

## 2026 COMPENSATION PROGRAM AND TERMS OF CALL INSTRUCTIONS PRESBYTERY OF LONG ISLAND

Dear Pastors and Churches,

As our presbytery continues to navigate the changes in the Board of Pensions program, as well as shifts in the varied types of pastoral leadership in our congregations, you will see significant changes to the structure of the 2026 Terms of Call worksheet, in addition to the usual updates that happen year to year in our compensation program. We hope that these changes provide clearer guidance as you develop or renew terms of call and pastoral agreements.

One important change that you will notice: we will now use the title “Covenant Pastor” to refer to pastors in positions that we previously called “Temporary Supply Pastors.” This new language reflects that many of our “Temporary Supply Pastors” are faithfully serving congregations for many years. A “Covenant Pastor” will be any Minister of Word and Sacrament or Commissioned Ruling Elder who has an agreement to serve in pastoral leadership with a congregation for a year or more.

Additionally, you will notice that our guidance around medical and pension benefits remains the same for this year as last year, with the exception that we now require some new Covenant Pastor agreements to include the Board of Pensions Covenant Package, which provides access to pension and income protection plans.

We anticipate that beginning in 2027, the costs of medical benefits will require more flexibility in how compensation is structured, and we will communicate throughout next year as we consider how our presbytery will adjust our compensation program to address those realities.

Please review this document and the Terms of Call worksheet carefully. Our presbytery staff and the Committee on Ministry are always available to help with any questions, and our Board of Pensions representative, Carrie Mitchell, will be attending the September presbytery meeting to speak about the Board of Pensions programs and offer consultations to churches and pastors.

Finally, please be sure that you are attentive to the deadlines this fall for renewing employer agreements and enrolling in the Board of Pensions. It is very important that churches carefully review agreements and pastors ensure their enrollment is up to date and accurate. We strongly encourage churches and pastors to call the Board of Pensions as you are completing these tasks to walk through the process with a representative.

Thank you for your faithful ministry here in the Presbytery of Long Island.

## Index of Changes and Highlights for the 2026 Compensation Program

1. **The minimum Cash Salary for a full-time Installed Pastor with 0 years of experience.**
  - Living in a Manse: must be **\$58,937** - 3% INCREASE FROM LAST YEAR - \$57,220
  - Not living in a Manse: must be **\$88,289** - 3% INCREASE FROM LAST YEAR \$85,717

*The minimum cash salary must be increased by one-half of one percent for each year since a pastor's ordination, up to 30 years.*

*The minimum cash salary must be increased by \$2,000 for Churches with 151-350 members, \$4,000 for Churches with 351-500 members, or \$6,000 for Churches with over 500 members.*

It is recommended that all calls be increased annually at least by the Social Security Cost-of-Living Adjustment (COLA). COLA is generally announced in October. The projected COLA adjustment for 2026 is 2.5%,

2. All initial **Terms of Call** (for Installed Pastors) and initial or renewed Terms of Call (for Covenant Pastors) must be discussed with and reviewed by our presbytery Treasurer and then approved by the Committee on Ministry (COM).
3. **"Covenant Pastor"** will replace the title Temporary Supply Pastor.
4. Guidance regarding **Sick Leave** has been added.
5. **All new Covenant Pastors whose call is 20 hours a week or more and who are eligible for the Board of Pensions must, at a minimum, include the Covenant Package from the BOP.** Churches may include medical coverage for the pastor and/or partner/spouse, dependents, or family through the BOP or another available plan. Cost sharing may be negotiated. We encourage all existing calls that do not include the Covenant Package to consider adding that package.
6. In this document, whenever the word 'pastor' is used, it includes **CREs who are currently pastoring a church.**
7. This document includes clarification of required minimums **for all pastors serving 20 hours or more per week** with respect to:
  - Continuing Education Expenses and Time
  - Pastoral Ministry Expenses
  - Vacation Time
  - Sabbatical Leave

**PRESBYTERY OF LONG ISLAND  
COMPENSATION AND TERMS OF CALL INSTRUCTIONS**

**PART I: SALARY +**

**Line 1 - Annual Cash Salary for pastors living in a manse:** Taxable income and is included in the calculation of effective salary for Board of Pensions purposes.

