidate's name.

The Session of _____ Presbyterian Church agrees to the amount and in general to the type of housing assistance described above.

Signature (Clerk of Session)

Date

Agreement of Understanding

_____ Presbyterian Church and _____

agree in general to the type of housing assistance described above.

PNC Chair (Signature for Church)

Minister/Candidate Signature

Date _____

Equity Allowance Agreement
Entrance Examination Process (Part IV) - National Capital Presbytery

The compensation policy of National Capital Presbytery states that ” The goal of a housing allowance is to provide (a) a means for adequate housing for the particular pastor and (b) sufficient resources whereby the pastor may be able to own a home (not necessarily in this area) after 40 years of service.” If the Terms of Call provide for the pastor/educator to purchase or rent a home, this policy is fulfilled.

If the Terms of Call provide for the pastor/educator to live in a manse, then an equity allowance must be provided in the Terms of Call to satisfy the requirement of enabling the pastor/educator to own a home after 40 years of service. The following steps are intended to provide guidance for paying an equity allowance:

1. The minimum amount of the equity allowance is shown on the spreadsheets for ministers living in a manse. These spreadsheets are available from the COM Administrator. The equity allowance could be larger than the minimum if the pastor/educator and the PNC agree.
2. Note that the equity allowance for pastors/educators living in a manse is already included in the minimum effective salary. Therefore, providing an equity allowance does not increase the minimum effective salary.
3. In most cases, the church will pay the equity allowance annually in one of the following ways:
 - a. Include it in the housing allowance and make a direct cash payment to the pastor/educator.
 - b. Contribute to a 403(b)(9) account established by the pastor/educator.
 - c. Contribute to an investment account established by the church for the benefit of the pastor/educator.
4. The COM is available to explain the equity allowance policy in more detail. The COM cannot, however, give specific legal or investment advice. To reach the appropriate COM member, contact the COM Administrator.

Verification of Compliance between:

_____ Presbyterian Church and _____

who shall live in a manse.

The Terms of Call comply with the Presbytery’s compensation policy.

PNC Chair (Signature for Church)

Minister/Candidate Signature

Date _____

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Terms of Call Form (A)
National Capital Presbytery

One copy to be signed and submitted prior to the Entrance Exam to the COM Administrator of NCP.

The _____, a member congregation of National Capital Presbytery, calls you _____ to serve as _____, effective _____.

This is a (part-time, full-time) position. (If part-time, number of hours per week: _____.)

The terms of compensation are as follows.

Compensation included in Effective Salary

Salary, <i>including</i> Allowance for (check one): _____ Housing, _____ Manse	\$	(a)
Equity Allowance (or contributions to a 403(b)(9) or investment account)	\$	(b)
Utility Allowance (paid directly to the pastor)	\$	(c)
Flexible Spending Account (ex: medical deductible reimbursement)	\$	(d)
Other (specify) _____	\$	(e)
Other (specify) _____	\$	(f)
<u>TOTAL EFFECTIVE SALARY (Total of lines a-f)</u>	\$	(g)

Pension/Major Medical at the required percentage of the Total Effective Salary. (37% - 2018)

PROFESSIONAL EXPENSES (Accountable Reimbursement Plan)

Auto expenses	\$	(h)
Study leave expenses (<i>\$1000 required</i>)	\$	(i)
Other professional expenses	\$	(j)

OTHER ELEMENTS OF THE TERMS OF COMPENSATION

Social Security (SECA/FICA) 50% Offset (7.65% of line g) (<i>required</i>) (any amount over 50% must be included in effective salary above)	\$	(l)
Other (specify) _____	\$	(m)
Vacation (<i>four weeks required</i>)	_____ weeks	(n)
Study leave (<i>two weeks required</i>)	_____ weeks	(o)
Moving Expenses as described in the Clergy Compensation Policy (<i>required</i>)		(p)
Will a Sabbatical be provided? Yes _____ No _____		
If yes, for how long? _____		
After how many years of service? _____		

For guidance, please refer to the most recent NCP Clergy Compensation Policy and to NCP/COM Sabbatical Guidelines. Both are in our COM documents at <http://www.thepresbytery.org/documents/com-policieshandbooksmanual/>

HOUSING ASSISTANCE (Check one.) (*This is required, but not part of the terms of call.*)

- No loan or equity sharing agreement. (Pastor is purchasing or owns housing.)
- Equity Sharing Agreement. (Full documentation is attached.)
- Loan or other Agreement. (Full documentation is attached.) Include any interest free savings on lines e or f, above.
- We plan to offer an agreement which has not been negotiated yet. Attached is a “General Agreement” (*page 4*), full documentation will be submitted when complete.
- Pastor is not purchasing housing; Equity Allowance is included on line b above or “Verification” (*page 5*) is attached.

