2027

MINIMUM TERMS OF CALL

A Budgeting Tool for Congregations; A Conversation Tool for Pastors

Ministry is shared work.
A guide for faithful conversation, discernment,
and sustainable ministry together.

Commission on Ministry

Whitewater Valley Presbytery

A catalyst for equipping leaders
to inspire healthy, bold,
Christ-centered communities.

1. Why Minimum Terms of Call Matter

Ministry is shared work. Pastors and congregations enter into a covenant of service, care, and mutual responsibility as together they seek to follow Christ and participate in God's work in the world.

When a congregation calls a pastor, it makes a promise not only to receive that pastor's ministry, but also to care faithfully for the person who has been called to serve alongside them. In the constitutional questions asked of a congregation at installation, members promise to **pay their pastor fairly, provide for their welfare, stand by them in trouble, and share their joys.**

The Minimum Terms of Call adopted by Whitewater Valley Presbytery are one way we live into that covenant together. The Book of Order requires that a pastor's Terms of Call meet or exceed the minimum requirements established by the presbytery and charges the session and presbytery with reviewing those terms annually. (G-2.0804) But **minimum terms are more than an administrative requirement.** They establish a foundation from which congregations and pastors can have thoughtful conversations about compensation, benefits, time away, professional growth, and the particular needs of both the pastor and the ministry they share.

Whitewater Valley Presbytery seeks to be "**a catalyst for equipping leaders to inspire healthy, bold, Christ-centered communities**." Caring well for those called to pastoral leadership is part of that work. **Healthy and sustainable ministry is strengthened when pastors and congregations share responsibility** for patterns of ministry that support faithful service, appropriate rest and renewal, vocational growth, care for those who depend upon them, and participation in the life of the wider church.

For that reason, the pages that follow are intended not simply to provide a set of numbers, but to **equip pastors and congregations for faithful conversation and discernment.** The minimums establish a foundation. Within that foundation, pastors and congregations are invited to discern together the Terms of Call that will best support their **ministry together.**

2. Ministry Together: Beginning the Conversation

A Guide for Annual Terms of Call Review

Terms of Call are best reviewed through conversation, not calculation alone. The minimums provide a starting point, but they cannot tell a congregation what its pastor needs, what this particular ministry requires, or where additional resources might make the greatest difference.

An annual Terms of Call review offers the pastor and session an opportunity to talk openly about what is working, what has changed, and what might better support the ministry they share. **There is no single right answer to the questions below. Their purpose is to begin a faithful conversation.**

01 **What has changed in the past year?**
Consider the pastor's responsibilities, the congregation's ministry, household needs, cost of living, and other circumstances that may shape the coming year.

02 **Are the provisions already included in the Terms of Call actually being used?**
Is vacation being taken? Is professional development happening? Are reimbursements and other resources structured in ways that make sense?

03 **Where is ministry becoming difficult to sustain?**
Are there expectations, expenses, workload patterns, boundaries, or responsibilities that deserve attention?

04 **Do the current benefits reflect the pastor's actual needs?**
Have we asked about dependent medical coverage, healthcare expenses, retirement priorities, professional growth, and other forms of support rather than making assumptions? Have there been any changes regarding their spouse, domestic partner, or other dependents?

05 **What resources does the congregation have available, and where could they make the greatest difference?**
Faithful stewardship is not necessarily about adding every possible benefit. It is about using available resources thoughtfully.

06 **What would help pastor and congregation enter the coming year with greater clarity, trust, and shared purpose?**

Listen well. Ask what you do not know. Resist assumptions. And remember that the goal is not simply to establish Terms of Call, but to support healthy and sustainable ministry together.

3. Building the Minimum Together

A pastor's Terms of Call are made up of more than salary. They reflect a congregation's overall investment in the pastor and the ministry they share, including direct compensation, Board of Pensions benefits, medical coverage, ministry-related expenses, and resources for continued vocational growth.

MINISTRY TOGETHER IN PRACTICE

A Resource Worth Bookmarking

The Board of Pensions' **Decision-Maker Guide** is an excellent resource for sessions, personnel committees, pastors, and others making decisions about benefits and Terms of Call. It provides current information about benefits options, eligibility requirements, costs, and other considerations to help churches make informed choices.

Because Board of Pensions plans and requirements can change from year to year, we encourage congregations to make the Decision-Maker Guide a **go-to resource when reviewing or developing Terms of Call**.

