

Compensation Worksheet 2023

Congregation Name: _____
 Name of Clergy person: _____
 Weeks of Annual Vacation (must be at least four): _____
 Weeks of Annual Study Leave (must be at least two): _____
 Date of Last Sabbatical (PSNE Policy is every 6 years): _____
 Name of Person Filling out this Form: _____
 Contact Info: _____
 Date: _____

The recommended minimum salary (cash + housing/manse) is \$65,000 and COLA increase is 6%. <https://www.ssa.gov/cola/>

Cash Salary	
Housing Allowance (if not in a manse)	
Bonus(es)	
Employee Contributions (403b, equity allowances, tax-sheltered annuity)	
Other (medical reimbursement or additional non BOP insurance)	
Manse (must be at least 30% of all fields above)	
Total Effective Salary (Total of Above)	
Board of Pensions 39% of Total Effective Salary for 2023 (Medical, Pension, Death and Disability)	
Vision Care via Board of Pensions (optional)	
Dental via Board of Pensions (optional)	
Supplemental Death and Disability via Board of Pensions (optional)	
Auto Expenses	
Professional Expenses	
Continuing Education	
SECA Offset 7.65% of Effective Salary (anything over 50% must be included in effective salary)	

Other Vouchered Expenses	
Other Vouchered Expenses	
	Clergy Signature
	Clerk Signature

All information about Board of Pensions benefits offered such as Medical, Pension, Vision Care, Dental, Flexible Spending Account and 403(b) can be found at:

www.pensions.org

Benefits calculators for BOP are at: <https://www.pensions.org/calc/dues>

Policies for Pastoral Compensation For the Year 2023

The Presbytery of Southern New England (PSNE) annually reviews and establishes policies for compensation of Teaching Elders, including persons serving in this role from another denomination, serving a PSNE congregation in an installed or temporary position (see G-2.0504 for these terms). When considering a call to a non-PSNE church, PSNE members may use this policy as a guide. The intention of these policies is to assist congregations and Teaching Elders in their discussion about the components of compensation and to ensure that there be fair pastoral compensation facilitating effective ministry with a particular community.

It is strongly suggested that all congregations raise their ministerial compensation on an annual basis to keep pace with the Social Security Cost of Living Adjustment. Failure to do so does not keep the position at the minimum of competitive salary and also does not live up to the vow taken to “pay your pastor fairly” as they have cost of living adjustments as does everyone else. It is further suggested that congregations consult with the Commission on Ministry (COM) about pastoral compensation as it relates to gender and racial considerations for fair and equal pay with their colleagues. In 2018 the COM began to consider issues related to these realities as requested by the 223rd General Assembly and it is clear that there is a wide gender pay gap and to a degree racial pay gap in this Presbytery. Since 2018, the COM would note that this trend has continued unabated in PSNE. This is a justice issue that only can be resolved by consistent and steady attention by both congregations and the Presbytery and is holy work we do in community with each other as we live into the Gospel to which we are called.

1. General Provisions:

- a. All calls shall conform to the requirements of the *Constitution* of the Presbyterian Church USA, be in writing and include all agreements between the Teaching Elders and the congregations. They shall be reported to the PSNE Commission on Ministry and when appropriate, recommended for approval by PSNE.
- b. Annual meetings with the Teaching Elder(s) and the Session or their personnel Commission(s) shall review the adequacy of each element of the calls and modify these as may be advisable. The liaison from the COM should discuss compensation issues with the Session annually,

including any Presbytery recommendations regarding Cost of Living salary adjustments.

- c. Congregations shall comply with Equal Employment Opportunity provisions and shall adhere to fair employment practices without regard to race, ethnic origin, gender, age, disability, marital status or sexual orientation.
- d. PSNE and its Commission on Ministry exist to support mission and ministry and recognize that particular situations may not fit these compensation policies. Local churches may seek approval of such calls. When doing so they shall either submit a plan that brings them into compliance within three years or request an exception to the policy by documenting the particular circumstances that prevent compliance. Such exceptions, when granted, must be included in the written call.
- e. This compensation policy becomes effective January 1 of the year following approval. The compensation for both new and continuing Teaching Elders shall comply with these minimum standards.

