

CLERGY COMPENSATION AND CARE GUIDEBOOK

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2025 Update Notes

This year's update includes a cost-of-living increase of 2.8% (with some adjustments in ranges for consistency) for the minimum compensation recommended ranges ONLY. All else remains the same. We wish to call particular attention to the significant rise in health insurance premiums many of our clergy are facing in 2026. Following the minimum package grid on page 5 is more information on the current landscape of health insurance and what your church needs to consider to ensure your clergy are cared for appropriately.

This guide provides standards for the proper compensation of Anglican pastors employed as full-time parochial clergy and guidance in the compensation of church planters, part-time clergy, and supply clergy. The guide is applicable to the Diocese and all congregations within the Diocese, with the understanding that each congregation (church plants, mission fellowships, and congregations in union with Convention) and each clergy person may have unique circumstances that require adjustments.

It is the responsibility of each vestry to use the following guidelines in determining the compensation levels for clergy for whom that body may be responsible. For congregations in regions other than Pittsburgh, minimum guidelines should be adjusted as appropriate. All considerations should be made in accordance with the Diocesan Guiding Values, which are included in Appendix J of this guide. The diocesan office and specifically the office of the director of administration are always available to vestries and clergy when there are questions.

The Diocese of Pittsburgh requires all clergy hires to be approved by the Bishop and be given a Letter of Agreement prior to beginning a ministry. The letter should be signed by the wardens and treasurer of the congregation and should include job description as well as details of the compensation and benefit package. In the case of rectors, the letter must be approved by the Bishop.

Categories of Pastorates

Because the clergy in our diocese consists of men and women in various stages of life—single, married, young family, second career, retirement, etc.—their needs vary greatly from situation to situation. When issuing a call, the vestry has the flexibility to tailor a total compensation package that fits the needs of the individual. The focus of this guide, therefore, is on the total compensation package provided to a member of clergy, rather than just cash compensation.

Clergy compensation is appropriately guided by the congregational setting in which the ministry is offered, the size of the congregation, and the level of responsibility and commensurate skill and experience required for the situation. Following are the recommended minimum starting total

compensation packages for full- and part-time parochial clergy of the Diocese, based on the following categories:

1. Type of Pastorate
 - i. Full-Time (40-50 hours per week)
 - a. Rector
 - b. Assistant Priest
 - ii. Half-Time (25 hours per week)
 - a. Rector/Church Planter
 - b. Assistant Priest
2. Operating Income
 - i. Under \$100,000 annually
 - ii. From \$100,000 to \$250,000 annually
 - iii. From \$250,001 to \$1,000,000 annually
 - iv. In excess of \$1,000,000 annually

Definition of Terms

- **Compensation:** Includes items that have a cost to them (these items will be reflected somewhere in the congregation budget)
 - **Total Compensation:** total amount a congregation spends to hire a clergy person, including both cash compensation and other compensation.
 - **Cash Compensation:** this determines the salary a clergy person receives (before deductions, if any) and includes stipend, housing allowance, housing equity allowance (if applicable), taxable SECA allowance (if applicable), and taxable health insurance reimbursement (if applicable).
 - **Other Compensation:** total amount a congregation spends to hire a clergy person that is not given directly to the employee each pay period. Examples include what the congregation spends for pension payments; premiums for medical insurance, life insurance, and disability insurance; supply clergy expenses; travel allowance; business expense account; discretionary fund account; continuing education; sabbaticals; and moving expenses (during the initial call).
- **Care:** Includes items that typically do not have any cost to them, beyond the cost of supply clergy for situations that are irregular or unscheduled (sickness, maternity/paternity leave, etc.)
- **Vestry:** Refers to any governing body of a congregation. It includes such entities as “bishop’s committee” or the leadership team of a mission fellowship.
- **Required vs. Recommended:** Differentiates the standards set by the Anglican Diocese of Pittsburgh that must be followed vs. those that are encouraged but optional.

NOTE: The Anglican Diocese of Pittsburgh may be referred to as “the Diocese” and “ADP” in this document.

