

# THE MISSOURI MID-SOUTH CONFERENCE OF THE



UNITED CHURCH  
OF CHRIST

Serving Missouri, Arkansas, and  
Memphis, Tennessee

2023

## Clergy Compensation Guidelines

Fair & Just Compensation for Church Workers  
A Resource for Local Churches, Authorized  
Ministers, and Professional Church Staff

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## I Introduction:

*The laborer deserves their wages. –1 Timothy 5:18*

Clergy serve in a variety of settings across the life of the Church, and many factors impact the definition of “fair and just” compensation. Whether serving in a local church or in a non-parish setting (hospital, non-profit, etc) decisions regarding compensation must take into consideration the size of the church or institution and the clergy’s experience, skills, and education level. Other factors that may influence compensation for clergy are the church or institution’s income, specific demands or requirements of the position, supply and demand, and the geographical setting. This document is created to help congregations and institutions plan compensation for their clergy. *Footnote: the use of the term institutions is being used because we can’t name all the different settings for ministry without leaving one out.*

This guideline is put forth in order to honor and value authorized ministers and create an environment of best practices for the ministers and ministry settings of the Missouri Mid-South Conference of The United Church of Christ. Some churches and institutions may be unable to provide sufficient compensation for full-time pastoral service. Such churches and institutions are encouraged to meet with the Conference Staff to review their situation and to consider creative alternatives, such as the calling of a part-time or bi-vocational clergy. Specific to churches, they may decide to share a pastor with another congregation. A congregation or institution should not expect clergy to work full-time for part-time compensation.

### The 2023 Compensation Guidelines

In preparing the Guidelines for 2023, we looked at guidelines of UCC Conferences from different regions, recommendations and/or requirements of other religious and professional organizations. Cash salary recommendations were increased to 8% from 2022, reflective of the Social Security Administration’s expected recommendation of an 8.7% increase. We also considered the legal challenges and appeals regarding clergy housing allowance calculation, which ultimately remained unchanged as of this writing.

#### *How to decide ministerial compensation*

A process should be in place for the regular, annual review of clergy performance and compensation and recommendations. We suggest that in each church or institution, a small sub-committee, perhaps a Personnel Committee responsible to the governing board, be given the task of this review. These reviews and proposals should not be made by a budget committee, PRC (Pastoral Relations Committee) or other budgeting body.

Please be aware that because federal tax structures (IRS and Social Security codes) are unique for clergy, and because each clergy’s family needs differ, the compensation package should be allocated in consultation with the clergy so as to best meet their needs. Churches or Institutions are encouraged to first calculate the total compensation to be allocated, and then in consultation with the clergy to re-allocate the individual line items.

### Compensation Guidelines for Ordained Ministers

Because the clergy of a church or institution are often expected to be highly educated and trained professionals, the salary and housing package should be congruent with the compensation of other similarly trained professionals in the community. The total compensation package for ordained clergy should be comparable to that of professionals requiring post-graduate training, such as school superintendents, secondary and middle school principals, engineers and other professionals in administrative positions. Other considerations are appropriate for licensed and commissioned clergy. But regardless of whether the authorized clergy is ordained, commissioned, or licensed, each clergy's total compensation package should take into consideration years of service, education, special training, skills and abilities.

Additionally, the work schedule and the compensation package of all authorized clergy should be healthy for them and for their ministry location. This requires a balance of time spent in the church or institution and time spent with family and friends – a balance of work and recreation, a balance of exercising the body and the mind, a balance of care of others, and care for self.

We are a denomination based in covenant. When a church or institution calls a clergy person, it covenants to compensate fairly, and the clergy covenants to serve faithfully.

*What are the compensation guidelines of the conference?*

We are accountable for the wise use of the church's/institution's resources, both human and material, therefore the church/institution should be an intentional steward in the raising and the expenditure of funds, and the clergy should be an intentional steward in the use and renewal of their life in ministry.

*What are the congregation/institution's habits and its checks-and balances in financial accountability and in its use of a clergy's time?*

Because the connection between clergy and the people is a sacred trust, open, caring, healthy relationships are essential for the well-being of the local church/institution. Salary and benefits negotiations, new and annual, should be carried out with candor and clarity, and with loving, supportive, mutual respect. As Christians, we are called to compensate all persons fairly, regardless of age, gender, gender identity, race, sexual orientation, disabilities, marital or family status.

