

## 4.0 COMPENSATION NORMS

Provision for the basic compensation (stipend, housing and utilities, insurance [medical and dental], pension) of the clergy person is the responsibility of the local church. The church has a long history of offering stipendiary compensation to its clergy. Unlike salary, a stipend is the congregation's way of communicating to the clergy that you need his or her time and expertise in order to develop the life and mission of the local church. Consequently, instead of the clergy person seeking financial remuneration (salary) through a job in another arena, he or she is being compensated (stipend) so that the congregation might benefit from his or her time and ministry skills.

A customary package for a full-time clergy position normally includes:

- + Stipend for living expenses
- + Housing allowance for mortgage/rent, utilities and household maintenance
- + Insurance for medical and dental needs for the family
- + Pension, often given through a congregation-based defined benefit plan (amounts vary)

It is best to calculate a compensation package on a full-time basis for your community and then if the congregation lacks sufficient resources for someone full-time, the option would be to reduce the amount of time you would expect the assistance of the clergy person on a weekly basis, allowing the clergy person to supplement his or her income with other employment. Many of our church plants will find themselves in this position at the outset.

In addition, some congregations also provide remuneration for basic ministry expenses because they desire to share in the financial burden this places on the clergy:

- + Mileage allowance
- + Social Security benefit to address the 'self-employment' amount clergy pay
- + Hospitality allowance for entertainment expenses with congregation members

Guides for compensation amounts come in many forms, but the tremendous variety in local environments where our congregations are focused in mission, makes it difficult to provide any uniform or standard minimum compensation expectations. Every congregation, therefore, must consider how it will compensate its clergy and do everything reasonably possible to provide a generous environment in which a clergy person is invited to exercise his or her ministry gifts. In order to do the proper research for your needs, consider one or all of these approaches, not so that you can identify the least amount possible, but so that the clergy person may effectively minister without worry or concern for financial support, potentially compounding the difficulty of serving the Lord among His people:

1. Obtain *Compensation Handbook for Church Staff* by Richard R. Hammar (published biannually). Richard Hammar has written multiple clergy and congregation resources for tax law and his monthly newsletter is highly recommended. Thom Rainer has written *2016-2017 Compensation Handbook for Church Staff*, which includes clergy benefit information from 2500 churches across the country.

2. Search online for a web-based approach with [www.churchstaffing.com](http://www.churchstaffing.com) as one of the more reputable and reliable of the options.
3. Consider the salary of the local elementary school principal as a starting point. In your area, perhaps an assistant principal at the secondary school level might be more appropriate, both in terms of ministry demands and scope of responsibility. While the local school district has the authority to tax the populace, often they operate on minimal budgets and have to ensure that the teachers and administrators they hire are able to live satisfactorily in your community on the compensation they receive. In California, local school district information is available through [www.transparentcalifornia.com](http://www.transparentcalifornia.com).

Once you have concluded your research, you will be more knowledgeable of the components that must be considered when compensating clergy. While the congregation has latitude within which to draw its conclusions, your generosity will pay dividends and will increase the likelihood that you will be able to meet your mission and ministry goals for the future.

### **Compensation for Clergy Supply**

The stipend for clergy who supply services on Sunday is \$250.00 per weekend plus mileage and expenses. Should a clergy person decide to waive the supply stipend, it will be in his or her purview to do so, but the congregation should recognize that the preparation time required to preach, in addition to the time associated with the worship service, is worth far more to the congregation than the amount of the stipend. Please bless the clergy leader you have invited with a meaningful expression of your gratitude for his or her ministry among you.

### **Compensation for Interim Ministry**

Interim clergy have the unique responsibility of serving a congregation at a minimum level to maintain stability while the congregation takes the time needed to search for a new rector. Interim clergy should be available for the essential ministries of the church, but they should not begin new programs or make sweeping changes to the ministries and mission of the church without consultation of the bishop.

Compensation for interim clergy should be considered on the basis of our compensation guidelines. Please see above.

Whatever the stipend, it must be agreeable to the vestry and the clergy person. For a long term interim, a Memorandum of Understanding must be drawn up, which outlines the ministry expectations and stipend, and signed by both parties. **See Appendix \_ for a sample Memorandum of Understanding.**

No priest serving a congregation during a vacancy in the office of rector is eligible to be a candidate for rector. Under very special circumstances, the bishop may waive this guideline.