Scan the QR code to explore the Decision-Maker Guide or follow this link:
https://www.pensions.org/decision-guide/

Total Congregational Investment represents the financial resources a congregation should plan to commit each year to support its pastor and their shared ministry. It includes effective salary, required benefits, and reasonable budgeting estimates for ministry-related expenses. Some expenses, such as mileage reimbursement, are included as planning assumptions and do not establish a maximum. Congregations remain responsible for reimbursing all eligible ministry mileage at the current IRS standard business mileage rate, regardless of whether actual mileage exceeds the amount budgeted. Reimbursement should be made through an accountable reimbursement or voucher process that documents the mileage and ministry purpose of the travel, consistent with IRS requirements. Throughout this guide, **Total Investment** refers to this full commitment of resources.

For 2027, some portions of that investment are established by Whitewater Valley Presbytery, and others are Board of Pensions requirements. The other portions allow greater flexibility so that pastors and congregations can discern together how the available resources will best support their ministry.

Installed pastors are required to participate in the Board of Pensions Congregational Pastors Package*, including member-only medical coverage. Other pastoral leaders are required to have medical coverage, but that coverage may be provided through the Board of Pensions, through a spouse or partner's coverage, or some other offering.

The minimum is a floor, not a formula. Some parts of that floor, however, do have formulas.

Compensation Components	2027 Provision	How It Works
Effective Salary (Salary + Housing)	5% Cost of Living Adjustment (COLA)	The Commission on Ministry (COM) approved the 5% COLA for 2027, informed by regional cost-of-living data and Board of Pensions effective salary figures.
Member Medical Coverage	19.75% of effective salary	**For installed pastors,** member-only PPO medical coverage through the Board of Pensions Congregational Pastors Package*, subject to BOP minimum and maximum dues, is required and paid entirely by the congregation. **Other pastoral leaders must have medical coverage, either from the Board of Pensions or a third-party provider.**
Pension	10% of effective salary	BOP income-protection dues include pension, death, and disability benefits and are paid entirely by the congregation. An easy calculator is located at https://www.pensions.org/decision-guide/
Dependent Medical Coverage	Conversation required	The pastor and congregation should discuss medical coverage needs for the pastor's spouse, domestic partner, children, or other dependents and determine what portion, if any, the congregation will provide toward that coverage.
Reimbursable Components	**2027 Provision**	**How It Works**
Ministry Travel	4,000 miles at the applicable IRS mileage rate	Terms of Call must provide reimbursement of all miles of ministry-related travel at the IRS rate. For this table, 4,000 miles were used for computation.
Professional Expenses and Continuing Education	Required line items	Terms of Call must include designated line items for professional expenses and continuing education.
Flexible Portion of the Minimum	As needed to reach the minimum total	After required components are satisfied, remaining dollars may be allocated among legally allowable reimbursements, deferred compensation, or other appropriate components of the Terms of Call.
Minimum Total Investment	**$100,972**	**The combined value of the 2027 Terms of Call must meet or exceed this amount.**

**or Transitional Package, if the pastor was enrolled in that during 2026. This package is scheduled to end in 2029.*

Board of Pensions coverage may be available for eligible domestic partners and their children when the congregation has an appropriate eligibility policy in place.

About the 2027 COLA Decision. COM considered the Midwest Urban three-year rolling average Consumer Price Index (CPI), along with Board of Pensions median and average effective salary figures, voting to require the 5% increase.

The $100,972 minimum total investment does not prescribe one identical compensation package for every pastor and congregation. Within the required provisions, pastors and congregations have room to shape Terms of Call around the actual needs of their shared ministry.

Minimums for Other Forms of Pastoral Leadership

As a reminder, the other forms of Pastoral leadership are calculated as such:

- **Temporary Supply** (Stated Supply, Covenant, Bridge, Interim, etc.) The minimum salary and housing terms are the same as the minimums for installed pastors.
- **Commissioned Ruling Elders** (CRE) The minimum salary and housing for a full-time CRE is 80% of the minimums for installed pastors.
- **Certified Church Educators** (CCE) The minimum salary and housing for a full-time CCE is the same as the minimums for installed pastors.
- **Part-time positions** are prorated based on the minimums for installed pastors. Proration shall utilize a 40-hour work week as basis for proration. (EX: A 20 hour part-time position shall be prorated to 50% of minimum.)
- **Interim Ministers**. The minimum salary and housing terms for Interim Pastors shall be at least 85% of the amount most recently budgeted for the position and shall never be less than the Presbytery minimum.

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Flexibility begins after the requirements are met.

A pastor and congregation may discover that the flexible portion of the minimum can be used more meaningfully in one area than another. One pastor might particularly value additional continuing-education resources. Another might benefit from additional retirement contributions or assistance with dependent medical coverage.

The required provisions remain required. The opportunity for creativity lies in how the remaining portion of the minimum is allocated once those requirements have been satisfied.

The goal is not for every Terms of Call to look the same. The goal is for pastor and congregation to meet the Presbytery's requirements while thoughtfully shaping a package that supports their ministry together.

