

*Authorized
Minister's
Compensation
Guidelines
2014-2015*



**CONNECTICUT CONFERENCE UNITED CHURCH OF CHRIST
 AUTHORIZED MINISTER’S COMPENSATION GUIDELINES FOR 2014-2015**

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I. INTRODUCTION

Few among us like to talk about money—especially when it comes to how much we pay our pastoral staff. People rarely answer the call to pastoral ministry in order to become wealthy, yet the compensation package is very important both to the church and professional Authorized Ministers . Candidates for pastoral positions pay attention to the salary offered in the *Employment Opportunities* listing and to the history of pastoral compensation in a local church profile. The bottom line can make or break a church—literally and figuratively.

In order for a church to **attract** (and **retain**) qualified, competent, gifted, caring pastoral leadership which will enhance the spiritual life of the congregation it will have to offer more than good pot luck suppers and people in the pews. Its financial package must be attractive and offer a salary consistent with the community. There are a number of factors that Authorized Ministers take into account—salary, benefits, housing, professional expenses, continuing education and vacation. All of these will be described in this document.

For churches attempting to update or renew an Authorized Ministers package, please see the latest Authorized Ministers Compensation Renewal Guidelines. For more information on salary, housing, or benefits, please see the latest Clergy Compensation Guidelines (<http://ctucc.org/resources/pastorscompensation.php>) or contact the CT Conference Office at 866-367-2822.

It is understood that each local congregation creates its compensation package based upon the realities of its situation. While no one can dictate what an individual UCC congregation must pay its Authorized Ministers (s), what is set forth here is what the Connecticut Conference of the United Church of Christ Board of Directors believes are the appropriate compensation standards for ordained Authorized Ministers in the Connecticut Conference. We trust that this booklet will provide useful data and insight for churches as they undertake the process of creating a financial package for their Authorized Ministers s.

In the United church of Christ an authorized minister in the UCC is a person who has been granted ecclesiastical authority by an association through the rite of ordination, through commissioning, or licensing. An ordained minister is one who has been recognized through the rite of ordination to preach and teach the gospel, to administer the sacraments and rites of the church and to exercise pastoral care and leadership. A commissioned minister is one who has been recognized and authorized for a specific church-related ministry. A licensed minister is one who has been recognized and authorized to perform specific duties in a designated local church.

For questions and clarifications please contact the CT Conference UCC office, 866-367-2822.

II. BASIC ASSUMPTIONS

There should be an agreement between the church and the Authorized Minister that an annual review of salary and benefits will take place. Annual performance review is also recommended to encourage common understanding of the needs of the community and the church and to stimulate the ordained minister's growth and development. Again, if a church wishes to attract and retain quality pastoral leadership, then an annual review of the compensation package is essential. We trust that churches will, in fairness to themselves and their Authorized Ministers , not simply gloss over this review but will take the task seriously and prayerfully.

Likewise, we believe that the Authorized Ministers' professional performance within the social, economic and spiritual context of the community is an important part of this annual review. A review of professional performance should include a review of the congregation's *support* for the ministry goals of the church and its minister, as well as the congregation's *participation* in working toward the ministry goals.

The guidelines presented here offer compensation goals for full-time and part-time ordained Authorized Ministers .

These reflect the size of the congregation and the years of experience of the Authorized Minister .

We are aware that there may be congregations in the Connecticut Conference that cannot meet these compensation goals today. However, we believe that these are compensation goals toward which churches should aspire. If they are not feasible in your setting we encourage you to be creative in an attempt to adequately compensate your Authorized Minister (s). Some churches are yoked and share the cost of a Authorized Minister . Others have offered the Authorized Ministers extra days off so that the Authorized Ministers can supplement his or her income from other work.

If your church finds itself in need of help in finding ways to reach toward these compensation goals, we suggest you contact your Regional Minister or the CT Conference UCC office.

III. HOW TO BEGIN: Who Does It?

It is a common practice that determination of an Authorized Ministers compensation is carried out by a particular group within the church such as a Personnel Committee, Board of Deacons or Trustees, or a Pastoral Relations Committee. **(Note: While there are Pastoral Relations Committees that do make compensation recommendations we believe that there may be a potential conflict between the supportive, communicative role to which most are charged, and that of compensation review.)**

Some churches may choose to create an ad-hoc committee to conduct the annual review and make the recommendations. However this group is established, its task needs to be taken seriously, thoughtfully and prayerfully. We urge that it not become "just one more responsibility" for a committee already burdened with other tasks.

Members should be fair-minded people of good will with a good understanding of and a strong commitment to the church and its ministry, who together are demographically representative of the congregation.