*Who are our leaders entrusted with negotiating this call agreement? How have we prepared to consider all candidates equally?*

The above paragraphs are from the Call Agreement Workbook, which we encourage you to use before creating a Call Agreement with your new clergy person. Once the workbook is completed and an incoming minister is identified, contact the Associate Conference Minister to get a template of a Call Agreement for you to use, keeping in mind the conference guidelines as you put one together.

The Missouri Mid-South Conference Guidelines should also be reviewed on an annual basis to help your Governing Board or Council stay up-to-date on best practices and used to determine annual increases in compensation, and/or benefits for the called pastor, or clergy working in your setting of ministry.

The United Church of Christ has always valued educated ministers, thus it is not uncommon for authorized clergy to invest seven or more years of their lives in obtaining a Master of Divinity Degree from an accredited seminary after first obtaining an undergraduate degree from an accredited university, or four-year college. First-time candidates seeking calls in the UCC, according to Eden Theological Seminary in St. Louis, carry anywhere up to \$40,000 in debt and beyond from their seminary education, not to mention debt incurred as an undergraduate.

Even with considerable financial support and scholarships from seminaries, first-time candidates for authorized ministry will need compensation packages that enable them to pay down their debt while supporting their cost of living.

The Missouri Mid-South Conference encourages our congregations, members, and friends, to assist in bringing down seminarian debt by increasing support for CUE Seminaries (Chicago Theological, United Theological, and Eden Theological), creating local scholarships for seminarians, and developing new initiatives to assist debt reduction in exchange for years of service to a local church.

Compensation reflects the local churches/institution's intention to live in faithful service to God. This makes the congregation's/institution's relationship with their pastor different from that of employer to employee, even though a written and signed "Call Agreement" is considered a legal contract. As noted above, this relationship is a covenantal relationship between professional and lay Christians shaped by their mutual responses to God's call and the needs of the church/institution.

## **II. Components of Compensation**

The following elements comprise an adequate and fair compensation package:

### **A. Base Salary**

Salary is determined by considering the responsibilities of the position, level of education and years of experience of the person. The base salary is to be comparable to that of other professions in the community requiring similar education and experience. (See table for minimum compensation guidelines.)

### **B. Housing**

Housing - For authorized clergy, the cost of housing will be a part of the clergy's compensation package. After the total salary and housing compensation are agreed upon, the clergy person may request a reallocation of certain line items to better meet their needs, in compliance with the codes of the IRS.

1. If a parsonage is provided, full utilities, including basic telephone service, internet, and maintenance costs are to be paid by the church. The parsonage is to be well maintained and compare at least with average housing in the membership and community.(Moved from below) Furthermore, it is recommended that the church consider an equity development plan for ministers living in a church-owned home. Toward this end, it is suggested that a church provide an amount equal to 3%-5% of the minister's salary basis to be invested for the minister's benefit in one of the following ways:

- A. As an additional contribution to the UCC annuity fund.
- B. In an IRA, or a TSA (through the Pension Boards UCC).
- C. In another agreed upon investment vehicle.

A minister who is provided with a parsonage may exclude from income the fair rental value of the parsonage, including utilities. However, the amount excluded cannot be more than the reasonable pay for the minister's services. – IRS Publication 517

(In the case of a parsonage, the “salary basis” for Pension Boards UCC purposes = 130% of cash salary + any furnishings allowance received.)

Since clergy are in some ways considered “self-employed” by the IRS, they must pay Self Employment taxes on the estimated rental expense of comparable housing in the area as well as on their cash salary.

**2.** If a housing allowance is provided, the amount received should permit the minister to buy, furnish, and maintain a median-priced house in the community where the church is located. According to the IRS, the value of the annual housing allowance must be formally approved by the appropriate church board each year prior to receipt of the allowance by the minister. The approval must be officially recorded in church minutes and be retained in the church files.

A clergy person who receives a housing allowance may exclude the allowance from gross income to the extent it is used to pay expenses in providing a home. Generally, those expenses include rent, mortgage interest, utilities, repairs, and other expenses directly relating to providing a home. – IRS Publication 517

In 2017 a Federal District Court ruled the clergy housing allowance to be unconstitutional. In 2019, the Seventh Circuit Court of Appeals reversed that ruling. Heather Kimmel, General Counsel for the UCC, says: “This is likely not the last time that we will see a challenge to the housing allowance – it may come in an appeal to this ruling or in a new action brought in a different Circuit. For now, the clergy housing allowance continues.” Ministry settings should continue to designate housing allowances for clergy.

Regardless of the above considerations, according to Publication 517 of the IRS: If you own your home and you receive as part of your salary a housing or rental allowance, you may exclude from gross income the smallest of:

- The amount actually used to provide a home;
- The amount officially designated as a rental allowance; or
- The fair rental value of the home, including furnishings, utilities, garage, etc.

