

PRESBYTERY OF NORTHERN KANSAS
 REPORT OF ANNUAL REVIEW OF COMMISSIONED RULING ELDER
 COMPENSATION FOR 2016

Name of Church or Employing Agency _____

Address _____

Name of Commissioned Ruling Elder _____

Even if the compensation and benefit package is the same as last year, please complete the form. Be sure the clerk of session and the commissioned ruling elder sign the form.

SERVICE: ___ Full-time ___ 3/4 Time ___ 1/2 Time ___ 1/4 Time ___ Other %
 (Please see: *Expectations for Full Time and Part Time Pastors: Guidelines for Negotiating Agreements for examples of what each level of service could include.*)

COMPENSATION	(Yearly Total)
1. Annual Cash Salary	1. \$ _____
2. Utilities and furnishing and appurtenances allowance	2. \$ _____
3. Deferred Compensation	3. \$ _____
4. Bonuses, unvouchered allowances, gifts from employer	4. \$ _____
5. Other Allowances (e.g. medical, flexible spending plan, SECA allowances in excess of 50%)	5. \$ _____
6. Total of Lines #1-5	6. \$ _____
7. Housing: Cash /or	7a. \$ _____
Manse value (Must equal at least 30% of total of line 6.)	7b. \$ _____
8. EFFECTIVE SALARY (lines 6 + 7a or 7b and must be at least \$35,200 for full-time position or pro-rated for a part-time position.)	8. \$ _____
9. SECA Tax Allowance	9. \$ _____
10. TOTAL COMPENSATION (lines 8 + 9)	10. \$ _____

OTHER COSTS TO THE CHURCH

11. BENEFITS PLAN DUES
 (35 % of line 8 for a single CRE / 36.5% for a CRE with family) 11. \$ _____

(If the member's full-time equivalent effective salary is below \$44,000, which is the minimum for participation in the medical insurance coverage offered by the Board of Pensions this year, your church will be billed on the basis of that amount. Single pastors will be billed at 35% of effective salary. The Presbytery's Minimum Salary Policy mandates coverage for commissioned ruling elders with their families which will be billed at 36.5% of effective salary. Exceptions may be allowed if a spouse or dependents have comparable insurance coverage through their employment. Subsidies may be available from the Presbytery of Northern Kansas to help churches pay for the additional costs they face for providing coverage for commissioned ruling elders with their families whose effective salary is at 110% of minimum participation basis or below.)

12. Vouchered business expenses:
 a. Continuing Education Reimbursements 12a. \$ _____

(Must be at least \$1,000 for full-time. Part-time contracts will be prorated as a percentage of full-time).

- b. Automobile Expenses (vouchered at *Current IRS rate*) 12b. \$ _____
 c. Other Business and Professional Expenses 12c. \$ _____
 13. Group Medical Deductible, Coinsurance and Dental Premiums 13. \$ _____

14. TOTAL OTHER COSTS (Sum of #11-13) 14. \$ _____

15. TOTAL PACKAGE (Sum of #10 + #14) 15. \$ _____

16. Vacation leave is for four weeks including four Sundays. (*Additional vacation time may be negotiated.*)

17. Continuing Education or Study Leave is for two weeks including two Sundays.
 (*Time made available for Continuing Education is in addition to the vacation time included in this agreement.*)

Continuing Education or Study Leave time allowed _____ weeks.

Last year's continuing education was used to: _____

Was there any unused study leave or allowance at the end of the year? ___yes ___no

If yes, was the time and money: _____ recorded in the Session Minutes as accumulated for a future year or _____ forfeited?

The Personnel Committee and Session have reviewed the Presbytery Sabbatical Policy and the Continuing Education Policy. ___yes ___no

The Commissioned Ruling Elder will be eligible for a sabbatical on _____ (*date*).
 (*Only Commissioned Ruling Elders serving in full time positions are eligible for a sabbatical under the presbytery's policy.*)

_____ The annual performance review was conducted by the Session with the Commissioned Ruling Elder on _____ (*date*). (*Please check*)

_____ The annual compensation review was conducted by the Session with the CRE on _____ (*date*). (*Please check*)

_____ These terms meet minimum salary guidelines for the Presbytery of Northern Kansas. (*Please check*)

Signed _____ Date _____
 (Clerk of Session)

Signed _____ Date _____
 (Commissioned Ruling Elder)

PLEASE RETURN THIS FORM BY FEBRUARY 1, 2016 TO:

Presbytery of Northern Kansas

PO Box 3287

Salina, KS 67402-3287

DEFINITIONS
COMPENSATION INCLUDED IN EFFECTIVE SALARY

Line 1: Annual Cash Salary is the compensation paid directly to the commissioned ruling elder on an annual basis.