We promise and obligate ourselves to review with you annually the adequacy of this compensation.

The Pastor and Congregation agree to abide by the Book of Order (D 10.0106), the Presbytery’s Sexual Misconduct Policy and the Presbytery’s Administrative Leave Policy which permits the Presbytery to put a minister on administrative leave upon receipt of allegations of sexual misconduct or for failure to participate in the mandated education of the Presbytery’s Sexual Misconduct Policy within the first year of the call and every three years thereafter.

SIGNATURES

Chairperson, PNC

Date

Minister/Candidate

Date

**Terms of Call Form (B)
National Capital Presbytery**

Four original copies to be signed at and submitted after the Congregational Meeting to the Stated Clerk of NCP.

The _____, a member congregation of National Capital Presbytery, calls you _____ to serve as _____, effective _____.

This is a (part-time, full-time) position. (If part-time, number of hours per week: _____.)

The terms of compensation are as follows.

Compensation included in Effective Salary

Salary, <i>including</i> Allowance for (check one): ___ Housing, ___ Manse	\$	(a)
Equity Allowance (or contributions to a 403(b)(9) or investment account)	\$	(b)
Utility Allowance (paid directly to the pastor)	\$	(c)
Flexible Spending Account (ex: medical deductible reimbursement)	\$	(d)
Other (specify) _____	\$	(e)
Other (specify) _____	\$	(f)
<u>TOTAL EFFECTIVE SALARY (Total of lines a-f)</u>	\$	(g)

Pension/Major Medical at the required percentage of the Total Effective Salary. (37% - 2018)

PROFESSIONAL EXPENSES (Accountable Reimbursement Plan)

Auto expenses	\$	(h)
Study leave expenses (<i>\$1000 required</i>)	\$	(i)
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OTHER ELEMENTS OF THE TERMS OF COMPENSATION

Social Security (SECA/FICA) 50% Offset (7.65% of line g) (<i>required</i>)	\$	(l)
(any amount over 50% must be included in effective salary above)		
Other (specify) _____	\$	(m)
Vacation (<i>four weeks required</i>)		weeks (n)
Study leave (<i>two weeks required</i>)		weeks (o)
Moving Expenses as described in the Clergy Compensation Policy (<i>required</i>)		(p)

Will a Sabbatical be provided? Yes _____ No _____

If yes, for how long? _____

After how many years of service? _____

For guidance, please refer to the most recent NCP Clergy Compensation Policy and to NCP/COM Sabbatical Guidelines. Both are in our COM documents at <http://www.thepresbytery.org/documents/com-policieshandbooksmanual/>

HOUSING ASSISTANCE \$ _____ (Loan, equity sharing, etc.)
(This is not part of the terms of call and the congregation does not vote on it. It may be provided to the congregation for their information.)

We promise and obligate ourselves to review with you annually the adequacy of this compensation.

The Pastor and Congregation agree to abide by the Book of Order (D 10.0106), the Presbytery’s Sexual Misconduct Policy and the Presbytery’s Administrative Leave Policy which permits the Presbytery to put a minister on administrative leave upon receipt of allegations of sexual misconduct or for failure to participate in the mandated education of the Presbytery’s Sexual Misconduct Policy within the first year of the call and every three years thereafter.

Certification of the Call

SIGNATURES

_____ Chairperson, PNC	_____ Date
_____ Minister/Candidate	_____ Date
_____ Stated Clerk, Minister’s/Candidate’s Presbytery	_____ Date
_____ Moderator of the Meeting	_____ Date
_____ Stated Clerk, Calling Presbytery	_____ Date