**Housing Expenses: (amount designated by pastor)**

An amount designated by the pastor prior to the beginning of the calendar year as expenses related to the upkeep of the manse that are excluded from taxation. The amount must be approved by the session prior to the beginning of the calendar year, and such approval must be recorded in the minutes. The pastor is responsible for keeping records of expenses.

**Line 2 - Fair Market Rental Value:**

- Tax Purposes Only:
  - The annual fair market rental value is excluded from income tax, but it is subject to SECA tax.
- BOP Plan Dues Calculations Only:
  - For new calls, the manse amount entered into the online Effective Salary Calculator is 30% of the other Effective Salary fields. Please refer to the BOP Effective Salary calculator for details.
  - For existing calls, the manse amount MAY be changed to 30% as described above.

**Line 3 - Utilities:** For all pastors in manses, heat, electricity, water, and communications services (e.g., internet, landline telephone, basic cable) must be provided by the Church. Utilities paid directly by the Church are excluded from income tax and BOP Plan dues, but are subject to SECA tax.. Other utilities paid by the pastor may be included in the Manse Allowance. Cell phone services are reimbursed under professional expenses.

**Lines 4 or 8 - SECA Tax Reimbursement:** (Self-Employment Contributions Act) 7.65% of lines 1+2+3 or 7+8 above. Since this amount is additional income for the pastor, it is subject to income tax and SECA tax, but it is not included in the calculations for dues under BOP Plans.

**Lines 5 or 9 - Defined Contribution:** A church may contribute to a 403(b) plan for its pastor. A minimum church contribution of \$1,000 is required for all full-time Installed and Interim pastors living in a manse.

**Lines 6 or 10 - Other:** additional income (please explain)

**Line 7 - Annual Cash Salary for pastors Not in a manse:** Taxable income and is included in the calculation of effective salary for Board of Pensions purposes.

**Housing Allowance:** For pastors **NOT** living in manses, the pastor can designate a portion of their cash salary as a Housing Allowance, which is excluded from taxation. Housing Allowance expenses may include rent, mortgage, property taxes, insurance, utilities, and maintenance. Housing allowance is an exclusion from income tax, but is included in calculations for SECA and BOP Plan dues.

**Line 8 - SECA Tax Reimbursement:** see Line 4

**Line 9 - Defined Contribution:** see Line 5

**Line 10 - Other:** see Line 6

## **PART II PENSION AND BENEFITS**

- “Pastors working 20 or more hours/week can have access to any benefits offered through the Board of Pensions. Ministers working less than 20 hours a week can have access to Dental, Vision Eyewear and the Retirement Savings Plan (the 403b plan offered in partnership with Fidelity).
- To calculate the effective salary for the BOP, please use the [Effective Salary Calculator](https://www.pensions.org/calc/totalSalary).  
<https://www.pensions.org/calc/totalSalary>
- For benefit decision-making, eligibility, and costs, please use the [Decision Guide for Minister Benefits](https://www.pensions.org/decision-guide/).  
<https://www.pensions.org/decision-guide/> **For churches with pastors currently in the Transitional Pastor Participation plan, the church and pastor should be sure to work through the Decision Guide to assess the cost difference between the Transitional Pastor’s Participation Package and the Congregational Pastors Package, which will shift each year.**

### **Line 11 - Health Insurance & Pension:**

- **Installed & Interim Pastors** (*full-time and part-time, 20 hrs a week or more*)
  - Medical coverage must be provided for all Installed Pastors through the BOP in either the Transitional Pastor’s Package or the Congregational Pastor’s Package at no cost to the pastor. Medical coverage must be provided for all Interim Pastors through the BOP in either the Transitional Pastor’s Package or the Congregational Pastor’s Package at no cost to the pastor, unless they have comparable coverage from another source.
  - All Installed and Interim Pastors in new or existing calls must be provided medical coverage for partner/spouse, dependents, or full family at the pastor’s direction through the BOP or another available plan at no cost to the pastor.
- **Covenant Pastor** (*former Temporary Supply Pastor*)
  - Through 2026, all existing terms of call that provided medical coverage in 2025 for Covenant Pastors and their families must provide the same level of coverage for all family members as in 2025 through either the BOP or another available plan at no cost to the pastor.
  - Terms of call for new Covenant Pastors may include medical coverage for the pastor and/or partner/spouse, dependents, or family through the BOP or another available plan. Cost sharing may be negotiated for new Covenant Pastor relationships.
  - All terms of call and medical plans must be approved by the COM for 2026 and may not reduce medical coverage or Effective Salary.
  - All new Covenant Pastors working 20 hours or more per week who are eligible for the Board of Pensions must, at a minimum, include the Covenant Package from the BOP. Churches may include medical coverage for the pastor and/or partner/spouse, dependents, or family through the BOP or another available plan. Cost sharing may be negotiated.
  - We encourage all existing calls that do not currently include the Covenant Package to consider adding it.
- **Non-BOP medical coverage**
  - Providing non-BOP medical benefits will affect the calculation of IRS withholding tax, SECA tax, and effective salary for the Board of Pensions. Pastors and churches considering this option should

