

**BOARD OF PENSIONS  
ADMINISTRATIVE RULES**

<b>Section:</b>	1 (Eligibility)	<b>Subject:</b>	CHAPLAINS
<b>Rule Number:</b>	101	<b>Resource:</b>	Benefits
<b>Reference:</b>	<b>Article II, Section 2.1</b> Administrative Rule 111 (Specialized Ministries) Administrative Rule 122 (Military Leave)	<b>Original Date:</b>	10/91
		<b>Revision Dates:</b>	8/92, 1/95, 1/97, 4/97, 3/98, 5/00, 7/10

"Chaplains" are ordained ministers serving in a specific type of specialized ministry--traditionally uniformed service, hospital or prison-type settings. For Plan purposes, two categories of chaplains exist: military chaplains serving in uniform services and eligible for benefits under the terms and conditions of the Chaplains Deposit Fund Agreement ("the CDF Agreement") and the Uniformed Services Employment and Reemployment Rights Act ("USERRA"); and non-military chaplains serving at secular institutions such as hospitals, prisons, etc.

**Military Chaplains**

Pension Credit Accrual for Service prior to January 1, 1996

An ordained minister who serves as a chaplain in the uniformed services is eligible for participation in the Benefits Plan under the terms and conditions of the CDF Agreement. For services prior to January 1, 1996, under the terms of the CDF Agreement, pension credits for the military service accrue under the Plan only if the chaplain leaves military service without the benefit of a military pension. In that event, the chaplain will be credited with pension credits for the chaplaincy service under the Plan. The chaplain does not accrue pension credits at the time of the service.

Under the CDF Agreement, the Presbyterian Council for Chaplains and Military Personnel ("the Council") established the Chaplains Deposit Fund, a fund to be held and invested by the Board for the sole purpose of funding any future pension, death and disability benefits that may be due a military chaplain under the CDF Agreement.

Upon retirement of a member who served as a military chaplain prior to January 1, 1996, the Council determines whether he or she is entitled to pension benefits from the government for those years of service. If the member is not entitled to government benefits for the chaplaincy service, the member is eligible for pension benefits for the service under the terms of the CDF Agreement. The Council must certify the eligibility and approve the transfer of funds from the Chaplains Deposit Fund to the pension fund to cover the cost of accrued pension credits for his or her chaplaincy service. Credits under the Agreement are based on the annual median salary

for pastors serving churches for the years of service as a military chaplain and not on the basis of the chaplain's actual salary.

Benefits for credits accrued in the Benefits Plan for non-military service **under any other PIN** will be paid to the member as provided under the terms of the Benefits Plan.

Pension Credit Accruals for Services after January 1, 1996.

See also Administrative Rule 122 on USERRA

In October 1994, the USERRA was signed into law and the CDF Agreement is being amended to reflect the provisions of the Act. The amendment was approved by the 209th General Assembly (1997).

The new law requires changes to the CDF program in two respects. First, generally stated, the USERRA requires an employer to accrue and vest pension credits for an employee called to service in the uniformed services for the period in the service, if the employee returns to the service of the employer upon leaving military service. The credits must be credited *upon the return to employment*. As noted above, the present arrangement provides for the vesting of credits for the service *upon retirement* and only if other military benefits are unavailable. Accordingly, the amendment provides for a determination as to who will be responsible for the service credits, the last employer or the fund. Secondly, the credits must be based on the last salary of the employee. (Under the present practice the credits are based on the annual median salary.)

Under the terms of the CDF Agreement and the proposed Addendum, if a member serves in the uniformed services and upon discharge is reemployed in eligible service, the member may be entitled to pension credit accruals **upon re-employment**. If the member meets the criteria under the provisions of the USERRA, the employing organization must inform the Board promptly (within 30 days) of his/her return to service. Upon receiving notice, the Board shall restore the pension credits of the member that would have accrued but for the member's absence. The compensation upon which pension credits should be based is the compensation the member would have received during the period of service if he had remained at the service of the employing organization. The last employing organization that the member served prior to active duty must remit to the Board the full Pension Plan dues payable for the period of activation. Under USERRA, the repayment of the dues can be made over three times the period of military service, but not longer than five years.

If the member does not meet the criteria under USERRA for restoration of service upon reemployment, pension credits will be provided under the provisions outlined above for service prior to January 1, 1996.

**Non-Military Chaplains**

Ordained ministers serving as chaplains at secular institutions such as hospitals and prisons follow the same rules that apply to all specialized ministries. See Administrative Rule 111.