2. Requirements and Guidelines:

- a. Effective Salary: The definition of Effective Salary is given on the Board of Pensions website www.pensions.org and in the instructions for Board of Pensions form ENR-111. The BOP calculator provides guidance for churches which have manses and those which do not. The BOP website should be the first stop for PNCs working on developing salary packages. Churches are required to report the total compensation package for clergy each year. A copy of the Parish Clergy terms of call annual reporting form is found on the PSNE website for your information.
- b. Presbytery Mandates: Presbytery mandates that new calls meet Presbytery minimums and approves recommendations for those minimums. Salaries for less than full time calls should be prorated. It is important for churches with established calls to ensure that at least the current minimum is maintained and to consider other factors mentioned in this guideline.
- c. Current Presbytery minimums: **Entry level Minimum effective salary for 2023 is \$65,000. We are recommending a 6% COLA for 2023.**
<https://www.ssa.gov/cola/>
- d. Other Considerations: In determining a fair effective salary churches need to take into consideration significant factors, such as widely

varying housing costs in different geographic parts of the Presbytery, experience level, and size of congregation (number of members). Considering these factors requires adjustments beyond the minimum figures.

i. Geographic differences. There are significant differences as to median income level and housing costs in our presbytery, which need to factor into fair compensation. Several resources are available to help determine this.

The HUD website www.huduser.gov/portal/datasets/il.html provides county by county figures for median family income.

The HUD website www.huduser.gov/portal/datasets/fmr.html provides fair market value for rents by county. This could provide a benchmark for determining a housing allowance.

Median housing values can be secured through local realtors. For CT, the website www.ctrealtor.org provides information. For MA it is www.marealtor.org and for RI, www.rirealtors.org. Ideally, ministers should live in the same community where they serve. However, for some communities with churches without manses, who must provide a housing allowance, prohibitive housing costs make that difficult. Churches providing a housing allowance need to allow for flexibility in housing arrangements, recognizing that ultimately the choice of where to live is the minister's.

ii. Experience level. Churches should consider an adjustment to the minimum salary based on years of experience. A suggested expectation would be to add 1% for each year since ordination for the first ten years and .5% for each year thereafter on top of all other increases.

iii. Size of church. Churches should consider an adjustment beyond the minimums based on the size of the church (number of members). A suggested expectation would be 5% more for each 100 members beyond 200. Thus, for example, the adjustment for a church of 200-299 members would be 5%, for a church of 300-399 members would be 10%, etc.

iv. Gender and Race disparities. There is still considerable disparity in effective salary between male and female pastors in full time installed positions. Similar disparities are present as well for racial ethnic ministers. Churches are urged to review the Board of Pensions document Living by the

Gospel and consider ways to rectify that concern. The Commission on Ministry, in reviewing calls, will look at comparative situations in order to ensure more equity in this matter.