IV. GATHERING LOCAL COMPENSATION DATA AND ELEMENTS OF MINISTERIAL COMPENSATION

We urge all churches to use the salary guidelines offered in this document and to do the careful research that will enable them to set their pastoral compensation according to a scale commensurate with that of local professionals in comparable secular fields. We particularly have in mind here those professions which require post-graduate training. In addition to the information presented in this document the assigned committee is encouraged to gather information about salaries and benefits commensurate with other professional positions in the wider community in which the church resides. Compensation packages for many of these positions are a matter of public record and can be accessed through online sources and town/city documents. **In each case it would be important to examine the entire benefit package and not simply cash salary numbers.**

A. Authorized Minister's as W-2 Employee

Most Authorized Ministers should report their federal income taxes as employees, since (a) the value of various fringe benefits will be non-taxable (as described in the sections that follow), (b) audit risk is much

lower, (c) reporting as an employee avoids the additional taxes and penalties that often are assessed against Authorized Ministers who are reclassified as employees by the IRS, (d) the IRS considers most Authorized Ministers to be employees, and (e) most Authorized Ministers are employees under the “common law employee” test used by the IRS.

While most Authorized Ministers are employees for federal income tax reporting purposes, all Authorized Ministers are self-employed for Social Security and Medicare purposes with respect to services performed in the exercise of ministry (they have a “dual tax status”).

B. Voluntary Withholding

A church and its Authorized Minister (who reports his or her income taxes as an employee) can voluntarily agree to subject the Authorized Minister’s compensation to income tax withholding. Some Authorized Ministers find voluntary withholding attractive because it avoids the additional work and discipline associated with the estimated tax payment procedure. Authorized Ministers who elect to enter into a voluntary withholding arrangement with their church need only file an IRS Form W-4 (Employee’s Withholding Allowance Certificate) with the church. The filing of this form is deemed to be a request for voluntary withholding. This arrangement may be terminated at any time by either the church or Authorized Minister individually, or by mutual consent of both. Of course, a voluntary withholding arrangement will affect the church’s quarterly IRS Form 941.

C. Estimated Tax Payments

Unless they elect voluntary withholding, Authorized Ministers must prepay their income taxes and self-employment taxes using the IRS estimated tax procedures.

******Spreadsheets for calculating recommended salary are available online at: www.ctucc.org/resources/pastorscompensation.php. ******

There are spreadsheets for both:

- 1.) Calculating recommended Salary using a **TRADITIONAL SALARY, HOUSING ALLOWANCE OR BENEFITS PACKAGE**
- 2.) Calculating cash salary and to see the benefit breakdown using a **TOTAL PACKAGE**.

Some congregations have chosen to offer Authorized Ministers a TOTAL PACKAGE in lieu of the TRADITIONAL PACKAGE outlined in this document. While there are pros and cons to each method, it is highly recommended that search committees use both spreadsheets to ensure that the TOTAL PACKAGE compensation is in line with the TRADITIONAL PACKAGE compensation recommended here.

If you have questions using these spreadsheets please contact the CT Conference Office at 866-367-2822.

D. Salary Guidelines

- **All Authorized Ministers compensation is unique and is recognized so by the IRS.**
*
- **Authorized Minister Salary Basis includes cash salary and housing (either a parsonage or a housing allowance).**
- **Benefits are in addition to base salary and housing.**

a. Solo or Senior Authorized Ministers

Base salary does not include housing, benefits, SECA offset or reimbursable expenses. The chart below offers a recommended base salary amounts as a goal or target for fulltime Authorized Ministers :

Membership	Minimum Base Salary
100 or fewer	\$36,960
101-200	\$39,652
201-350	\$42,240
351-500	\$44,932
501-650	\$47,520
651-800	\$50,212
801-1000	\$52,800
1000+	\$55,492

It is also recommended that the minimum base salary be increased depending on years of experience using the formula below:

For Years Experience	Experience Supplement
For 1-10 years	\$828 per year
For 11-15 years	\$621 per year
For 16-20 years	\$414 per year
For 21-35 years	\$311 per year
For 36+ years	\$207 per year

Example #1 For example, the recommended base salary for an Authorized Minister with 15 years of experience serving a congregation with 200 members would be:

Minimum Base Salary	\$39,652	\$39,652
Experience Supplement	10 years x \$828 + 5 years x \$621	\$11,385
	Total Base Salary	\$51,037

Example #2 In another example, the recommended salary for an Authorized Minister with 20 years of experience serving a congregation with 850 members would be:

Minimum Base Salary	\$52,800	\$52,800
Experience Supplement	10 years x \$828 + 5 years x \$621 + 5 years x \$414	\$13,455
	Total Base Salary	\$66,255

A Note Concerning the Experience Supplement

Experienced Authorized Ministers bring a level of skill to pastoral ministry for which they should be compensated. It is also true, however, that many Authorized Ministers who have entered ministry as a second career bring a wealth of experience and skill to ministry gained in previous work. It is recommended that other professional experience be included as a factor in calculating the experience supplement for second career Authorized Ministers.

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b. Housing

A second, major portion of an Authorized Ministers compensation is housing, which is provided through either the rent-free use of a church-owned house or as a housing allowance. For IRS purposes the housing allowance is currently considered non-taxable income for all authorized ministers.

<http://www.irs.gov/taxtopics/tc417.html>.

(Housing allowance is subject to social security & medicare tax, paid through quarterly SECA payments.)

1. When the Church Provides a Parsonage

When a parsonage is provided, it should be attractive, conveniently located and well maintained. It should have adequate sleeping quarters, plus a guestroom and a study where the Authorized Minister can retreat from family activities, unless adequate office and study facilities are provided in the church itself. Along with the parsonage, the church may pay directly for parsonage utilities (heat, light, water, refuse service, local phone service, etc.) or provide a parsonage allowance to the Authorized Minister for those expenses.

