



Long Service Leave Program Rules

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1. Background

Long Service Leave (LSL) is a period of paid leave granted to an employee who has served a specified period of continuous employment in one organisation. In NSW, this is 13 weeks for 15 years of service vesting at 10 years. In the ACT, the benefits are the same but the vesting period is 7 years. Due to the nature of pastoral ministry, which at times requires the pastor to move from one church or organisation to another, the minister will accrue a reduced entitlement to LSL as prior service is not taken into account under statutory rules. This means that entitlements may not vest where the period of service is under the minimum continuous period of service requirement.

In 2000, a Baptist LSL Fund (now known as the Baptist Association of NSW & ACT LSL Program) was established so Baptist churches, Baptist Union of NSW and other approved organisations can accumulate on behalf of their ministers an amount of money which will be available to pay the liability for Long Service Leave of their ministers when it falls due and to recognise continuity of service where a Pastor moves from one church or organisation to another.

2. Definitions, acronyms and terminology

Administrator	The Administrator of the Baptist Association of NSW & ACT LSL Program which is administered by the Operations Team of the Association
the Association	Baptist Association of NSW and ACT
church	refers to: <ul style="list-style-type: none">• an affiliated church of the Association• a church proceeding to affiliation with the Association• a church plant of the Association• a church affiliated with any state Baptist Association in Australia
minister	a person who is called by a church or organisation to carry out pastoral or other duties that directly relate to the practice, study, teaching or propagation of religious beliefs
FARC	Finance, Audit, Risk and Compliance Committee a sub-committee of the Association's Assembly Council
FAQs	Frequently Asked Questions
LSL	Long Service Leave
LSL program account	the account held in the LSL Program for the member
member or members	refers to a member or the members of the Program

organisation	an organisation listed in section 5 below or one approved by the Administrator to participate in the Program
the Program	the Baptist Association of NSW & ACT Long Service Leave Program

3. Purpose

The purpose of this document is to outline the rules of the Program.

4. What is the Baptist Association of NSW & ACT LSL Program?

The Program is a scheme whereby monies for LSL for eligible members are accumulated and held on behalf of the member for them to claim once the member meets the Program's vesting conditions. The payment of LSL remains an obligation of the church or organisation where the eligible member is employed at the time of taking the LSL. This Program facilitates the investment of funds to meet LSL claims for the duration of service by the member.

The purposes of the Program are to:

- assist eligible members to accumulate LSL which they may not normally become entitled to due to the nature of pastoral work, and
- assist and ease the administrative burden on churches and organisations by assisting with administration of LSL for eligible members.

This second purpose is achieved by:

- calculating regular contribution amounts
- facilitating the investment of those contributions
- making available fund balances to meet LSL payment, and
- providing general advice on long service leave requirements.

Notwithstanding the Program, the statutory liability for LSL always remains the sole responsibility of the organisation employing the member.

5. Eligibility to join the Program

Ministers are eligible to be members of the Program if they are engaged in ministry with any of the following organisations:

- Churches of the Association which are:
 - an affiliated church
 - church proceeding to affiliation, or
 - church plant
- A church affiliated with any state Baptist Church in Australia
- Baptist Union of Australia
- Other state Baptist Unions
- Morling College Ltd
- Baptist World Aid Ltd
- Transform Aid International Ltd
- Global Interaction Incorporated

- Other Baptist organisations at the sole discretion of the Administrator
- persons undertaking pastoral ministry in an organisation approved by the Administrator
- Employees of the Association
- Other persons at the sole discretion of the Administrator

Application to join the Program may be made by completing the Long Service Leave Program Application Form, refer to Appendix A, located at the end of these rules and lodging this form with the Administrator.

6. Rate of accumulation of LSL

The Program will accumulate funds to meet LSL entitlements payable by the Church or organisation to the member. LSL is normally equal to 13 weeks of remuneration for Long Service Leave for every 15 years of service vesting at 10 years of continuous service in NSW. An amount equal to 0.86 weeks of remuneration per year or 1.7% of remuneration is accumulated through the Program.

