

Appendix D – Ministerial Support Short Form

The local church should support its ministerial staff to affirm the call of God on the minister's life. Churches should expect spiritual and administrative leadership from their ministerial staff, and should provide an adequate living and contribute to a respectable retirement. Please consult the Ministerial Support Committee report in the Mission Advance booklet or contact the District Advisory Board for more information on any specific items below.

I. Guidelines for Pastoral Compensation

- Strive to employ the lead pastor on a full-time basis.
- Use the following formula to determine the lead pastor's minimum cash salary: 20 percent of funds Raised for All Purposes up to \$100,000 + 7 percent above that amount.
- Consider other factors when setting compensation, including the pastor's position within the local church and community; experience, level of education, demonstration of capability, productivity, and length of service in the local church.
- Review pastoral staff compensation at least once a year to consider both merit and cost of living increases.
- Provide housing for all full-time pastoral staff, either by establishing a monthly housing allowance or by providing a parsonage.
- A housing allowance must conform to Internal Revenue Service regulations, and should consider costs of a mortgage payment, insurance, utilities, and property taxes.
- If a parsonage is provided, the church should pay into an equity housing fund that conforms to IRS guidelines. The fund would follow the full-time staff member from church to church, enabling the fulltime staff to develop a fund for retirement housing.
- Affirm and bless bi-vocational ministry if unable to support a salary and benefits package that meets the pastor's financial needs. Pastors should consider working only enough hours to meet their financial needs.

II. Employee Benefits

- Discuss pastoral compensation packages with the pastor to maximize allowable Internal Revenue Service tax exclusions, such as full rent or mortgage payment; insurance; property taxes; improvements; furnishings; purchase and repairs; utilities; internet and cable or satellite television, health and dental expenses; etc.
- Reimburse all pastoral staff for their full Social Security tax with payments made at least quarterly or proportionately with each salary check.
- Grant vacation with full salary. Vacation time should not accumulate from year to year without the approval of the church board. Time spent at district and general church functions should not be counted as vacation. A full vacation week should include seven consecutive days and the number of weeks given for vacation should increase according to years of service.
- Grant all paid ministers on the church staff at least three weeks paid paternity leave or six weeks paid maternity leave. Encourage volunteer staff to take the same leave times. Initiate conversations with the pastoral family to determine the appropriate time needed to complete the adoption process.

III. Other Benefits

- Encourage all pastoral staff to enrich their ministerial training by providing funds to engage in some form of advanced or continuing education.

- Insist that pastors take at least one full day off each week for worship and rest.
- Organize and implement daily prayer on behalf of pastors and families.
- Consider organizing a board committee to facilitate care of the pastoral staff, including prayer for the pastoral staff and their families
- Encourage and enable full-time ministers to attend periodic marriage enrichment retreats, paying all expenses, and not consider this as vacation time.
- Wherever possible, establish a fund to pay expenses of pastoral staff and spouse(s) to attend retreats such as evangelism conferences and other district, regional, and general conferences and retreats.

IV. Local Church Expenses

- Reimburse expenses incurred by pastoral staff on official church business—such as meals, mileage, ministry-related gifts, and moving expenses--through an accountable plan.
- Remember pastoral staff and families with a generous Christmas gift.
- Provide a comfortable and well-equipped office or study for the pastor's use.

V. Retirement Considerations

- Fund a tax-sheltered annuity for pastoral staff, in addition to their cash salary, in an amount equal to at least 5 percent (a minimum of \$500 per year and not to exceed the maximum amount allowable by law) of the pastor's annual cash salary, using Pensions and Benefits USA Supplement Retirement Plan or equivalent.
- Pay 10% of their current adjusted monthly income to the District Missional Resource Center to fulfill the Pensions and Benefits Allocation.

VI. Insurance Considerations

- Work with pastoral staff to provide the best insurance coverage possible including health, term life, disability, and professional liability.

VIII. Benevolence

- If possible, give material assistance at Christmas to other pastors and their families who are in need.
- Honor retired pastors, evangelists, and missionaries (and their spouses) who are a part of their congregation by remembering them appropriately on special occasions.

X. Pulpit Supply

- Employ retired ministers for pulpit supply as frequently as possible and pay a minimum amount for pulpit supply of \$75.00- \$150 plus consideration of travel expenses.

XI. Pastoral Sabbath Rest

- Recognize that lead pastors and pastoral staff should take a Sabbath rest—sabbatical-- to prevent burn-out and provide time for reflection, leadership renewal, and spiritual growth after five consecutive years of ministry.
 - a. The sabbatical should be a minimum of four to six weeks.
 - b. The timing of the sabbatical leave should reflect the needs of the congregation.
 - c. Time allotted for continuing education or vacation should not be reduced.
 - d. Financial support of the pastor during the sabbatical period should include full benefits as well as a stipend to pursue the sabbatical.