2026 Recommended Minimum Total Compensation Package

BUDGET	< \$100,000	\$100- \$250,000	\$250K -\$1 mill	> \$1,000,000
<i>Full-Time Clergy</i>				
Rector	NA	\$85,000-95,000	\$95,000-116,500	\$116,500
Asst Rector	NA	NA	\$71-87,500	\$87,500
<i>Part-Time Clergy</i>				
Rector*	\$37-42,000	\$42,500-47,500	NA	NA
Asst Rector	\$27,750-32,000	\$32-35,500	\$35,500-43,750	\$43,750

*Also applies to church planters.

These are the **minimum total package recommendations for the first year of incumbency**.

Included in this minimum are all the cash compensation components and the first 3 required benefits outlined in the following pages. These recommendations are based on the Pittsburgh metro area living wage for a family of 2 adults (1 working) and 2 children with an \$18,000 annual healthcare premium/reimbursement. The minimum package should be adjusted according to your specific situation. Total compensation packages above the minimum vary greatly as should be expected.

To further clarify, here is an example of how the total breaks out for a FT Rector with a spouse and 2 children in a Pittsburgh metro church with a budget of \$150,000:

Salary	\$30,409
Housing Allowance	\$30,000
Retirement	\$6,041
Healthcare Premium/Reimbursement	\$18,000
Insurance: Life/AD&D/Disability	\$550
TOTAL Cash Compensation	\$85,000

Vestries need to consider business expenses and supply clergy needs and budget accordingly in addition to the minimum compensation recommended here.

At the end of 2025, a number of provisions in the original Affordable Care Act may expire, primarily notable in the potential absence of income-based subsidies for healthcare going forward. To further exacerbate rising costs, health insurers were granted significant premium increases (these are more notable in certain areas of the country and typically based on aging and co-morbidity demographics). Put together, many of our clergy will be faced with health insurance premium

increases ranging from 15-50% in the coming year. Churches MUST consider the specific health coverage needs of their clergy as they put together their compensation package for 2026.

We urge every congregation to do all in their power and means to provide each member of clergy with the minimum total compensation package recommended. If a congregation is unable to meet the minimum, the vestry may need to ask some questions about their mission and viability. In such a situation, the vestry might request designation as a “stressed congregation” (as defined by Canon XXXV(j)) so that the church may work with the diocesan office to make and implement a plan to move forward.

Considerations for Increase Over Minimum

The following generalizations may require further adjustments and specific congregational situations may bump some of the “smaller adjustments” to a higher priority:

- Larger adjustments
 - Prior years of service in ordained ministry (including but not limited to experience as a preacher and worship leader, experience as a teacher, and growth in ability to communicate)
 - Meeting targeted growth goals in Average Principal Service Attendance (APSA) or other specified growth goals
 - Job complexity issues (including size of staff, APSA over 300, oversight of preschool or day school—especially if these changes occurred after the clergy person was hired)
- Smaller adjustments
 - Interpersonal skills and skills in counseling and/or conflict resolution
 - Experience with community and ecumenical relations
 - Stewardship and partner development leadership
 - Administrative leadership
 - Variety of duties to be performed
 - Recognition as an expert in a field
 - Publications or requirement to publish
 - Education beyond master’s level

The Director of Administration is available to each congregation to assist in determining the appropriate adjustments in each specific circumstance.

Guidelines for Supply Clergy Rates

The Committee recommends the following minimum schedule for supply clergy to be paid by the vestry of the congregation for whom services are supplied.

1 Service with Sermon	\$200
2 Services with Sermon	\$275

An additional **\$50** is to be paid for each additional service on the same weekend. Clergy are also to be reimbursed for travel costs at the current IRS reimbursable mileage rate unless the supply rate is increased to cover these expenses. Congregations are encouraged to provide overnight accommodation (if needed) when services are held on two consecutive days.

Cash Compensation

Each of these categories must be represented in the congregation's annual budget as a "line item" and each will affect the bottom line of the operating expenses.