**3.** For churches that cannot provide either a parsonage or a sufficient housing allowance to purchase a home in the community, a house, condo or apartment for the clergy person might be leased or rented. Full utilities, internet, basic telephone service, and maintenance costs are to be paid by the church. An equity development plan, described above under “parsonage,” should also be included.

**Housing Equity Allowance** is recommended when a parsonage is provided. A housing equity allowance differs significantly from a housing allowance, and that difference must be understood clearly so the two are not confused.

A housing allowance is intended to provide financial compensation necessary for the clergy to provide for their own home during the present performance of duties. A housing equity allowance is intended to provide for housing at a later date by creating a fund to offset home equity lost when a pastor lives in a church-owned parsonage.

Many local churches are unable or unwilling to sell their parsonages. Their clergy are, in effect, “paying rent” to live in the church owned parsonage at the church’s pleasure. Churches providing a housing equity allowance have recognized that when they require their clergy to live in a parsonage, the clergy and any family are disadvantaged at retirement, if the clergy dies, or becomes disabled. After a number of years of “renting” a parsonage, that person and any family have accumulated no equity with which to provide for housing needs unless a housing equity allowance has been created by the local church that has required the clergy to live in a parsonage. Increasingly, local churches have been trying to fairly compensate for that economic disadvantage to the clergy by developing a planned housing equity allowance.

Establishing a housing equity allowance should be done carefully yet simply. The plan should be prepared in writing to be effective while avoiding possible misunderstanding.

Some local churches consult with a reliable local resource person (a realtor or other housing professional) to discover how much a typical home in the community appreciated during the current or immediately previous year. If a typical house in the community were valued at \$125,000 and appreciated by 3%, the housing equity allowance for the year would be \$3,750. Some other local churches pay a fair percentage of the base salary, like 5-10% per year as a housing equity allowance.

**Housing Equity Allowance** is considered additional compensation by the IRS and the Missouri Department of Revenue, and eventually will be taxable. If the allowance is paid directly to the clergy each year, the tax obligation will be immediate. If, however, the housing equity allowance is paid by the church into a tax-sheltered fund for future use by the clergy (or clergy’s family) and is not immediately available, it is not taxable income until it is withdrawn for use at a later date.

It is recommended that the local church pay the housing equity allowance into a fund for the clergy (or clergy’s family) and that the fund be in a depository agreed upon by the local church and the clergy. It should be further understood that the deposited funds are only available to the clergy (or clergy’s family) at: (1) retirement, (2) disability of the pastor, (3) death of the clergy, (4) after an agreed upon term of employment, such as 5 or more years, or (5) church sale of the parsonage with the intent that the clergy purchases or rents a home of their choice. It should also be agreed that the depository can be changed if the clergy resigns, but that the fund and restrictions on its use can be continued.

## **C. Vacation and Days Off**

A standard work week for clergy is estimated to be approximately 40 hours. Responsibilities often require work on evenings and Saturdays in addition to Sundays. (If you need to create a job description, or revise a job description, consult the Call Agreement Workbook.) An annual vacation of four weeks, including four Sundays, is considered standard. Two days off per week or approximately 16 hours off is strongly encouraged to assure a pastor's continued health and endurance for ministry.

Congregations/Institutions are encouraged to have a system in place to allow for their clergy to have Sabbath each week. Given the 24/7 on-call nature of being clergy the congregation is asked to understand the clergy's need for flexibility in determining when Sabbath will occur.

You are encouraged to provide one week of the summer as a "camp week," allowing the clergy to serve as a counselor or director in the Conference Outdoor Ministries program. This would not be considered vacation time since your clergy would be working all week with children and youth.

## **D. Holidays**

Paid holidays are to include New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, the Friday after Thanksgiving, Christmas and one floating holiday, Juneteenth and Indigenous People's Day (Columbus Day). When any of these occur on a Sunday, another day should be taken as a "holy day."

## **E. Benefits**

Benefits are those items other than base salary and housing that are considered part of the compensation package. They are the congregation's responsibility in providing adequate and just support to their clergy. These include health and dental benefits, annuity, long-term disability, flexible spending account, long-term care and group life insurance up to the cost of the UCC Benefits Package.

### **1. Health Insurance**

The UCC offers a Health Benefits Plan, Dental Benefits Plan, and Vision Plan. These are self-insurance programs providing comprehensive health, dental and vision benefits that clergy and their families retain if they move from one state to another. There is only one open enrollment period to enter the Plan: within 90 days of one's first call to work 20 hours or more per week. Subsequent entry into the Plan is by approval of the UCC Pension Boards. Once included in the Plan, clergy and their families are insured for life as long as premiums are paid. The church/institution should pay the entire premium for family coverage unless only single coverage is needed.