Line 2: *Utility and Furnishing and Appurtenances Allowances paid to commissioned ruling elders should be included on this line. If the manse utilities are in the name of the Church and paid directly by the Church they are NOT included in a commissioned ruling elder's Effective Salary.*

Line3: Deferred Compensation includes tax sheltered annuities, 403(b) plans, other qualified retirement savings plans, housing equity allowances, and other forms of funded or unfunded deferred compensation arrangements.

Line 4: Bonuses, Unvouchered Allowances, Gifts, etc. are the year-end and other bonuses, unvouchered allowances (such as expenses that are not paid through an Accountable Reimbursement Plan), down payment grants for the purchase of a home, savings from interest-free or interest-reduced loans (not loan principal) and gifts paid by the employing organization. (Gifts from private donors or honoraria are NOT included.)

Line 5: Other Allowances includes all other forms of compensation not otherwise covered on lines 1-4, including medical deductible and expense reimbursement allowances not paid through a group benefit plan, insurance premiums for additional insurance coverage provided for individual employees (premiums for group plan coverage are not included), salary reduction contributions to flexible health spending accounts and cafeteria plans, etc. If an allowance is provided to reimburse for Self-Employment Contribution Act (SECA) tax obligations, any amount in excess of 50% of the commissioned ruling elder's SECA tax obligation should be included on this line (see line 9 below).

Line 6: This is the total of Lines 1-5 and is used to figure a manse computation for pension dues.

Line 7: Housing is the amount paid to the commissioned ruling elder for housing expense or the value of the manse. Manse Computation for Pension dues: the Board of Pensions requires that "Manse Allowance" must equal at least 30% of line 6.

Line 8: Effective Salary is the total of line 6 Plus line 7a or 7b. It is the basis on which the Board of Pensions calculates dues. (See line 11 below.)

Line 9: Self-employment Contribution Act (SECA) Tax Allowance may be paid to offset the SECA tax obligation of clergy. (Commissioned Ruling Elders are required to pay Social Security taxes on income received for services performed in the exercise of their ministry on a "self-employed" basis even though they are employees for IRS and W-2 purposes.) If the allowance exceeds 50% of the commissioned ruling elder's projected SECA tax obligation, the allowance in excess of the 50% is subject to Benefits Plan dues and must be reported on line 5 as other allowances.

REIMBURSEMENT & COMPENSATION NOT INCLUDED IN EFFECTIVE SALARY

Line 11: Benefits Plan Dues are figured at 35% of line 8 (Effective Salary) for single pastors and at 36.5% for pastors with families. Note: If the member's full-time equivalent salary is below the minimum medical salary participation basis, your employing organization will be billed on the minimum. Please check with the Board of Pensions for current rates. The Presbytery's Minimum Salary Policy mandates coverage for pastors with families. However exceptions may be allowed if a spouse or dependents have comparable insurance coverage through their employment. Subsidies may be available from the Presbytery of Northern Kansas to help churches pay for the additional costs they face for providing coverage for commissioned ruling elders with their families whose effective salary is at 110% of minimum participation basis or below.

Line 12: Vouchered Business Expenses

a. Continuing Education Allowance is the amount the church or employing organization agrees to reimburse for money actually spent or to be spent for job-related continuing education purposes. Payment must be vouchered under an Accountable Reimbursement Plan or paid under a Section 127 Plan. All other allowances should be included on line 4. This allowance must be at least \$1,000 for full-time. Part-time contracts will be prorated as a percentage of full-time.

b. Automobile Expenses must either (a) reimbursed at the per mile rate (Current IRS rate), or (b) a car with full expenses provided. Record on line 11b the amount budgeted to reimburse the commissioned ruling elder or to pay the expenses of operating a church-owned vehicle. All payments must be vouchered. Allowances for which no substantiation is required should be included on line 3.

c. Business and Professional Expenses include such items as books, subscriptions to magazines, supplies, business meals, etc., and should be reimbursed as spent and vouchered by the commissioned ruling elder.

Line 13: Group Medical Deductibles, Coinsurance, Dental Premiums refers to a supplemental medical plan offered by the church or employing organization to cover its employees' additional medical expenses. If offered as a group plan, qualifying expenses can be paid by the employer and excluded from the employee's gross wages for Federal income and Social Security tax purposes. IRS regulations govern these plans. If these expenses are reimbursed by the employing organization through a means other than a third party, the expenses constitute an allowance that would be subject to income and Social Security taxes and would be included in Effective Salary (report such amounts on line 5).