If the church provides a parsonage allowance, the amount must be designated in advance in the church budget, and formally be approved by the official church board annually. The action must be recorded in official minutes and retained in the church files. The Authorized Minister must be able to show that his/her actual maintenance costs (e.g. property insurance, utilities, furnishing costs, and maintenance) do in fact equal or exceed the parsonage allowance.

For federal income tax purposes an Authorized Minister can exclude from gross income the fair rental value of the furnished parsonage, including utilities, as part of his or her earnings. However, the exclusion cannot be more than the reasonable pay for services. An Authorized Minister can also exclude any designated parsonage allowance, up to the actual cost incurred. For self-employment tax purposes, an Authorized Minister must report the fair rental value of a parsonage and the parsonage allowance (including an amount the church pays directly for utilities). See IRS Publication 517 *Social Security and Other Information for Members of the Clergy and Other Religious Workers* available online at <http://www.irs.gov/publications/p517/ar02.html#d0e410> for more information.

2. When an Authorized Minister Owns Her or His Own Home

The housing allowance should be a cash package sufficient to allow the Authorized Minister to buy or rent, furnish and maintain a median-priced home in the church's community. The median-price range for a home in Connecticut varies considerably from place to place.

Housing statistics for each county in Connecticut can be found at <http://www.ctrealtor.com>. Information for particular communities can be found online or by contacting a local real estate agent.

The *minimum* housing allowance should be 1 percent per month of the value of a median-priced home in the community. This figure covers the costs for a 30-year, fixed rate mortgage at 5 percent interest, with a 5 percent down payment, along with other associated housing costs: furnishings, property taxes, maintenance, insurance, etc.

Examples:

- At the lower end of the housing market, if a median-priced 3-bedroom home in a community is \$200,000, the church's minimum cash package for housing would be \$2,000 per month, or \$24,000 per year.
- At the mid-level of the housing market, if a median priced 3-bedroom home in a community is \$275,000, the church's minimum cash package for housing would be \$2,750 per month, or \$33,000 per year.
- At the high level of the housing market, if a median priced 3-bedroom home in a community is \$400,000, the church's minimum cash package for housing would be \$4,000 per month, or \$48,000 per year.

c. **Allocation of Salary and Housing When an Authorized Minister Owns Her or His Own Home**

Home ownership is advantageous because it allows an Authorized Minister to build equity in real property. For married or partnered Authorized Ministers with children, equity is especially important when it comes time to finance a child's college education or to buy a permanent retirement home. Home ownership ensures that a minister's spouse/partner and family will have a home and a community in the event of a minister's untimely death. Many churches have found that with the capital realized from the sale of an existing parsonage they can loan their Authorized Minister funds for a down payment on a home or can use the income from the rental of an existing parsonage to provide their Authorized Minister (s) with a housing allowance.

An Authorized Minister does not have to pay income taxes on the portion of the salary and housing specifically designated as housing allowance, **but the housing allowance must be included in calculating self-employment taxes.** The Internal Revenue Service allows the housing allowance to be the lesser of:

1. The fair rental value of the **furnished** home plus utilities
2. The amount actually expended to provide a home
3. The amount officially designated by the church.

In any instance, the housing allowance cannot be more than the reasonable pay for ministerial services. For the housing allowance to be exempt from federal income taxes, the amount of the housing allowance must be designated in advance in the church budget, and formally be approved by the official church board annually. The action must be recorded in official minutes and retained in the church files. The Authorized Minister must be able to show that his/her actual housing costs (e.g. rent or mortgage payments, property taxes, property insurance, utilities, furnishing costs, and maintenance) do in fact equal or exceed the housing allowance. Any amount of the allowance that is not actually spent on housing must be reported as taxable income by the Authorized Minister on his/her income tax return.

In addition to the above considerations, the housing allowance cannot exceed the reasonable pay for your services. A housing allowance may equal 100% of cash compensation, but the larger the housing allowance as a percent of salary, the more likely that other tax and benefit problems arise—specifically for pension and tax sheltered contributions. If you have any questions, please call the Associate Conference Minister for Clergy Concerns at the Conference office.

d. Housing Equity Fund

A church that provides its Authorized Minister with a parsonage may want to consider establishing a housing equity fund that would be payable upon retirement or at some other time in the future. The fund would accumulate according to the specific agreement during the active service of the Authorized Minister and then be available in a variety of payment options. A housing equity fund is a form of deferred compensation and not a qualified retirement plan. Distributions from the fund to the Authorized Minister are subject to taxes at the time of distribution.