Different coverage options are available for both Health and Dental Benefit Plans with differing yearly premiums. The three coverage options for the Health Benefit Plan are identified as Plans A, B, and C. The deductibles and out-of-pocket maximums are lowest for Plan A, mid-level for Plan B, and highest for Plan C, while the yearly premium decreases from Plan A through Plan C. More information is available for Health, Dental, and Vision Plans on the Pension Boards UCC website at <https://www.pbucc.org> or by calling 1.800.642.6543. Congregations/Institutions are strongly encouraged to participate in the UCC

Health, Dental and Vision plans for church staff that work 20 hours or more per week. In addition, we encourage churches to use Plan A whenever possible.

## **2. Annuity/Retirement**

The Pension Boards of the United Church of Christ administer an annuity fund for clergy and lay workers. This tax-sheltered fund is carefully invested to provide maximum benefits at retirement. Annuity payments are calculated at 14% of the base salary+housing. When a parsonage is used, the value of housing is calculated at 30% of the base salary. Thus, the annuity payment for clergy living in a parsonage would equal 14% x 130% of the base salary. Additional tax-sheltered payments may be made by agreement of the church, the clergy and the Pension Boards. Congregations are strongly encouraged to participate in the UCC Pension Plan. The UCC has partnered with Ernst & Young to provide retirement counseling at no cost to actively-contributing members of the Annuity Plan \*EYFPS can help evaluate your financial position, retirement planning goals, and other financial concerns.

## **3. Life & Disability Benefits**

Congregations/Institutions should provide Disability Insurance through the UCC Pension Boards' Life Insurance and Disability Income Benefit Plan. This insurance relieves the church/institution of liability in the event of their clergy's total or partial disability or death. The program provides for Short Term coverage beginning after 30 days and continuing for 5 months. Long Term disability benefits would begin after the 6 months and would pay a percentage of base salary and housing, plus annuity, to age 65. The congregation/institution is responsible for continuation of benefits during the first 6 months of disability. Decreasing term life insurance is included in the Plan. The annual premium is 1-1/2% of the base salary + housing. You can enter the Plan without providing evidence of insurability if you submit your application within 90 days of your first eligible full-time (20 hours or more per week) UCC employment. Contact "Member Services" at the Pension Boards for details by calling 1.800.642.6543.

## **4. Flexible Spending Account Plan**

Through the Pension Boards, local churches participating in the UCC Health Benefit Plan may establish a Flexible Spending Account for clergy. Aside from a modest initial set-up fee, making this Account available does not have a cost to the local church as it is funded by the clergy person's voluntary salary redirection into the Account. The Account provides participants with tax-savings related to medical deductibles, co-pays and dependent care expenses and is an attractive complement to a minister's compensation arrangement.

## **5. Medicare**

The Conference recommends that when a clergy reaches the age of 65 and becomes eligible for Medicare, the church covers the cost of the Medicare Supplement Plan and reimburse the clergy for Medicare Part B. Should insurance conditions change during a call, it is suggested that the congregation/institution and the clergy review the needed changes and agree upon an appropriate coverage arrangement.

## **6. Social Security Reimbursement**

Congregations/Institutions should budget an amount equal to at least an employer's portion of base salary+housing (currently 7.65%) as a social security offset (reimbursement). The IRS considers ordained clergy employees in relation to the income tax, but self-employed in relation to the social security tax. Clergy must pay the self-employed social security tax rate (currently 15.3%) on base salary+social security offset (reimbursement).

## **F. Sabbatical Leave**

Congregations, Chaplaincy, and Special Ministry Settings are strongly encouraged to offer a sabbatical leave between three to five months following three to five years of full-time ministry within the current setting they serve. A part-time clergy is eligible for two months of sabbatical leave after five years of ministry with the church/institution they are currently serving. During the sabbatical, the congregation, Chaplaincy, or Special Ministry Setting will pay the clergy's full salary and benefits. A written sabbatical proposal should be submitted to the Governing Board or Council at least three months prior to the start of the sabbatical, and a written report should be made to the same committee within three months after the sabbatical. In the absence of the clergy, the church/institution is encouraged to also make a plan for what it wishes to learn about themselves during the Sabbatical time. Unless otherwise agreed before the sabbatical, the clergy is expected to serve for at least one year after their return. If a supply clergy person is needed during the sabbatical period, the church/institution can prepare for that expense by adding annually to an escrow account for that purpose. Lay persons also can be prepared to lead worship and carry responsibilities for visitation, community leadership, and other regular clergy duties. For further information about Sabbath leave, contact the Conference Office.