4. Beyond Compensation: Time, Renewal, and Care

Healthy and sustainable ministry depends on more than financial compensation. Terms of Call also establish protected time for rest, renewal, professional growth, family responsibilities, and participation in the wider life of the Church.

These annual provisions are not simply benefits to be listed on paper. **Congregations are responsible for providing and honoring them, and pastors are responsible for using them faithfully.** Together, these practices help establish patterns of ministry that are sustainable for the pastor, the congregation, and the people who depend upon them.

Required Annual Provision	2027 Minimum
Vacation	4 weeks; 5 weeks after 15+ years of ministry
Professional Development Leave	2 weeks
Family Leave	12 weeks

Rest and Renewal

Vacation is not simply permission to be absent from work. **Rest and renewal are part of sustaining a faithful life in ministry.** Time away gives pastors space to reconnect with family and friends, attend to interests and relationships beyond their work, and return to ministry with renewed perspective and energy.

Congregations should protect the vacation provided in the Terms of Call, and pastors should make faithful use of that time.

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Rest Means Actually Resting

A pastor may believe the congregation is too busy, that colleagues need their help, or that their absence would place an unfair burden on others. But routinely leaving vacation unused can unintentionally communicate that the ministry depends upon one person rather than the gifts of the whole community.

Time away is an act of trust: trust in colleagues, ruling elders, and the congregation to carry the shared work of ministry, and trust that **Christ remains Head of the Church while the pastor is at the beach.**

Continuing Education/Study Leave

Continuing Education/Study Leave provides intentional space for pastors to **learn, reflect, deepen skills, explore new ideas, and grow in their vocation.**

Whitewater Valley Presbytery requires a minimum of **two weeks of paid continuing education/study leave each year, including Sundays if necessary.** Like vacation, this dedicated leave time should be both provided and used. Learning that happens naturally through the daily work of ministry is valuable, but it is not a substitute for protected time intentionally devoted to vocational growth.

Paid continuing education/study leave may be accumulated up to eight (8) weeks, including Sundays. Continuing education/study leave funds may be accumulated up to four (4) years.

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Serving the wider Church is ministry, not vacation.

Time spent serving the presbytery, synod, General Assembly, or other denominational responsibilities should not be charged against a pastor's vacation or continuing education/study leave. Participation in the connectional life of the Church is part of a pastor's ministry, even when that work takes them away from the congregation.

Sick Leave

Congregations are encouraged to provide paid sick leave so pastors have appropriate time to attend to their own health. Pastors should not feel expected to work or use vacation time because of illness.

When an illness or health-related absence extends beyond a week, the pastor and appropriate congregational leaders should begin a conversation about what additional support, accommodations, or

arrangements may be needed. The goal is to care well for the pastor while also helping the congregation plan faithfully for the ministry that continues during their absence.

Family Leave

Whitewater Valley Presbytery requires a minimum of **12 weeks of paid family leave, including Sundays, in each calendar year.** Family leave recognizes that significant seasons of care, transition, and grief require protected time away from ministry without sacrificing compensation or benefits.

Family leave may include **welcoming a child through birth or adoption; caring for a spouse or partner, child, aging or disabled parent, grandparent, or another family member for whom the pastor has responsibility; or grieving a death and attending to the circumstances that follow.** Because families and their needs take many forms, sessions are encouraged to approach these situations with flexibility, creativity, and care.

The 12 weeks may be taken consecutively or in shorter segments as circumstances require. **Family leave is distinct from vacation, professional development leave, and personal or medical leave and should not be used to replace or supplement those provisions.** When circumstances permit, the timing of family leave should be discussed in advance so the congregation can prepare appropriately.

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> **Twelve weeks can sound daunting, especially for a smaller congregation.** But the pastor does not have to be replaced by one person for twelve Sundays. A season of family leave can invite the congregation to draw upon the gifts already present in its community. Ruling elders can help lead worship and provide pastoral care; guest preachers and ministry partners can be invited; **and Presbytery can help identify additional resources and pulpit supply.**
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> **Preparing for a pastor's family leave can become an opportunity for the congregation to discover that ministry belongs to the whole body of Christ.**

5. Supporting Ministry Beyond the Required Terms

Minimum Terms of Call establish a foundation, but they need not define the limits of a congregation's care. Depending upon the pastor's circumstances and the resources available to the congregation, additional provisions can help address real costs, encourage lifelong learning, strengthen financial well-being, and support the pastor and household in ways that matter to them.

The following provisions are **some great ways to further support your pastors, though they are not required.** They are offered as possibilities for conversation and discernment, recognizing that what is valuable to one pastor may be less meaningful to another.