SALARY COMPONENTS

1. Stipend - Stipend is that cash amount which is paid directly to a member of the clergy exclusive of housing, utilities, and Social Security Self-employment tax allowance.
2. Allowances¹
 - a. Housing: Congregations must provide either a housing allowance or church-owned housing and a utilities allowance for clergy-paid utilities (treated the same as housing allowance for tax purposes). In addition, if church-owned housing is provided, an appropriate housing equity allowance should be provided (see b.). Clergy that live in church-owned housing are also eligible for a housing allowance for furnishings and other allowable housing expenses. The housing allowance must conform to the tax code. The allowance must be church designated and approved in advance of the allowance being taken, meaning that it cannot be acted upon retroactively. The vestry, with input from the clergy, must review and approve the allowance annually to ensure it only includes allowable costs. A sample housing allowance resolution [Appendix C on page 20] and a suggested format for documentation of clergy housing allowance [Appendix D on page 21] are provided.

Housing Equity Allowance: This is intended to place clergy that live in church-provided housing on an equal footing with those who build equity in their own property while serving the church. The

¹ The IRS has specific guidelines regarding housing allowance that can be found [here](#).

amount of the allowance shall be 30% of the housing allowance that clergy would receive to provide their own accommodation in that area, or an amount agreed upon between the clergy and the congregation. It is recommended that the Housing Equity Allowance be invested in an appropriate tax efficient savings or investment account as it is likely to be a taxable benefit to the clergy.

REQUIRED EMPLOYMENT BENEFITS

1. Retirement/Pension: ADP requires each congregation, mission, or other ecclesiastical organization to pay into a retirement/pension plan for their clergy. It is highly recommended that congregations participate in the retirement plan of the Anglican Church in North America. The Diocesan recommendation is 10-18% of the cash compensation and may include a matching component. The [ACNA Plan document](#) explains this in greater detail. Different rules may apply to the definition of "total compensation" for clergy that provide their own housing and those for whom housing is provided. Please contact the director of administration if you would like clarification for budgeting purposes.
NOTE: Be aware that the match portion of the retirement plan must also be offered to eligible lay employees.
2. Health Insurance: ADP requires health insurance to be offered to full-time clergy and lay employees, their spouses, and children. A congregation can provide coverage through its own group policy, or through an ADP² (the ACNA has ended their group policy offerings effective 12/31/2025). A congregation that provides coverage through its own policy must ensure compliance with federal law, which does contain significant penalties for non-compliance. Cost-sharing arrangements for health care benefits should be handled at the congregation level, *but please note*, to the extent a congregation does not directly provide insurance, any health insurance "reimbursement" to clergy or lay employees is considered "taxable income" and must be treated as such for payroll. Health benefits are a negotiated benefit for part-time clergy.
3. Life Insurance: Life insurance from a reputable insurance company with a minimum death benefit of \$50,000.
4. Long-term and Short-term Disability: Disability insurance from a reputable company.
5. Business Expense Account: Vestries must budget annually for the following expenses (budget will determine the maximum spending allowed) and reimburse them in a timely manner under an accountable reimbursement plan following the Accountable Reimbursement Guidelines³

² The Diocese offers Dental through United Concordia and Vision through Highmark. Details can be obtained by emailing the Director of Administration.

³ See Appendix E for guidelines.

- a. Travel allowance: If clergy are required to travel away from home for work purposes, they must be reimbursed for expenses incurred in their travel.
 - b. Mileage/auto reimbursement: Mileage, tolls, and parking must be substantiated⁴ and mileage reimbursed utilizing the per mile reimbursement rate set by the IRS. No additional reimbursement should be made for fuel or maintenance since those are included in the per mile reimbursement rate.
 - c. Business entertainment/hospitality expenses.
 - d. Cell phone work use reimbursement.
 - e. Annual Clergy Retreat expenses: In 2023 this was \$180.
 - f. All other legitimate reimbursable expenses.
- 6. Supply Clergy Costs (typically necessary when clergy are on vacation or sick)⁵
 - 7. Moving: When a congregation issues a call, it should pay the expenses associated with the relocation. The leadership of the congregation making a call to new clergy are encouraged to discuss the anticipated expenses in advance and to set up a reserve. Note: Moving expenses are considered “taxable income” and must be reported on the clergy person’s W-2.