## **G. Parental Leave**

Parental leave should be extended to the clergy person when they experience the birth or adoption of a child. Twelve weeks of paid parental leave is granted so that the clergy can care for self and family. Unused parental leave is forfeited.

## **H. Personal Leave**

In the event of circumstances such as but not limited to the illness of a dependent, the death of a family member, or a personal crisis, provide up to 5 days of personal leave per incident, not to exceed 10 days per 12 months of service. Personal leave does not accumulate. Sick time and personal leave are not meant to be utilized as additional vacation time.

## **I. Sick Leave**

In the event of the clergy's illness, provide up to 12 days of sick leave per 12 months of service; sick leave can accumulate up to 120 days across the years of the clergy's ministry, though accumulated sick leave is not payable upon termination. (For extended illness, see "Short-Term Disability.")

### **III. Professional Expenses**

Professional expenses are reimbursable expenses to the clergy that are incurred in the performance of duties. They are not part of the person's compensation. They are "business" expenses for which the congregation/institution is responsible.

#### **A. Mileage**

The IRS establishes annually a maximum allowable rate for deducting business mileage. The rate for 2022 was .625 cents per mile and this may be adjusted so make sure to watch for changes. The rate includes the full costs of auto depreciation, insurance, maintenance and operation as a per mile cost. It is recommended that churches/institutions reimburse clergy for actual mileage logged in the performance of the ministry at the IRS allowable rate. Unless the actual mileage is logged and accounted for by the clergy, it will be considered taxable income by the IRS.

#### **B. Continuing Education**

Congregations/Institutions should expect their clergy to be committed to continued professional growth and development, since both truly benefit from it. Continuing education leave of at least two weeks each year is recommended, with an amount budgeted to cover a major portion of the expenses for tuition, travel, housing and meals that might be involved.

#### **C. Ministry Expenses**

The church/institution may budget an amount for annual professional expenses including such items as: professional journals, books or periodicals; hosting or entertaining church leaders, members, or guests; dues to professional organizations such as the Academy of Parish Clergy, the Association of United Church Educators, or the Interim Ministry Network. A portion of home office expenses, (i.e., printer paper and ink) a percentage of cell phone and landline expenses and internet expenses should also be included as ministry expenses.

#### **D. Conference, Association, Cluster and Wider Church Meetings**

Clergy are expected to attend official Conference, Association, Cluster and Wider Church meetings. A clergy person is encouraged to serve in ministry in the wider church: Association, Cluster, Outdoor Ministries, Conference, or National settings. This service is to be considered part of the congregation/institution and clergy's ministry. Such service is neither time off nor vacation. Expenses, including mileage and registration fees, which are to be reimbursed by the local church or institution.

#### **E. Pulpit Coverage for Vacations and other Schedule Absences**

During periods of scheduled absence of the clergy, such as the Sundays of scheduled vacation, Conference meetings, continuing education, sick leave, or other approved personal leave, the payment for pulpit coverage is the responsibility of the church.

Suggested compensation for worship leadership contracted for one or more consecutive weeks is \$200 - \$250 plus mileage - IRS set 62.5 cents per mile for 2023. This is a standard amount for that service (plus lodging if needed). An additional amount is to be added if the church/institution involves more than one service.

## **F. Worker's Compensation Insurance for Churches**

In Missouri, an employer is required to carry Workers Compensation if there are 5 or more employees. The employees can be either full or part-time. There is no payroll qualification.

In Arkansas, the Division of Workers Compensation indicates that there is a series of rules that apply making it difficult to make any general statements. Churches in Arkansas can call the Arkansas Workers Compensation Commission, Compliance Division, 1.800.622.4472.

In Tennessee the Churches should call the Workers Compensation Commission, 1.800.332.2667.

Basically, any church with an employee can purchase Workers Compensation coverage, and we recommend that churches purchase the coverage. If a claim should occur, the payments are made under the Schedule of Benefits set forth by the state.

The United Church of Christ Insurance Board (UCC-IB) "Workers Compensation" coverage automatically includes coverage for volunteers, where applicable by state law.

## **G. Malpractice Insurance**

In today's litigious society, it is advisable for churches/institutions to carry malpractice insurance to protect both the clergy and church/institution in the event of a lawsuit. Congregations insured through the UCC-IB Insurance Program have that coverage.