The Connecticut Conference does not play a role in such plans other than to provide the option of investing the funds as a separate account owned by the local church in the Consolidated Trust Fund. If you are interested in this investment option or have other procedural questions regarding housing equity accounts, please contact the Associate Conference Minister for Endowment Ministries. (Charlie Kuchenbrod, charliek@ctucc.org, 860.761.7111)

There are several investment options provided by the United Church of Christ that may be suitable for housing equity funds, including:

- The Consolidated Trust Fund (www.ctucc.org/program/ctf.php)
- The United Church Foundation (www.unitedchurchfunds.org)
- The Cornerstone Fund (www.cornerstonefund.org.)

e. Co-Pastors

Please consult your Regional Minister for guidance regarding payment of co-pastors.

f. Associate Pastors

It is recommended that the salary for an Associate Pastors should fall between 70 and 85% of the recommended salary for a Senior Pastor. In deciding the appropriate percentage, not only should the church consider the years of experience, but also the scope and level of responsibilities handled by the Associate Minister.

g. Renewing Contracts

For churches attempting to update or renew an Authorized Ministers package, please see the latest Authorized Ministers Compensation Renewal Guidelines. For more information on salary, housing, or benefits, please see the latest Clergy Compensation Guidelines (<http://ctucc.org/resources/pastorscompensation.php>) or contact the CT Conference Office at 866-367-2822.

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E. Part-Time and Bi-vocational Authorized Minister Compensation

This is often a good option for churches with a specialized ministry position, churches undergoing a transition or small congregations that struggle financially.

Salary parameters and benefits for part-time Authorized Ministers should be modified based on the percentage of full-time service worked. However this is often involves more than anticipated. Failure to address the many options and issues can result in a negative prognosis.

Details of the compensation should be included in the call agreement and amended as necessary.

There are a few important points to remember if this is the option you are exploring.

1. Set priorities and expectations:

Part time Authorized Ministers must still have a living wage to take care of their needs. That does not mean the church is responsible for providing that compensation, but it does mean that the church needs to be accommodating to those needs. The Authorized Minister will most likely need to work at another position in order to provide for basic necessities. This will not allow the Authorized Minister to be present whenever the church might wish. This accommodation may be difficult, but it can be managed if expectations, goals and priorities are carefully explored and agreed upon.

2. Be flexible:

Health insurance, travel, continuing education, vacation time, etc. are all things that need to be considered prior to issuing a call. For instance; a semi-retired Authorized Ministers may desire more time away in lieu of financial compensation to attend to family or travel. A younger Authorized Minister may need more help with health insurance costs, but not require extra vacation time. Negotiable items can make a difference for both parties. Being flexible is important.

3. Stay in conversation:

Often congregations and Authorized Ministers agree on a package but discover issues as they live into the dynamic. Both parties should agree to discuss the package annually prior to setting the church budget.

4. Continue to communicate to the congregation:

It is crucial to regularly communicate any changes in compensation or priorities and expectations to the congregation. Transparency will help to promote a unified ministry of the congregation and the Authorized Minister.

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F. BENEFITS

a. Pension/Annuity Fund

The current pension plan provided by the UCC is an excellent one, offering several investment funds and the option for the Authorized Minister to add his/her own tax sheltered contributions to save for retirement. We strongly encourage each congregation to participate in this plan.

The recommended level of participation is 14% of the “Salary Basis,” defined as follows:

- When rent-free use of a parsonage is provided:

“SALARY BASIS” = Base cash salary + (30% of Base Cash Salary) or, simply 130% of Base Cash Salary.

- When a housing allowance is provided:

“SALARY BASIS” = Salary and Housing Allowance.

Contributions to the Pension Fund are not limited to 14%. However, federal law limits contributions to a tax-sheltered annuity based on age—older persons may make larger contributions to tax sheltered annuities. Contributions beyond the limit are taxable. Participants should contact a financial advisor to determine the upper limit for contributions to annuity funds.

Money paid by the church for tax-sheltered annuities is not reported as current income for tax purposes (subject to the limit discussed above), but will be taxed when it is withdrawn, which is normally after retirement.

b. Group Life Insurance & Disability Income Benefit

UCC congregations are encouraged to provide the UCC Pension Boards’ Life Insurance and Disability Income Benefit Plan for their Authorized Minister, which includes life insurance, short-term disability insurance and long-term disability insurance.

The premium is 1.5% of the “Salary Basis” (see above). The formula above presents the method of calculating the annual premium for the Life Insurance and Disability Income Benefit Plan.

c. Health, Dental, and Vision Care Benefits

1. Health Insurance

Group health insurance for Authorized Ministers is provided by the UCC Pension Boards. We recommend Plan A and that churches pay the full annual premium for family coverage. The UCC Medical Benefits Plan offers portability to Authorized Ministers and their dependents if they remain in the plan when they change positions.

Please note: UCC Authorized Ministers and their dependents must enroll in the UCC Medical Benefits Plan within the first 90 days of initial eligibility. If they do not enroll in the Plan during the initial eligibility period, or if they choose to leave the plan at a later date, evidence of good health must be provided to enroll. Plan participation may be denied on health status after the first 90 days of eligibility.

2. Dental Insurance

Dental insurance is also part of compensation. A group policy is provided to churches by the Pension Boards. The Board recommends that churches pay the full annual premium for family coverage.

3. Vision Care Insurance

A group policy for vision care insurance is provided to churches by the Pension Boards. The Board recommends that churches pay the full annual premium for this coverage.