consult a tax advisor and the Board of Pensions for more information.

**Line 11a - BOP Transitional Pastor Participation (TPP):** Available only to pastors who currently participate in the TPP and will end in 2027. It provides pension, death & disability, and EAP benefits for the pastor, as well as medical coverage for the entire family. Pastors and churches should use the Decision Guide for Minister Benefits Calculator to decide whether the TPP or the CPP is the better option for 2026.

**Line 11b - BOP The Congregational Pastors Package (CPP):** Available to pastors serving 20 hours plus per week, this plan provides pension, death, and disability benefits, along with EAP benefits and medical coverage. We recommend that non-installed pastors compare BOP and non-BOP options to determine what is best for both the pastor and the congregation. Additional coverage for family members can be offered under this plan. It offers a flat-rate medical coverage for family members, available through CPP via BOP. We recommend that pastors and congregations compare BOP and non-BOP options to determine what is best for the pastor and the congregation.

**Line 11c - BOP medical coverage for family members:** If you have chosen the Congregational Pastors Package, please indicate who is being covered by the medical plan.

**Line 11d - The BOP Covenant Package:** Available to pastoral leaders serving 20 hours plus per week, provides Pension, Death & Disability, Temporary Disability, and Employee Assistance Plan (EAP) benefits.

**Line 11e - Non-BOP medical coverage for a Non-Installed pastor:** More cost-effective options for health care may be available outside of the Board of Pensions. Decisions about medical coverage should not be based solely on cost, but should ensure that the pastor has adequate coverage for their specific situation.

**Line 11f - Non-BOP medical coverage for family members:** More cost-effective options for health care may be available outside of the Board of Pensions. Decisions about medical coverage should not be based solely on cost, but should ensure that the pastor and their family have adequate coverage for their specific situation.

**Lines 11g and 11h - Other benefits paid by the Church or Pastor:** Additional forms of insurance are available: term life insurance, dental insurance, supplemental death benefit, supplemental disability benefit, and vision eyewear benefit. Premiums are not subject to dues under BOP Plans unless provided by an entity other than the BOP. The BOP also offers Flexible Spending Account (FSA) and Health Savings Account (HSA) Programs, which are managed separately on behalf of the Church. Churches may provide access to these programs. Dues for additional benefits may be paid by the Church, the pastor, or shared.

**Line 11i - Defined Contribution: (withheld by the Clergy)** It may not be subject to income tax or SECA tax, but may be subject to BOP plan dues. If the pastor also contributes to the 403(b), then the Church contribution is not subject to BOP plan dues. Available to all pastors with no requirement for minimum hours worked.

#### **PART IV REIMBURSABLES**

**Line 12 - Mileage Expenses:** Reimbursement for actual mileage incurred on Church business may be reimbursed based on the current IRS standard mileage rate and should operate under an accountable reimbursement plan. Pastors are responsible for tracking their eligible IRS mileage deductions.

**Lines 13 and 17 - Continuing Education Expenses and Time** *for all pastors serving 20 Hours or more per week*

- **Financial:** A minimum of \$2,000 per year must be provided for continuing education. This amount may accumulate for up to three years with prior Session approval. A report of the continuing education activity must be submitted afterward. Unused funds are not payable upon the dissolution of the call and may not be carried over beyond three years.
- **Time Allowance:** Continuing Education must include a minimum of 14 days per year, including 2 Sundays. This time may be accumulated for up to three years with prior Session approval.
- **Reimbursement:** Continuing education expenses will be reimbursed to the pastor upon submission of appropriate documentation. Unused continuing education time or funds are not payable upon dissolution of the call.