RECOMMENDED ADDITIONAL BENEFITS

- 1. Income Tax, FICA, and SECA explained for clergy: There is a lot of confusion about how members of the clergy are taxed. There are three types of tax that any worker pays to the Federal Government: Income tax, Social Security, and Medicare taxes. Members of the clergy have a potentially confusing dual status of employee for income taxes and self-employed for Social Security and Medicare. Here’s how these taxes are handled for members of the clergy:
 - a. **Federal Income Tax:** Pastors, ministers, and other members of the clergy are required to pay Federal Income tax on their salary. (They may designate a portion of their earnings as housing allowance, on which they do not pay federal income tax.) *Be sure pastors are not marked as “exempt” from federal income taxes or they may face a large tax bill at the end of the year.*
 - b. **FICA:** For lay employees, the church pays the employer portion of FICA (7.65%)—the combined tax for Social Security and Medicare—and the employee portion

⁴ See Appendix G for a sample documentation form. In the event of an audit the IRS will request the documentation of these expenses. *[IRS Publication 463](#) provides additional information and a sample record form.

⁵ Supply Clergy Rates found on page 7.

(7.65%) is deducted from their gross pay. Churches do not pay FICA for pastors as they are exempt from FICA.

- c. **SECA:** Pastors are considered self-employed regarding Social Security and Medicare. Instead of paying FICA, they pay SECA [Self-Employment Contributions Act taxes]. Pastors are responsible for BOTH the employer AND employee portion of the tax—a total of 15.3% on salary + housing allowance.

SECA Allowance: Some churches will offer pastors a SECA allowance to cover the employer's portion of 7.65% of salary + housing allowance. *A SECA Allowance is considered taxable income and pastors will pay federal income tax on any SECA allowance.*

Paying SECA: Pastors are required to file and pay SECA taxes quarterly.

2. **Additional Life Insurance:** Congregations are encouraged to purchase or make available additional life insurance for clergy and their dependents.
3. **Discretionary Fund Account:** Congregations are encouraged to budget for giving a regular amount to a "Discretionary Fund" for the clergy person to use for benevolence. The funds in this account belong to the congregation and may be used with a monthly substantiation reporting system similar to mileage reimbursement.
4. **Continuing Education:** All clergy are encouraged to engage in regular continuing education to strengthen their ministries. Congregations are expected to provide both time and money (usually \$500-\$1,000 budgeted annually toward the expenses of continuing education projects and materials) to make such study possible. Continuing Education time should be focused on vocational development in areas that undergird present or future ministry and develop or strengthen talents and skills. This time is not to be used as additional vacation or leisure time.

Sabbaticals⁶: After five years of service, a full-time pastor is eligible for sabbatical leave that has accrued at the rate of two weeks per year of service, up to a maximum of three months of leave. In preparation and support, congregations are encouraged to build provision into their budgets to cover the expenses of a sabbatical, which include program and travel costs as well as liturgical and pastoral care coverage for the congregation. A periodic sabbatical is a healthy and effective means of preventing burnout and of renewing and enhancing a professional's capabilities for dealing effectively with problems facing those who need help.

⁶ Planning guidelines are included in Appendix K.

Care Compensation

Each of these categories will NOT find representation in an annual congregation budget as a “line item” as they will NOT affect the bottom line of the congregation’s expenses.

REQUIRED CARE PACKAGES

1. Time away from work
 - a. Weekly: A normal work week for full-time clergy is 40 - 50 hours, usually measured as approximately twelve units of mornings, afternoons or evenings in various combinations reflecting the demands of the ministry. Clergy must have at least one continuous twenty-four-hour period reserved for time away from work and congregations are expected to respect this weekly time off.
 - b. Vacation: Clergy are entitled to four workweeks of vacation time annually, which will include a minimum of four Sundays. Congregations may choose to allow carry-over of unused days, but this must be documented in the letter of agreement.
 - c. Holidays: Congregations must provide 10 paid holidays annually. Holidays can be a complex matter for clergy. Some recognized “paid” holidays on a business calendar, such as Christmas, are “working” days for clergy. Clergy are entitled to compensatory time away when they work on a holiday.
 - d. Sick Days: Paid sick days should be provided pursuant to each congregation’s policy and local laws.
 - e. Maternity/Paternity Leave: Clergy are entitled to take up to 4 workweeks of paid maternity/paternity leave (with the option to receive 1/3 salary for an additional 8 weeks) upon the birth or adoption of a child(ren). This paid leave is in addition to maternity leave provided under short-term disability.
 - f. Bereavement Leave: Clergy are entitled to 3 days of paid time off for the death of a family member and 1 day of paid time off for the death of a close, non-family member. Understanding the deep impact death can have on an individual and family, arrangements may be made with the vestry to extend the leave with additional time off.