4. Flexible Spending Account Plan

Through the Pension Boards, local churches participating in the UCC Medical Benefit Plan may establish a Flexible Spending Account for Authorized Ministers. 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 Authorized Ministers voluntary salary redirection into the Account. The Account provides participants with tax-savings related to medical deductibles, copays and dependent care expenses and is an attractive addition to a compensation arrangement.

****See Appendix I for current costs for Health, Dental and Vision Insurance.**

****See Appendix III for contact information for the UCC Pension and Insurance Board programs.**

d. Self-Employment Taxes (“SECA”)

Authorized Ministers have a “dual tax status.” Authorized Ministers are considered by IRS as:

1. employees for federal income tax reporting purposes, AND
2. self-employed for Social Security purposes with respect to services performed in the exercise of ministry.

In this dual tax status circumstance, Authorized Ministers must pay all their own self-employment taxes (“SECA”). This is in contrast to the more common Social Security tax obligation of other workers whose employers pay 50% of Social Security (“FICA”) and Medicare taxes and the employee pays the other 50%. Authorized Ministers must pay all of these taxes because of their dual tax status.

We recommend that congregations include in the salary package a “SECA Offset” to compensate for this added tax burden. Such an “offset” is paid directly to the Authorized Minister and is reportable as taxable income to the Authorized Minister. We recommend that churches offset 50% of the SECA taxes, which is identical to the rate churches pay for their lay employees.

For additional information consult the UCC Pension Boards annual tax guide, which can be found at pbucc.org.

NOTE: The SECA tax is calculated on cash salary plus housing allowance or fair rental value of the parsonage. In computing the Social Security tax on Schedule SE of Form 1040, Authorized Ministers who live in a church-owned parsonage must include the fair rental value of the parsonage as income. The fair rental value of a parsonage is a question of fact to be determined in each case on the particular circumstances. Consult your tax preparer for assistance with fair rental of the parsonage if it is applicable to you or see IRS Publication 517 as referenced above.

e. Professional Expenses

Each local church must decide what type of professional expenses best support the ministries of their congregation, and how they will be funded. While it is important to remember that these expenses undergird the pastoral leadership offered, these items are considered church related business expenses and are not part of an Authorized Ministers compensation package. These resources will assist the Authorized Minister in fulfilling conventional expectations with the wider church, maintaining collegial relationships, staying connected with the denomination and its activities, developing new and varied skills, and remaining creative and excited about new opportunities for ministry.

The church is strongly urged to adopt an “Accountable Reimbursement Plan” (acceptable to the IRS—see IRS Publication 1828, “Tax Guide for Churches and Religious Organizations,” available at <http://www.irs.gov/pub/irs-pdf/p1828.pdf>) as a means of reimbursing Authorized Ministers for professional expenses they incur on behalf of the congregation. The plan must be adopted in advance of the start of the fiscal year. These expenses may be for: transportation, overnight travel (including lodging and meals), entertainment, books, subscriptions, education, vestments and professional dues. The adoption of such a plan relieves the Authorized Minister of complicated tax reporting of such payments from a non-accountable plan. Under the accountable expense plan, the Authorized Minister provides the church with detailed documentation of the above items. Assuming that the nature and level of expenses falls within IRS guidelines, the reimbursement is not included as taxable income. The church must retain the documentation for seven years for audit purposes.

A non-accountable plan puts responsibility for tax treatment on the Authorized Minister. Typically, the church agrees to a level periodic travel and/or expense allowance, paid to the Authorized Minister as taxable income and included on the W-2 Form. The Authorized Minister is then responsible for her/his business expenses and for retaining the documentation. For a Authorized Minister who does not itemize deductions, this increases the tax liability. Consult a tax professional for guidance.

1. Travel

The costs of transportation incurred by the Authorized Minister in relation to pastoral duties should be considered annually. Reimbursement for automobile travel should be at the allowable rate by the IRS. Information regarding the current reimbursement rate can be found in IRS Publication 463 available at <http://www.irs.gov/pub/irspdf/p463.pdf>. It is necessary for the Authorized Minister to provide to the church a daily record of trips taken, briefly noting the purpose of such trips, the distance traveled, and other expenses incurred including tolls and parking fees. Other transportation costs (airline, taxi, train e.g.) should also be reimbursed. Expense vouchers should be submitted on a regular basis.

2. Meetings

The church should pay for its Authorized Minister to attend the meetings, conferences and gatherings of the Association, Conference and, when appropriate, the national setting of the UCC. In addition, some allowance should be made for the Authorized Ministers expenses while participating in ecumenical activities.

3. Other Professional Expenses

The costs of subscriptions to religious journals, entertaining guests of the church, the cleaning or purchasing of vestments to be worn in worship, and professional dues are all legitimate professional expenses and should not be taken from salary compensation. Upon written and timely account of these expenditures, they should be reimbursed by the church.

f. Vacation/Leave

Authorized Ministers should receive at least four weeks of annual paid vacation. Churches may want to increase vacation time after five years of service, e.g., one week for every 5 years served.

In addition, congregations should provide one weekend off each quarter for their Authorized Minister (s).