- v. Associate Pastors - It is recommended that effective salary for Associate Pastors should be between 70 and 85% of the salary for Pastors/Head of Staff, depending on experience, church members and scope of responsibilities.
- e. Benefits Plan Dues: Compensation shall include payment of the Board of Pensions' mandated dues for medical, death and disability insurance, and pension benefits, also called the Pastor's Participation plan. Dues are mandatory for all installed pastors regardless of hours served. Other teaching elders may be enrolled in either the Pastor's Participation plan or in menu options. For other teaching elders enrolled in the Pastor's Participation, there is a 20-hours per week minimum scheduled working-hour requirement for participation. For other teaching elders enrolled in menu options, there is no minimum scheduled working-hour requirement for medical coverage but there is a 20-hour minimum scheduled weekly working-hour requirement for all other benefits.. PSNE requires employing organizations to pay the Board healthcare and pension dues for the Pastor's Participation plan regardless of the pastor's family status and regardless of whether a minister member's spouse and dependents have healthcare coverage through an alternative source. The Commission on Ministry may grant exceptions in extenuating circumstances. The dues are specified by the Board each year as percentages of Effective Salary. The Board annually specifies flat dollar amounts for the minimum and maximum dues basis for the components of the benefit plan. The Board website provides a dues calculator at: <http://www.pensions.org/AvailableResources/Calculators/Pages/Dues-Calculator.aspx>. Note that the Board has special provisions concerning clergy couples.
- f. Self care: Attention to self care is essential to the well-being of both Teaching Elders and congregations. The responsibilities of ministry often cannot be fully planned or scheduled, so it is important to establish norms and intentionally maintain them on average. Expectation of regular service beyond a typical full-time work week often leads to problems. The number of hours of service expected per week should be clearly laid out between the Teaching Elder and the

congregation. At least two days off per week should be provided. A full-time workweek is considered 40 hours/week.

- g. Paid Holidays: Paid holidays and/or a floating date in lieu of the holiday if the clergy person is required to work on that day shall be provided. The Presbytery follows the federal holiday schedule. Annual Vacation: Four full weeks of vacation annually and five weeks after ten years of continuous service in a congregation shall be provided. The church is to provide coverage for all pastoral functions in the Teaching Elder's absence, including but not limited to conducting worship services. Any changes to vacation beyond this requires a meeting of the Congregation as this is a terms of call issue.
- h. Annual Study Leave: Two weeks annually of paid study leave shall be provided. Unused portions may accumulate to not more than six weeks. The study leave shall be approved by the Session as far in advance as possible and normally should not immediately precede, follow, or be mixed with vacation time. As with vacation, the church is to provide coverage for all pastoral functions in the Teaching Elder's absence.
- i. Early Ministry Institute: Teaching Elders whose first parish ministry is in PSNE shall participate in the Early Ministry Institute of the Synod of the Northeast or its equivalent. The church shall provide appropriate time off for participation in this program.
- j. Sabbatical leave: A three-month sabbatical with full salary and benefits shall be arranged between the Teaching Elder and session after each sixth year of continuous installed service.
- k. Leave: All congregations are required to adhere to the Presbytery policies on disability and paid-family leave. These policies are posted on the PSNE website under the COM page.
- l. Accountable Reimbursement Plan:
 - i. Continuing Education allowance – A reimbursement budget of at least \$2,000 against paid receipts for expenses for books, continuing education, and study leave shall be provided. This allowance may be accumulated for up to three years.
 - ii. Automobile and Professional expenses – Terms of call shall include a reimbursement account to cover the cost of a Teaching Elder's driving to meetings and pastoral visits, and other appropriate travel as well as other professional expenses such as professional memberships, subscriptions, and so forth. Expenses for the use of the Teaching Elder's personal car

- preferably should be reimbursed at the mileage rate allowed by the Internal Revenue Service for business travel.
- iii. Moving costs where applicable shall be reimbursed against paid invoices or billed directly to the church. Provision for moving costs shall be included in the terms of call of the Teaching Elder.
- m. Self-employment Contribution Act (SECA) Tax Allowance: A Social Security offset payment of one half of the Teaching Elder's self-employment tax is highly recommended to prepare for adequate retirement income.
- n. Housing Equity Fund (Retirement savings plan) - Churches that require the minister to live in a manse are encouraged to contribute to a housing equity fund, so the minister might build equity in anticipation of housing needs in retirement. The recommendation is \$200 per month. The Board of Pensions offers a retirement savings plan through Fidelity Investments (which can be for housing equity), to which the church could contribute. The plan number is 57887. Contact (800) 343-0860 for further information.

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