## **H. Background Checks**

Since January 1, 2007, all persons seeking to circulate a profile in the United Church of Christ are required to pay for a national criminal background check, the cost (\$170) of which is to be reimbursed by the congregation that calls them. There is an additional line item added to the attached worksheets indicating this cost to the congregation. Background checks are considered valid for 18 months.

## **I. Boundary Awareness Training**

All authorized clergy (including retired clergy and members in discernment) serving in any capacity in churches/institutions of the Missouri Mid-South Conference are required to participate in, and be certified as having completed, periodic Boundary Awareness Training either in person or online. While this does not insure against sexual and other forms of misconduct, the requirement does ensure that those serving are cognizant of the issues. Boundary Awareness Training must be completed every three years. Following the completion of the training, the clergy person should provide a sermon or workshop to the church/institution based on what they have learned.

## **J. Racial Justice and Equity Training**

All authorized clergy (including retired clergy and members in discernment) serving in any capacity in churches/institutions of the Missouri Mid-South Conference are required to participate in, and be certified as having completed, periodic Racial Justice and Equity Training either in person or online. Please check with your particular Association's Committee on Ministry to find out what programs are offered in your area that will meet this requirement. Racial Justice and Equity Training must be completed every three years. Following the completion of the training, the clergy person should provide a sermon or workshop to the church/institution based on what they have learned.

## **IV. Part-Time and Specialized Ministry**

No clergy is to be expected to serve full-time for less than the minimum compensation guidelines outlined in this document. While compensation for part-time clergy may be negotiated below the guidelines, there must still be fair and adequate compensation for the responsibilities involved. Therefore, the following three plans of action provide a way forward:

### **A. Part-Time Clergy**

Churches/Institutions that cannot afford the recommended full-time salary package may wish to consider offering their clergy a part-time salary package. Transparency and good communication is key to this package, because without those a church/institution might easily develop unrealistic time expectations of its part-time clergy. For additional help please see appendix A. on page 20.

A church should consult with the Conference Staff to assist in exploring shared ministry options in which two or more congregations work together to search and call a minister. In some cases, shared ministry may include churches from other denominations.

**B. Settled Pastor:** a Called position intended for longer-term ministry in which the minister moves church membership to the congregation and moves standing to related Association. An Associate Pastor is also a Settled Pastor and although an Associate Pastor might earn 80% of a Senior Pastor's salary, that Associate Pastor should not fall below minimum compensation guidelines. In other words, the disparity between Senior and Associate should be achieved by increasing the Senior Pastor's salary, not decreasing the Associate's. Full benefits should also be offered.

**C. Intentional Interim Pastor:** a called position for a temporary term of congregational preparation for a Settled Pastor search, in which the minister does not typically move church membership to the congregation served or move standing to the related Association. In the Missouri Mid-South Conference, an Intentional Interim Pastor must have completed the Interim Ministry Network's training (see [imnedu.org](http://imnedu.org)), or the Intentional Interim Pastors training course offered by the Presbyterian Church U.S.A. to be designated an Intentional Interim Pastor.

**D. Transitional Minister:** a called position in which the minister may move their membership to the congregation they are serving or move standing to the related Association. They may also be considered for the Settled Pastor position.

**E. Chaplain:** a called position within a specialized ministry setting of a hospital, military or corporate institution where the minister provides spiritual and emotional care for all patients, clients, families and staff of an institution, regardless of faith affiliation or lack thereof. Chaplains have a four-way covenant between the chaplain, the chaplain's institution, the chaplain's local church and the chaplain's Association/Conference. Chaplains are strongly encouraged to seek denominational endorsement for chaplaincy and should consult the UCC Manual on Ministry for guidelines. Chaplains are provided with a housing salary to be negotiated with the minister's institution upon employment.

**F. Supply Pastor:** a temporary position in which the pastor does not move membership to the congregation served or move standing to related Association.

**G. Designated-Term Pastor:** a called position for a designated time period for a defined purpose, in which the pastor may move church membership to the congregation served and may move standing to the related Association.

**H. Commissioned Minister:** is a lay person authorized to serve in the United Church of Christ according to the guidelines of the Manual on Ministry. He/She normally has a college degree plus specialized training in a specific area of ministry not requiring ordination, such as Christian education, music ministry, congregational health ministry, parish nursing, administration, outdoor ministry, etc. Compensation should reflect experience, education and special training. Full-time Commissioned Ministers should receive all the benefits recommended above in Section II, D.