NOTE: A week at Silver Lake as chaplain, dean or camp counselor should not to be considered vacation time for the Authorized Minister . This practice is true of the Connecticut Conference in relation to its employees. Copies of the Connecticut Conference Employee Handbook are available upon request to the Associate Conference Minister for Clergy Concerns.

g. Sick, Compassionate, and Parental Leaves

1. Sick Leave

During periods of temporary illness, salary and benefits normally continue. Congregations and Authorized Ministers will want to develop a clear mutual understanding of the meaning of “temporary illness” that will complement the provisions of the Life Insurance and Disability Income Benefit Plan.

It is recommended that Authorized Ministers be provided with a sick/personal time benefit. A possible benefit level is 10 days per year. If Authorized Ministers do not use this time, it could be “banked” up to a maximum of 30 workdays for use in the event of a disability. The disability should be documented by a written request that includes medical verification of the disability (in excess of five days) and would include an indication of the anticipated “return-to-work” date. Banked personal/sick leave time can be utilized to continue compensation.

Note: The UCC Life Insurance and Disability Income Benefit Plan includes coverage for short-term disability after a 30-day waiting period.

2. Compassionate Leave

A compassionate leave could also be considered to address the circumstance when something out of the ordinary happens, such as the death of a family member, sickness or a personal crisis. Thirty to ninety days is recommended with the approval of the appropriate church body. Normally, such leave does not accrue and is not payable if unused.

3. Parental Leave

Paid maternity leaves for a minimum of six weeks up to a maximum of three months should be provided to female Authorized Ministers . Male or female Authorized Ministers may be granted childcare leave for up to six weeks for the purpose of caring for a newborn or seriously ill dependent. Employees adopting a child may be granted a child care leave for the purpose of receiving the child into their immediate family.

h. Continuing Education & Sabbatical Leave

Continual study is a necessity for effective ordained Christian ministry. Authorized Ministers need time for professional development. Periods of study leave from two to four weeks annually are important to the

improvement of the quality of pastoral service and are a good investment by the congregation. Continuing education units (CEU's) provide a recognized measure of professional development and efforts.

Some Authorized Ministers may choose to use this leave "a day at a time" in order to pursue an advanced degree, or may want to use this in conjunction with sabbatical time for the same reason. It's helpful if the Authorized Ministers and the appropriate body in the church can negotiate the most effective way of using continuing education time.

Sabbatical leave for an extended period of study and renewal is also part of the Authorized Ministers continuing development. The usual provision for sabbatical leave is three to six months for every four to six years of continuing service. Timing and financial responsibilities can be arranged in a number of ways. Careful planning is required on the part of both the congregation and the Authorized Minister .

Some Authorized Ministers have concluded that six months after six years is too long a time to be away from the congregation and/or six years is too long a stretch to go between sabbaticals. Other options include:

- Sabbatical time of two or three months, plus vacation, after five years of continuous ministry;
- Taking some sabbatical time every year, usually during the summer in conjunction with vacation. In this case, the Authorized Minister is usually gone for two months.
- Authorized Ministers are encouraged to participate financially by setting aside funds in advance to cover a part of the cost of the travel or training during sabbatical time. Congregations are encouraged to build up reserve funds to meet the cost of ministerial services during the absence of their regular Authorized Minister , and to budget for these expenses in the year of their Authorized Ministers sabbatical. Churches have two components of expense for pastoral leadership during the Authorized Ministers sabbatical leave:
 - 1) cost of the Authorized Ministers salary during the sabbatical leave and
 - 2) cost of an individual to provide these services to the congregation during the time the Authorized Minister is away on the sabbatical.

When sabbatical leave is negotiated with the Authorized Minister , it is important to make sure a line item for this expense appears in annual budgets in advance of the year when the sabbatical will occur. Congregations that make no provisions ahead of time will discover that they are in difficult financial straits in the year that the sabbatical actually occurs.

V. INTERIM MINISTRY

The time between settled pastors presents unique challenges and opportunities for the local church. Churches that take advantage of this time for renewal, have found that the church is stronger and healthier as a result. The success of the next settled pastorate is also affected by the way in which the church moves through the interim time. It is for this reason that the Connecticut Conference strongly recommends the calling of an interim pastor.

An interim pastor is an Authorized Minister who performs the same pastoral duties as a settled pastor. In addition, the interim pastor assists the church in engaging the unique tasks of the "in-between time." The calling of an interim pastor is an investment in the future health of the church. Churches are encouraged to avoid the temptation to save money by hiring an interim for fewer hours than the previous pastor worked or "getting by" with a supply preacher.

A. Salary and Benefits

The salary and benefits package offered the interim pastor should be consistent with current compensation guidelines for settled pastors, including pension, health and disability insurance and continuing education. The package should be comparable to what the church expects to pay its next settled pastor and no less than that which was offered to the previous one. If the position is part-time, all benefits should be pro-rated.

B. Housing

Whether or not housing is provided should be negotiated with the interim pastor. Some interims are happy to live in the parsonage; others own their own homes. If the interim is commuting a long distance, some provision for housing on evenings when she/he must work late or in inclement weather is often appreciated. If housing is not provided, please remember that a housing allowance should be provided.