Moving Expenses

When a pastor relocates to accept a call, **congregations are encouraged to provide financial assistance with reasonable moving expenses.** Relocation can represent a significant expense at the very beginning of a new ministry, and assistance with those costs can be a meaningful way for a congregation to welcome and support its new pastor.

Under current tax law, moving-expense reimbursements are generally taxable to the pastor and included as income.

Health Reimbursement Arrangement (HRA)

You may consider providing a **Health Reimbursement Arrangement (HRA) of $2,000 annually, through the presbytery,** to help pastors with eligible healthcare expenses not otherwise covered by insurance. An HRA can help address out-of-pocket healthcare costs that remain even when medical coverage is provided.

SECA Tax Assistance

Ministers are responsible for paying **Self-Employment Contributions Act (SECA) taxes** on their ministerial income. Congregations may choose to provide SECA assistance equal to **7.65% of Total Effective Salary**, roughly corresponding to the employer portion of Social Security and Medicare taxes paid for most non-clergy employees. This assistance is calculated based on the effective salary, but it is not included in the amount of effective salary.

SECA assistance recognizes that pastors bear Social Security and Medicare tax obligations differently from most congregational employees and allows the congregation to share in that cost.

See IRS Publication 517, Social Security and Other Information for Members of the Clergy and Religious Workers.

Book Allowance

Supporting a pastor's lifelong learning and professional development is another great way to support your pastor. Books and other ministry-related resources provide opportunities for ongoing study, reflection, and vocational growth.

A book allowance complements, rather than replaces, continuing education/study leave and its designated financial resources.

Optional Board of Pensions Benefits

Congregations are encouraged to consider whether **additional Board of Pensions benefits** would meaningfully support their pastor. Optional benefits may include **vision coverage, dental coverage, supplemental death benefits, Flexible Spending Account (FSA), and/or an employer matching contribution to the pastor's 403(b) retirement savings.**

Because the needs and priorities of each pastor differ, these benefits are best considered through conversation rather than assumption.

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Don't assume what care looks like. Ask.

One pastor may value help with dependent medical coverage; another may benefit more from retirement contributions, lifelong-learning resources, or assistance with healthcare expenses.

Thoughtful Terms of Call begin with conversation. Pastors and congregations are invited to discern together where available resources can provide meaningful support.

6. Keep the Conversation Going: A Nine-Month Check-In

Approximately nine months into the year, the pastor, Session, and Personnel Committee or other appropriate leaders are encouraged to revisit the Terms of Call together, before planning for the next year's budget begins. This check-in provides an opportunity to ask what has changed, what is working well, and where additional support or adjustment may be needed.

Beginning the conversation before budget decisions are made gives both pastor and congregation time to listen, discern, and plan thoughtfully, rather than trying to fit the needs of the coming year into a budget that has already been shaped.

Listen well. Ask what you do not know. Resist assumptions.
And remember that the goal is not simply to establish Terms of Call, but to support healthy and sustainable ministry together.

Sources & Technical Notes

This guide summarizes Whitewater Valley Presbytery's 2027 Minimum Terms of Call and related policies. For detailed policy administration, consult the current COM policies at https://www.whitewatervalley.org/commission-on-ministry and Board of Pensions materials at https://www.pensions.org/what-we-offer/church-plans/updates. The Board of Pensions Decision-Maker Guide is available at https://www.pensions.org/decision-guide/

For more details, the complete Ministry Together document found at https://www.whitewatervalley.org/_files/ugd/822841_14c64eddba99428f830456c3e68f3a7b.pdf

Whitewater Valley Presbytery Commission on Ministry - 2027 Minimum Terms of Call action, including the 5% COLA, $100,972 minimum congregational investment, required Board of Pensions coverage, 4,000-mile reimbursement, and designated professional-expense and continuing-education line items.

PC(USA) Book of Order, G-2.0804 and W-4.0404 - Terms of Call minimum requirements, annual session review, family leave and benefits-plan participation, and the congregation's covenant promise to provide fairly for the pastor's welfare.

Board of Pensions of the Presbyterian Church (U.S.A.) - 2027 Congregational Pastors Package: 19.75% of effective salary for member-only medical coverage plus 10% for income-protection benefits; employers pay 100% of the income-sensitive package dues.

Board of Pensions Administrative Rule 302: Eligible Family - Domestic-partner eligibility may be offered under an employer policy that establishes domestic partners as eligible for benefits.

Internal Revenue Service, Publication 15-B (2026) - Moving-expense reimbursements are generally taxable to employees, subject to limited statutory exceptions.

Internal Revenue Service, Publication 517 (2025), *Social Security and Other Information for Members of the Clergy and Religious Workers* - Ministerial earnings are generally subject to SECA; amounts paid by a church toward a minister's SE tax are included in gross income and subject to income tax.

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