7. Eligibility to withdraw LSL funds

Members are eligible to take LSL under the Program when they have accumulated 10 years of continuous period of service in churches or organisations as outlined in section 5.

Exceptions to the continuous service rule will be made in exceptional circumstances at the discretion of the Administrator. See also section 15.

8. Withdrawing funds

Members may withdraw funds from the Program as and when they fall due by applying to the Administrator using the LSL Fund Leave Payment Request Form, refer to Appendix B, at the end of these rules and lodging the form with the Administrator.

9. Payment of LSL to a member

Payment of LSL is the responsibility of the church or organisation employing the member. LSL payments form part of gross earnings and therefore must be processed through payroll systems. If LSL is paid as the Minister goes on LSL during their employment, this can be paid as an exempt benefit in line with the Remuneration Recommendations and attracts superannuation guarantee payments. However, if LSL is paid as a lump sum on termination of employment, the amount should be paid as a taxable amount and not as an exempt benefit. LSL paid out as a lump sum on termination does not attract superannuation guarantee payments.

10. Contributions

Upon a successful application to join the Program, the Association will establish a LSL account for the member. Contributions to a member's LSL account are calculated on total remuneration which includes the following amounts:

- Stipends
- Housing allowance
- Car allowance
- Any other allowances
- Superannuation

Contributions to the fund are to be made by the church or organisation for eligible members on a quarterly basis.

At all times, contributions to the Program remain the sole responsibility of the church or organisation employing the member.

11. Invoicing

The Administrator will forward invoices to the church or organisation on a quarterly basis. These invoices will be based on information provided to the Administrator by the church or organisation employing the member. Unless the Administrator is advised of any changes, invoices will be based on the information last provided to the Administrator.

Invoices will not be generated retrospectively for previous periods or for missed contributions as a result of not informing the Administrator of changes in the member's position. Past contributions can be made by the Church or organisation at any time.

12. Administrator's role

The Program is administered by the Operations Team of the Association under the direction of the Administrator. The Operation Team's role is to:

- administer the program including:
 - opening an account upon the receipt of a new application form
 - making payments from the LSL accounts to churches or organisations when requested under these rules
 - to send out quarterly contribution invoices based on salary information provided by the church or organisation
- keep records of all new accounts and withdrawals for up to 7 years.

13. Church or organisation's role

The role of the employing church or organisation is to:

- promptly update the Administrator with any changes in the member's position
- make timely quarterly contributions to the member's LSL accounts, and
- make payments to the member in relation to their LSL entitlements when monies are received from the Program.

14. Member's role

The Member's role is to:

- ensure that contributions to the Program are being paid into their LSL account by their employer on a regular basis, and
- follow up with the church or organisation if contribution amounts are incorrect or not being paid to their LSL Account.

15. Illness

For reasons of illness, a member may, at the sole discretion of the Administrator, be granted access to withdraw LSL funds after completion of five years of continuous service. The amount permitted to be withdrawn under this paragraph will be at the sole discretion of the Administrator. Normally, funds will be allowed to be withdrawn on a proportionate basis. The Administrator may request a member to provide medical reports or other information in support of their claim.

16. Interaction between state or territory LSL legislation and the Program

Where there are discrepancies between state or territory LSL legislation and the Program, state or territory LSL legislation will take precedence.

17. Appointment of Administrator

The Director of Ministries of the Association shall appoint the Administrator who shall be accountable to the Director. Normally, this person will be the Associate Director - Operations.

18. Changes to these rules

These rules have been approved by the Association's Assembly Council. The Council has the authority to amend these rules at its discretion.

19. FAQs

A FAQs document has been prepared in relation to the Program for the assistance of members and prospective members.

Appendix A



Baptist Churches
of NSW & ACT

Long Service Leave Program Application Form

This should be filled out by an authorised representative of the church or organisation (usually the treasurer or secretary) on behalf of the proposed new member.