RECOMMENDED CARE PACKAGES

Clergy may find it difficult to advocate for their own spiritual and physical health. The Diocese recommends that vestries designate a member to encourage their clergy in pursuing the following activities, providing time and funds when necessary.

1. Spiritual health activities: Daily times of prayer, scripture reading, meditation, tithing, regular retreats to hear from God, and regular meetings with a spiritual director or ministry accountability partner of the clergy's choosing.
2. Physical health activities: Regular exercise & healthy eating habits, including moderation or abstinence of tobacco, alcohol, or other drug use.
 - An annual medical exam (vestries should reserve funds for the exam if it is not covered by the health insurance plan).
3. Relational/Social health activities:
 - A support group of other ministry professionals for praying together, reflecting on ministry challenges, encouraging emotional health, and mutual fellowship.
 - A social group of other friends not involved in professional ministry for recreation and fellowship (bowling league, golf club, book club, dinner club, etc.)
 - Professional counseling when needed (vestries should set aside reserve funds for this possibility when these counseling services are not covered by the health insurance plan).
4. Community activities and involvement (outside of the congregational context or role of clergy).
5. Work-family balance: Vestries should ensure that clergy take their vacation and holiday time outside of the congregational context. Congregations may also find ways to support clergy families (e.g., providing child-care to allow clergy spouse to participate in church events)

Appendix A

Advocacy for Clergy During Compensation/Benefit Negotiations

Clergy often find it difficult to negotiate for an adjustment in their compensation and benefits. Negotiation is not a skill that everyone possesses. In response to this reality, the Clergy Compensation Committee proposes that a clergy person may ask for an advocate to represent his or her needs and desires to the vestry or budget committee.

- 1) The pastor should let the vestry know two weeks in advance that he will have a representative during the negotiation process.
- 2) The advocate does not need to be a member of the congregation (and cannot be the Treasurer as this would be a conflict of interest) but needs to be someone with credibility in the Diocese. The advocate should understand the covenant between the pastor and the congregation and also have a sense that advocacy is a ministry that serves both the pastor and the congregation. The pastor should communicate clearly with the prospective advocate and articulate what is being requested, for example:
 - a) To represent the pastor's needs to the vestry or budget committee.
 - b) To discuss the pastor's hopes for the next year regarding compensation.
 - c) To meet one or two times before the budget meeting.
 - i) The diocesan Clergy Compensation Guidelines should be used as a tool for the meeting. All the categories of the covenant between the pastor and the vestry should be addressed, keeping in mind that the recommended compensation reflects minimums and not maximums.
 - ii) The pastor should be comfortable discussing finances and articulating his needs with the advocate.
 - iii) Prayer is central to this process as leadership seeks to steward potentially limited resources in light of competing needs.

To meet annually with the pastor to review future needs and expectations.

Appendix B

Guidelines for Congregation, Pastor, and Family During Marital Stress, Crisis, and Divorce in Clergy Families

The establishment, blessing and nurture of Christian marriage and Christian family life are a primary task of the church. However, like any marriage, clergy marriages come under stress and clergy separation and divorce do occur. They are realities usually accompanied by confusion and hurt. They are among life's most threatening and painful experiences. These guidelines are designed to be helpful for the vestry, clergy person, and his/her family as they develop ways of dealing with marital problems of clergy. Special consideration should be given to principles articulated in Title III, Canon 3, Sections 5 & 6 of The Canons of the Anglican Church in North America, and the Diocesan policy titled: "Divorce, Remarriage and the Call to Ministry". In the process of working with the problems that have become apparent in a marriage, the various parties affected have responsibilities that they must accept. Each should respect the confidentiality of the situation, but also recognize the effect that a pastor's marital crisis might have on the congregation.