**I. Licensed Minister:** is a lay person who has received special training to preach, lead worship, and administer the sacraments in settings where an ordained pastor is not available. Compensation should comply with the minimum compensation guidelines to fairly address the time and responsibilities required by the position. Churches may wish to consider a percentage of the recommended guidelines for base salary, housing, and benefits if part-time ministry is involved. Licensed Ministerial standing must be renewed annually in accordance with the Manual on Ministry (MOM) of the Association's Committee on Ministry (CoM).

## **V. Working Together for Effective Ministry**

The covenant that binds clergy and congregation/institution in mutual ministry and mission needs to be nurtured, strengthened, and sometimes renewed. Here are some specific ways this can be checked on:

### **A. Pastoral Relations Committee**

This committee is a standing committee of three to seven persons, with the purpose of supporting a healthy relationship between the clergy and congregants in order to enhance the effectiveness of the church's ministry. The committee serves in two primary ways:

- As an advisory group to the clergy: sharing ideas, dreams, expectations, and concerns of the congregation with the clergy;
- As a support group for the clergy's leadership: interpreting roles, functions, boundaries, opportunities, and needs of the clergy to the congregation.
- This is not a group that discusses or recommends modifications to the compensation package.

The goal of a Pastoral Relations Committee is to promote faithful, shared ministry between the pastor and the congregation. More information about creating and maintaining a healthy PRC can be found in the booklet called, *A Sure Foundation* on the UCC website.

## **B. Annual Review of Compensation**

An important task for the Church Board/Institution or appropriate committee (Personnel or Finance) is an annual review of the clergy's compensation. The review is to be an open and caring conversation allowing the clergy to express changing needs or expectations. An annual increase of base salary reflecting any increase in the cost of living should be considered. This includes a review and adjustment of mileage reimbursement (if applicable) based on current IRS guidelines. Compensation needs to reflect the congregation's/institution's intentions to take seriously their own calling. Additional salary increases reflecting meritorious service or increased responsibilities affirm the mutual covenant between clergy and congregation/institution. Increases in clergy's compensation are to be advocated by a member of the Pastoral Relations Committee or Personnel Committee. A clergy person should not be put in the position of defending their own compensation.

## **C. Ministry Evaluation**

Any planned evaluation of the church's/institutions ministry needs to be done at a time sufficiently distant from annual compensation review to avoid linking the two. Ministry evaluation is best undertaken when the purposes of evaluation are clear, and there are no immediate tensions in the relationship between clergy, lay leaders, congregation and or institution. Such purposes might be to clarify congregational/institutional goals and objectives, to assess the clergy's use of time in relation to those objectives, to identify unmet ministry needs, or skills that need further development. Evaluation of the congregation's/institution's ministry is as important as the evaluation of the clergys; the ministry and mission belong to both. Deficiencies in ministry by one party can seriously impede effectiveness by the other. Instruments for Local Church Evaluation and Clergy Evaluation are available from The United Church of Christ booklet, *A Sure Foundation*. Also recommended is *When Better isn't Enough: Evaluation Tools for the Twenty-First Century Church* by Jill Hudson.

## **D. Being The Church**

During this time of the pandemic we are all called to **Be The Church** and therefore it is important to recognize that our clergy are working hard to keep the members of their congregations/institutions connected. They are tired and worn out emotionally and need the help of our churches/institutions to feel

loved and cared for in this time. Below is a list of suggested ways in which each congregation/institution can show their appreciation for all that their clergy are doing during COVID-19.

- An additional Sunday off
- An additional day off during the week
- One Sunday a month is lay lead
- Virtual Field Trip Sunday (attending another church service virtually)
- Dividing up pastoral care responsibilities
- Giving them a “staycation” (a vacation at home with no contact)
- Testimony Sunday (instead of a sermon, a church member shares their faith story)
- Early Sabbatical (offering a Sabbatical ahead of schedule)
- Members calling on each other
- Covering the cost of Spiritual Direction

These are just suggestions for our congregations to think about and potentially offer to their clergy so that they can find rest and restoration.

## Rethinking Part-Time Ministry

In this section we are inviting you to think differently and more openly as to what part-time ministry can look like. We fully believe that part-time ministry can be a wonderful experience for both clergy and their setting, whether that is a local congregation, a non-profit institution, or other setting. We are offering just a few options to consider when developing a part-time ministry approach. Each approach permits a church/institution to set priorities while also providing considerable flexibility to the clergy person. This should be discussed thoroughly with your clergy person in order to discern the option that suits them and the setting best.