Member name Include title, name and surname													
Address													
Church or organisation name													
Eligibility (Please tick one)	<input type="checkbox"/> Church ministry <input type="checkbox"/> Ministry in an organisation												
Salary/ Stipend details	<table border="1"> <tr> <td>Salary/ Stipend</td> <td>\$</td> </tr> <tr> <td>Housing allowance</td> <td>\$</td> </tr> <tr> <td>Car allowance</td> <td>\$</td> </tr> <tr> <td>Superannuation</td> <td>\$</td> </tr> <tr> <td>Other</td> <td>\$</td> </tr> <tr> <td>Total</td> <td>\$</td> </tr> </table> <p>Note that contribution invoices will be based on the information provided above. If this changes, please advise the Administrator promptly.</p>	Salary/ Stipend	\$	Housing allowance	\$	Car allowance	\$	Superannuation	\$	Other	\$	Total	\$
Salary/ Stipend	\$												
Housing allowance	\$												
Car allowance	\$												
Superannuation	\$												
Other	\$												
Total	\$												
Contact details for authorised representative below	<table border="1"> <tr> <td>Name</td> <td></td> </tr> <tr> <td>Position</td> <td></td> </tr> <tr> <td>Email address</td> <td></td> </tr> <tr> <td>Phone number</td> <td></td> </tr> </table>	Name		Position		Email address		Phone number					
Name													
Position													
Email address													
Phone number													

I confirm:

- That the applicant is eligible for membership of the Baptist Churches of NSW & ACT Long Service Program.
- That the church or organisation will make quarterly contributions to the fund at the rate specified in the Long Service Fund Rules, during the course of the applicant's ministry.
- That the church or organisation will advise when arrangements with respect to the applicant have concluded or any information provided above has changed.
- That I am an authorised representative of the church or organisation.

Signed

Name

Position

Date

Once completed, please email to finance@nswactbaptists.org.au

Appendix B



Baptist Churches
 of NSW & ACT

Long Service Leave Fund Leave Payment Request Form

This should be filled out by an authorised representative of the church or organisation. Refer to the Long Service Leave Program Rules for leave payment eligibility criteria.

1	Member name Include title, name and surname									
2	Church or organisation name									
3	Date of membership commencement									
4	Is the member retiring or leaving ministry? i.e. payment of full Long Service Leave entitlement	<input type="checkbox"/> Yes <i>Move onto the declaration at the end</i> <input type="checkbox"/> No <i>Move onto question 5</i>								
5	Indicate the Long Service Leave amount that the member wishes to take:	<table border="1" style="width: 100%;"> <tr> <td style="width: 70%;">Amount</td> <td style="width: 5%; text-align: center;">\$</td> <td style="width: 25%;"></td> </tr> </table> <p>Please note:</p> <ul style="list-style-type: none"> Payment will be made 2 weeks prior to leave commencing 	Amount	\$						
Amount	\$									
6	Bank account details that the payment should be made into	<table border="1" style="width: 100%;"> <tr> <td style="width: 60%;">Account name</td> <td style="width: 40%;"></td> </tr> <tr> <td>BSB</td> <td></td> </tr> <tr> <td>Account number</td> <td></td> </tr> </table> <p>Please note that funds will only be released to an account in the name of the church or organisation.</p>	Account name		BSB		Account number			
Account name										
BSB										
Account number										
7	Contact details for authorised representative below	<table border="1" style="width: 100%;"> <tr> <td style="width: 60%;">Name</td> <td style="width: 40%;"></td> </tr> <tr> <td>Position</td> <td></td> </tr> <tr> <td>Email address</td> <td></td> </tr> <tr> <td>Phone number</td> <td></td> </tr> </table>	Name		Position		Email address		Phone number	
Name										
Position										
Email address										
Phone number										
8	Payment of LSL	We are aware that LSL payments form part of gross earnings and therefore must be processed through payroll systems and included in mandatory STP reporting to the ATO.								

Approval:

<p>By church or organisation</p> <p>I confirm:</p> <ul style="list-style-type: none"> That I am an authorised representative of the church or organisation. <p>_____</p> <p>Signed</p> <p>_____</p> <p>Name and position and date</p>	<p>By member</p> <p>I authorise the above amount to be paid by the above church or organisation from my Long Service Leave account:</p> <p>_____</p> <p>Signed</p> <p>_____</p> <p>Name and date</p>
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Once completed, please email to finance@nswactbaptists.org.au