**Line 14 - Pastoral Ministry Expense** *for all pastors serving 20 Hours or more per week*

A minimum of \$500 for expenses related to pastoral ministry, including books, journals, vestments, entertainment, and cell phone, under an accountable reimbursement plan.

**Line 15 - Moving Expenses** (New calls and agreements only.) Full and reasonable. Moving expenses are subject to taxes but not to BOP plan dues.

**Line 16: Other Expenses:** Please explain.

**PART VI ANNUAL LEAVE AND VACATION**

**Line 17: Continuing Education Time:** see Line 14

**Line 18 - Vacation Time** *for all pastors*

30 days, including 5 Sundays. After 10 years in the current position, 37 days, including 6 Sundays. The Presbytery encourages that up to, but no more than, 10 days of vacation time be rolled over from one year into the next calendar year, with approval of the Session. The annual refreshment from vacation comes only if the pastor takes the vacation regularly. Excessive accumulation of vacation time does not provide for that regular refreshment. Unused vacation benefits ARE payable in full to the date of the dissolution of the call.

**Line 19: Family Medical Leave:** see *Family Medical Leave Policy*

**PART V: REQUIRED TRAININGS** *for all pastors*

**Line 20:** New York State Sexual Harassment Prevention Training (required annually by New York State and PLI)

**Line 21:** Boundary Training (G-3.0106) (required every three years)

**Line 22:** Child Sexual Abuse Prevention Training (G-3.0106) (required every three years)

Every three years, the presbytery will host a mandatory in-person training session to complete all required training. New Calls must complete the training within 3 months of their start date.

**OTHER REQUIRED NON-COMPENSATION ITEMS FOR PASTORS**

**Sick Leave**

Churches should establish a policy for sick leave for all employees, including pastors, that is consistent with NYS law. Ten sick days annually is suggested. Churches should be aware of and in contact with the presbytery when temporary disability and/or long-term disability may be available in situations of extended absence for illness or injury.

**Jury Duty for all pastors**

In accordance with state law, employees must be allowed the necessary time off if summoned for jury duty. Pastors are expected to return to their regular responsibilities if excused from jury duty during their normal working hours.

**Sabbatical Leave for all pastors serving 20 Hours or more per week**

As the Presbytery of Long Island has long recommended, Pastors, Commissioned Ruling Elders, and Certified Christian Educators are entitled to a compensated (full pay and benefits) Sabbatical Leave of three (3) months after the completion of six (6) continuous years in an individual congregation within the Presbytery of Long Island. New calls will include sabbatical leave. For existing calls that have not included a sabbatical leave, please contact the COM for assistance in incorporating a sabbatical leave into the call.

Recognizing that sabbatical leave may be new to many Churches, the COM is committed to assisting Churches in preparation. All sabbatical proposals must be approved by COM at least 6 months in advance, and must include the general design of the sabbatical time and a plan for pastoral coverage.

LINK TO SABBATICAL LEAVE GUIDELINES

**Workers' Compensation, DBL & PFL for all pastors**

Workers' Compensation Insurance, DBL (Disability Benefits Law) Insurance, and PFL (Paid Family Leave) Insurance must be provided by the Church for all pastors, Certified Christian Educators, and Commissioned Ruling Elders. While state law may provide exemptions for religious employees, the Presbytery of Long Island requires these insurance coverages to be in place at no cost to the pastor, Certified Christian Educator, or Commissioned Ruling Elder. Insurance may be obtained through state programs or other insurance companies.

**Board of Pension - Total Effective Salary** <https://www.pensions.org/calc/totalSalary>

<b>Annual Cash Salary</b> <i>(including housing)</i>	Line 1 or 7
<b>Housing Allowance</b>	Do not enter, included in the line above
<b>Employing Organization Contributions</b>	Line 5 or 9
<b>Bonus</b>	
<b>SECA</b>	Do not enter
<b>Other</b>	Line 6 or 10
<b>Manse</b>	30% of the other Effective Salary fields

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