- A full-time clergy position would average 40 hours a week over a year.
- A three-quarter time position would average 30 hours a week over a year.
- A half-time position would average 20 hours a week over a year.
- The minimum salary and benefits for a half-time clergy person should be calculated at 50% of a full-time package.

### *Plan A*

Lay people might take on more responsibilities during the week. This would free up the clergy to focus on other areas of ministry. In this way, a church may provide a professional-level ministry with a part-time minister. [Lay Leader Responsible](#) vs. [Pastor Responsibility](#)

[Worship planning and preparation](#)

[Creating the bulletin and printing it](#)

[Creating worship PowerPoint](#)

Lead all parts of Sunday worship (Pastor only preaches the sermon and leads prayers and provides the benediction and communion)

[Teach Confirmation Class](#)

[Visitation at hospitals, nursing homes, personal homes](#) (Creation of Lay Leaders “Care Team”)

[Administration, phone calls, emails](#)

[Church, community, and denominational meetings which includes clusters](#)

[Counseling, weddings, funerals, and other pastoral concerns](#)

[Teaching, Bible Study, Adult Education](#)

[Communication Venues: newsletters, website, social media posts](#)

### *Plan B*

Once a month the lay leaders of the church lead worship, preparing everything necessary (bulletin, scripture lessons, children’s message, sermon, etc.) This frees up the pastor’s time to focus on other things such as: fundraising/capital campaigns, attending town hall meetings, sporting events for the church youth, and starting a youth group. This is about understanding that we are all ministers and together we share the work of spreading the gospel out into the world.

*Plan C:*

A church may explore the idea of sharing a part-time pastor with another church. This can alleviate some of the stress regarding the compensation package for clergy. A church considering this option should consult with the Conference Staff to assist in exploring shared ministry options. In some cases, shared ministry may include churches from other denominations.

Salary is calculated to reflect IRS' requirements for clergy tax filing. Housing Allowance is arbitrary and should be set by the church governing board each year prior to January 1, in accordance with clergy's anticipated household expenses for the coming year.

Social Security offset (reimbursement) is calculated by adding Cash Base + Housing.

Clergy Compensation Minimum Guidelines 2023								
Years of Experience		Membership Size						
		1-100	101-200	201-300	301-400	401-500	501-600	601+
0-5	Cash Base	\$42,836	\$44,803	\$46,766	\$48,732	\$50,696	\$52,661	\$54,628
	Housing	\$12,851	\$13,441	\$14,030	\$14,620	\$15,209	\$15,798	\$16,388
	SS	\$4,260.09	\$4,456	\$4,651	\$4,846	\$5,042	\$5,237	\$5,433
	Total	\$59,948	\$62,699	\$65,447	\$68,198	\$70,947	\$73,697	\$76,449
6-10	Cash Base	\$48,731	\$50,696	\$52,661	\$54,628	\$56,591	\$58,558	\$60,521
	Housing	\$14,619	\$15,209	\$15,798	\$16,388	\$16,977	\$17,567	\$18,156
	SS	\$4,846	\$5,042	\$5,237	\$5,433	\$5,628	\$5,824	\$6,019
	Total	\$68,197	\$70,947	\$73,697	\$76,449	\$79,196	\$81,949	\$84,696
11-15	Cash Base	\$54,628	\$56,591	\$58,558	\$60,521	\$62,487	\$64,451	\$66,418
	Housing	\$16,388	\$16,977	\$17,567	\$18,156	\$18,746	\$19,335	\$19,925
	SS	\$5,433	\$5,628	\$5,824	\$6,019	\$6,214	\$6,410	\$6,605
	Total	\$76,449	\$79,196	\$81,949	\$84,696	\$87,447	\$90,195	\$92,948
16-20	Cash Base	\$60,521	\$62,487	\$64,451	\$66,418	\$68,383	\$70,348	\$72,313
	Housing	\$18,156	\$18,746	\$19,335	\$19,925	\$20,515	\$21,104	\$21,694
	SS	\$6,019	\$6,214	\$6,410	\$6,605	\$6,801	\$6,996	\$7,191
	Total	\$84,696	\$87,447	\$90,195	\$92,948	\$95,698	\$98,448	\$101,198
21+	Cash Base	\$66,418	\$68,383	\$70,348	\$72,313	\$74,276	\$76,241	\$78,206
	Housing	\$19,925	\$20,515	\$21,104	\$21,694	\$22,283	\$22,872	\$23,462
	SS	\$6,605	\$6,801	\$6,996	\$7,191	\$7,387	\$7,582	\$7,778
	Total	\$92,948	\$95,698	\$98,448	\$101,198	\$103,946	\$106,696	\$109,446