C. Health, Dental and Vision Insurance

If the church does not need to provide health, dental and vision insurance because the interim is already covered by another insurance program, the church is encouraged to contribute an equal amount to the Connecticut Conference Interim Pastors' Health Insurance Fund. This fund was established to help interim ministers pay premiums during the time in between pastorates.

D. Mileage

Mileage should be reimbursed at the current IRS rate. The interim pastor may prefer either a travel allowance or reimbursement upon presenting a monthly statement of miles traveled. Because interims often travel long distances from home, this mileage may also be reimbursed but is considered taxable income unless the position is less than one year and outside the interim's "tax home." More information is available in IRS Publication 463 available at <http://www.irs.gov/pub/irs-pdf/p463.pdf> or consult a tax advisor for details.

E. Business and Professional Expenses

All business and professional expenses are to be reimbursed.

F. Vacation

Vacation is earned based on one paid week of vacation per three months of service. Payment for unused vacation at the conclusion of the interim should be negotiated. In addition, if it is the practice of the church to offer additional time off (after major holidays, quarterly Sunday off, etc) this practice should be continued.

G. Transitional Income

The practice of intentional interim ministry is a demanding one that sometimes involves gaps of several months between calls. A provision for transitional income is one way to encourage skilled Authorized Ministers to consider interim ministry.

A typical package might include one month's salary, one month's sabbatical and the payment of the next quarter's health insurance premium. This package should be in addition to the amount negotiated in the compensation package.

When the interim pastor is assured that her/his needs will be met, she/he is free to put the needs of the church in transition first. Providing for some income between interim calls also encourages experienced interim pastors to take time to prepare themselves spiritually and physically for the next interim pastorate.

H. Interview Expenses

Reimbursement for expenses related to the initial interview should be paid by the church. Mileage is the most common expense, but it is gracious to offer a meal if the candidate must travel during mealtimes. If other expenses related to the interview (such as lodging) are incurred by the candidate, these should be reimbursed as well. The general rule of thumb is that the interim pastor candidate should be treated in the same manner as a candidate for the settled position.

I. Intentional Interim Pastors

Some interim pastors are called intentional interim pastors. An intentional interim minister is a specialist who has received training beyond a seminary degree in the skills necessary to lead churches in transition or crisis. Intentional interim pastors are committed to the principles and practice of interim ministry. Your Regional Minister can provide you with the names of intentional interim pastors.

VI. APPENDIX

The following pages provide additional resources for both Authorized Ministers and the local church:

- Appendix I 2014 Health, Dental & Vision Plan Insurance Rates
- Appendix II Connecticut Conference Staff and contact information
- Appendix III Useful Addresses
- Appendix IV Pulpit Supply Information
- Appendix V Emergency Aid & other moneys available for Authorized Ministers and their families in the Connecticut Conference

APPENDIX I: 2014 HEALTH, DENTAL & VISION PLAN INSURANCE RATES

Annual Non Medicare Health Insurance Rates 2014

Age 40 and Over

	Annual Rates		
	Plan A	Plan B	Plan C
One Adult	\$9,375.00	\$7,965.00	\$6,387.00
Two Adults	\$18,600.00	\$15,954.00	\$12,813.00
One adult with children(s)	\$18,294.00	\$15,696.00	\$12,612.00
Two adults with children(s)	\$20,055.00	\$16,851.00	\$13,500.00

Age 35 thru 39

	Plan A	Plan B	Plan C
One Adult	\$4,968.00	\$4,221.00	\$3,384.00
Two Adults	\$9,858.00	\$8,577.00	\$6,792.00
One adult with children(s)	\$9,696.00	\$8,319.00	\$6,684.00
Two adults with children(s)	\$10,629.00	\$8,931.00	\$7,155.00

Age 30 thru 34

	Plan A	Plan B	Plan C
One Adult	\$5,439.00	\$4,620.00	\$3,705.00
Two Adults	\$10,788.00	\$9,252.00	\$7,431.00
One adult with children(s)	\$10,611.00	\$9,105.00	\$7,314.00
Two adults with children(s)	\$11,631.00	\$9,774.00	\$7,830.00

Age 25 thru 29

	Plan A	Plan B	Plan C
One Adult	\$5,064.00	\$4,302.00	\$3,450.00
Two Adults	\$10,044.00	\$8,616.00	\$6,918.00
One adult with children(s)	\$9,879.00	\$8,475.00	\$6,810.00
Two adults with children(s)	\$10,830.00	\$9,099.00	\$7,290.00

Under Age 25

	Plan A	Plan B	Plan C
One Adult	\$3,282.00	\$2,787.00	\$2,235.00
Two Adults	\$6,510.00	\$5,583.00	\$4,485.00
One adult with children(s)	\$6,402.00	\$5,493.00	\$4,413.00
Two adults with children(s)	\$7,020.00	\$5,898.00	\$4,725.00

Annual Dental Insurance Rates 2014

One Adult	\$489.00
Two Adults	\$945.00
One adult with children(s)	\$960.00
Two adults with children(s)	\$1,080.00

