

PRESBYTERY OF OHIO VALLEY
2010 REQUIRED MINIMUM ANNUAL COMPENSATION STANDARDS
 Proposed for Approval by Assembly October 8, 2009

SALARY

	Without Manse: Cash Salary—including Housing Allocation¹	With Manse: Cash Salary & Manse Value at 30%²
For ordained clergy	\$40,731	\$31,332 & \$9,399
For CLPs (75%)	\$30,548	\$23,498 & \$7,050

¹ Housing allowance must be determined in advance and the amount shown in the terms of call or other contract and recorded in the minutes of session or congregation.

²To calculate Cash Salary portion of a 30% Manse Value, divide Total Cash Salary including Manse amount (above example for ordained clergy being \$40,731) by 1.3 to get the Cash Salary portion.

Congregations are encouraged to designate 7.65% of total effective salary as SECA offset.

PROFESSIONAL EXPENSES

The following amounts will be made available to the minister, for reimbursement of professional expenses through the presentation of vouchers.

- Vouchered Auto Mileage – Reimbursed at current IRS rate (Note: Sept 2009, value is **\$0.55/mi**)
- Continuing Education (cumulative over 3 years to sum of annual amounts)
 Minimum required for full-time pastor: **\$800** (ordained clergy and CLPs); however it is strongly recommended that up to **\$2,000** be offered to cover 2 weeks of tuition, room and board, travel.

VACATION, LEAVE, HOLIDAYS

- Vacation **One month including 4 Sundays**
- **Sick 10 days (cumulative up to 120 days; lost at end of employment)**
- Study Leave **Two weeks including 2 Sundays** (cumulative to 6 weeks over 3 years)
- Holidays **New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and Two personal holidays**

BOARD OF PENSIONS (BOP) BENEFIT PLAN

Employing organizations will pay regularly in advance to the board responsible for benefits a sum equal to that requisite percent of effective salary (salary + housing or 30+% of salary, utilities, and any deferred compensation) which may be fixed by the General Assembly of the Presbyterian Church (USA) including pension, medical coverage, and death and disability benefits. **This rate for 2010 is unchanged at 31.5% for a full time pastor.** [Note: for part-time pastors of 20 hrs or more, BOP contributions will vary between 31.5% and 50%.] For pastors working over 20 hours per week, who are not members of the Board of Pensions, a comparable amount will be paid to their denomination’s plan or other mutually-agreed-upon retirement program.

OTHER MINIMUM COMPENSATION

- Occasional pulpit supply:

Congregations of 100 members or more	<i>Ordained MOWs</i>	<i>SemStudent, CLP, or Elder</i>
Congregations under 100 members	\$150 plus mileage	\$100 plus mileage
Additional Services on same day	\$ 40	\$ 40
- Moderating a session or congregation by invitation:

	\$ 40 plus mileage	\$ 40 plus mileage
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- Wedding: **\$150 plus mileage**
- Funeral: **\$125 plus mileage**

POV Required Minimum Annual Compensation Standards - FAQ

Frequently Asked Questions

Salary	
Why does the minimum salary keep increasing every year?	<i>Those who work for the church are affected by cost of living inflation. When Social Security announces a COLA increase and the Bureau of Labor Statistics announces the CPI increase, the minimum rate is reconsidered and announced to remind congregations to provide raises.</i>
What is housing allowance?	<i>Clergy housing allowance is the amount necessary to provide a home and the cost of utilities. Housing allowance is permitted by the IRS to be excluded from gross income when reporting taxable income.</i>
Why must housing be determined in advance and the amount shown in the terms of call or other contract, then recorded in the minutes of session or congregation?	<i>The IRS requires that the amount of clergy housing allowance must be determined and recorded by the local congregation prior to being paid. Contracts, terms of call and Session minutes provide proof of the date of designation.</i>
Why are we encouraged to designate 7.65% of total effective salary as SECA offset?	<i>Clergy are required to pay self-employment tax (SECA) of 15.3%. Designating payment of half of the SECA tax as compensation permits that amount to be excluded from Board of Pensions effective salary.</i>
Professional Expenses	
Why can't we set a fixed amount for mileage?	<i>Reimbursing mileage is a way to compensate the costs of operating an automobile. Proper support of clergy includes offsetting the cost of using a personal vehicle in the interest of the life of the church. Since the amount of necessary driving cannot be controlled, the amount of reimbursement should not be limited.</i>
Why must we pay for continuing education?	<i>The church is charged with providing spiritual and academic growth of all its members, especially for its clergy. Funding educational opportunities and encouraging attendance thereof supports a successful ministry for minister and congregation.</i>
Can we prorate continuing education monies for part-time clergy/CLP?	<i>Yes, prorating is possible. However, limiting the amount of funding will also limit the quality and frequency of events and classes that are attended. CLP's must attend 16 credit hours of training each year, a costly requirement. We believe prorating monies is a practice that may discourage spiritual and academic growth.</i>
Board of Pensions (BOP) Benefit Plan	
Where do the monies go when we pay Board of Pension dues?	<i>The monies provide retirement, disability, death, and medical benefits to members of the plan and their eligible dependents and beneficiaries.</i>
Why does the rate change?	<i>Rising medical costs have necessitated raises in that portion of the dues (19.5%). Death and Disability (1%) and Retirement (11%) have not risen in many years.</i>
Other Minimum Compensation	
Why are there different fees for occasional pulpit supply?	<i>Ideally, all occasional pulpit supply would be compensated at the higher fee, but understanding smaller congregations may have limited resources, a lower minimum fee is offered to congregations under 100 members.</i>