Annual Medicare Health Insurance Rates 2014

One Adult	\$3,297.00	
Two Adults	\$6,264.00	
2 Medicare Adult, with Medicare Child(ren)		\$8,244.00
1 Adult, with Non-Medicare Child(ren)		\$10,857.00
2 Medicare Adult, with Non-Medicare Child(ren)		\$12,486.00
2 Adults, one Non-Medicare		\$12,486.00
2 Adults, one Non-Medicare, with Non-Medicare Child(ren)		\$12,567.00
2 Adults, one Non-Medicare, with Medicare Child(ren)		\$11,235.00

Annual Vision Plan

Single rate	\$95.00
1 adult with children	\$153.47
2 adults	\$174.35
2 adults with Children	\$236.99

APPENDIX II: CT CONFERENCE STAFF

AT THE UNITED CHURCH CENTER: 125 Sherman Street, Hartford, CT 06105

Conference Minister

The Rev. Kent Siladi Email: KentS@ctucc.org
Phone: 860-761-7109 or toll free in Connecticut: 866-367-2822 Fax: 860-231-8111

Associate Conference Minister for Endowment Ministries

Charlie Kuchenbrod charliek@ctucc.org
Phone: 860-761-7111 or toll free in Connecticut: 866-367-2822, xt 111 Fax: 860-231-8111

Director of Finance and Budget

Jane Fawcett JaneF@ctucc.org
Phone: 860-761-7119, or toll free in Connecticut: 866-367-2822, xt 119 Fax: 860-231-8111

REGIONAL MINISTERS:

Southwest Region (1) - Fairfield East, Fairfield West & Litchfield South Associations

The Rev. Dr. Michael Ciba
89 Grandview Avenue, Watertown, CT 06795
860-274-6727, michaelc@ctucc.org

North Central Region (2) Central, Farmington Valley, Litchfield North & Hartford Associations

The Rev. Tamara Moreland
7 Old Orchard Road, Bloomfield, CT 06002
860-214-2186, tamaram@ctucc.org South Central Region (3) Middlesex, Naugatuck Valley,
New Haven Associations,
& New Haven East Consociation
The Rev. Mary Nelson-Abbott
963 Elm Street, 3rd Floor, New Haven, CT 06511
860-305-5846, maryna@ctucc.org

Eastern Region (4) Hartford East, New London, Tolland, & Windham Associations

The Rev. Dr. Thomas Clough,
195 Brigham Tavern Road, Coventry, CT 06238
860-941-0929, tomc@ctucc.org

APPENDIX III: HELPFUL ADDRESSES

The Pension Boards, United Church of Christ
475 Riverside Drive, Room 1020
New York, NY 10115
TOLL FREE 1-800-642-6543 FAX 212-729-2701

WEBSITE: <http://www.pbucc.org>
EMAIL: info@pbucc.org

The Connecticut Conference of the United Church of Christ

125 Sherman Street, Hartford, CT 06105 WEBSITE: <http://www.ctucc.org>
TOLL FREE 866-367-2822 FAX 860-231-8111 EMAIL: info@ctucc.org

APPENDIX IV: PULPIT SUPPLY LIST

The Connecticut Conference has a list of persons available for pulpit supply in the event of a pastoral emergency or a vacation or personal day for the Authorized Minister. .

You may request this pulpit supply list from Sioux Wilusz at siouxw@ctucc.org.

Congregations need to understand that persons being asked to provide pulpit supply deserve an appropriate remuneration for their time and travel. The “going rate” for supply preachers is at least \$175 to \$250 per Sunday plus travel expenses at the going IRS rate.

APPENDIX V: AID AVAILABLE FOR AUTHORIZED MINISTERS & THEIR FAMILIES

History and Purpose of the Fund for AUTHORIZED Ministers

On June 28, 1867, the Trustees of the Fund for the Aid of Disabled Ministers and Needy Widows and Orphans of Ministers was chartered: “The said corporation shall be purely a benevolent institution for the purpose of securing and applying offerings from churches and individuals for the aid of infirm or disabled clergy who have at some time ministered to Congregational Churches in this State and are connected with the district Associations of Congregational ministers represented in the General Association of Connecticut; and for the aid of the destitute widows and orphans of clergymen, who at the date of their death, were connected with any Consociation or Association of Congregational Churches and ministers of this State.”

The financial resources of these funds are distributed by the Ministerial Aid Committee, which reviews applications for assistance, after approval by the Conference Minister. Arrangements for all of these funds are made by first contacting the CT Conference UCC office at 866-367-2822.

The following forms of aid are available through the fund:

1. Emergency Grants

Emergency grants may be given to ministers or other eligible persons for such grants under the charter of the fund. The committee is authorized to make such grants up to \$1,500 for any one family in a calendar year.

2. Health Insurance Premium Subsidy

Persons who retire after serving fifteen years in the Connecticut Conference or the last 10 consecutive years in the Conference prior to retirement may receive a health insurance premium subsidy as long as their ministerial standing remains in the Connecticut Conference. This subsidy, based on income, applies to health insurance premiums for the annuitant and their spouse/partner, if any.

3. Housing Resources

The Trustees offer housing grants through its Robbins Memorial Fund to help retired Authorized Ministers or their surviving spouses/partners with rent or mortgage payments.