- 1) Clergy Responsibility:
 - a) Recognizing serious problems developing within the marriage.
 - b) Discussing problems with spouse (and children).
 - c) Discussing the situation with an appropriate and trusted third party.
 - d) Seeking professional counseling for self and family.
 - e) Recognizing the potential impact upon the congregation in such areas as:
 - i) Management of the church's day-to-day affairs,
 - ii) Counseling for church members,
 - iii) Visiting church members, and
 - iv) Emotional response of the congregation.
 - f) Counseling with the bishop for guidance on what approaches to use for the problem.
 - g) Discussing with the Senior Warden, as appropriate, when problems impact the congregation, or might result in divorce or separation.
- 2) Spouse Responsibility:
 - a) Recognizing serious problems developing within the marriage.
 - b) Discussing problems with spouse and children.
 - c) Discussing the situation with an appropriate and trusted third party.
 - d) Seeking professional counseling with spouse.
- 3) Vestry/Senior Warden Responsibility:
 - a) Approaching the clergy when problems are having an impact upon the congregation or may result in separation or divorce.

- b) Deciding what role vestry should take.
 - c) Suggesting counseling for clergy and family if problems appear to be escalating.
 - d) Considering a leave of absence or sabbatical for the clergy and spouse to focus on the issue.
 - e) Requesting assistance from bishop if unable to help to resolve the problem.
 - f) Setting limits as to when the congregation can no longer allow problems to disrupt the congregation.
 - g) Deciding what continuing financial support is available to the clergy and family should separation or divorce result.
- 4) Bishop's Responsibility
- a) Setting up a protocol as to when the bishop becomes involved.
 - b) Being available to clergy and family.
 - c) Having within the Diocese counseling resources available to clergy and families.

Appendix C

Housing Allowance Resolution Example

Suggested Insert for Minutes of Vestry for Designation of Clergy Housing Allowance

The Vestry has received a statement from the Rev. _____ detailing the amounts that (he)(she) expects to spend in 20____ to provide a home for (himself/herself) (and family).

A copy of this statement is attached to and forms a part of the original minutes of this meeting.

After consideration, on motion duly made and seconded, the following resolution was adopted:

BE IT RESOLVED that \$_____ of the Rev. _____'s compensation is designated as an allowance for the expenses of providing a home, based upon the attached statement of the Rev. _____'s estimated housing expenses for the year 20_____.

(If the clergy person is provided with the rent-free use of a house, the following should be added.)

The Rev. _____ shall also be provided with the rent-free use of the house located at _____ for the year 20_____ in consideration of (his)(her) services as _____ of _____ Church, _____, Pennsylvania.

BE IT FURTHER RESOLVED that the amount herein designated shall remain in effect for future years until new information is received from the designee and the vestry takes action to approve a new housing allowance.

(The clergy person should retain a copy of the minutes containing this notice, with his or her IRS records.)

Appendix D

Determining Housing Allowance

Suggested Format for Documentation of Clergy Housing Allowance

TO: _____ (Vestry Warden)
 _____ (Church Name)
 _____ (Church Address)

FROM: _____ (Clergy Person)

SUBJECT: Housing Allowance for 20_____

The following amounts are estimates of the costs I expect to pay during 20____ to provide a home for myself (and family):

- | | | |
|-----|--|----------|
| (1) | House
(mortgage or rent on leased premises) | \$ _____ |
| (2) | Utilities | \$ _____ |
| (3) | Taxes | \$ _____ |
| (4) | Insurance | \$ _____ |
| (5) | Repairs and maintenance | \$ _____ |
| (6) | Furnishings | \$ _____ |
| (7) | Other housing expenses:
(itemize on a separate sheet if needed) | \$ _____ |
| (8) | Subtotal | \$ _____ |
| (9) | Fair market rental value
(includes furnishings and utilities) | \$ _____ |

Clergy may claim the lesser of lines 8 and 9 to comply with IRS regulations/

Clergy Person's Signature: _____

Date: _____

Appendix E

Accountable Reimbursement Guidelines

Business Account & Travel Allowance: Each church should establish an accountable reimbursement policy. Clergy are allowed to exclude all reimbursed expenses from their reportable income. The church reimbursement policy should include the following, but not limited to: office supplies, religious material, subscriptions and paperbacks, meals, entertainment, seminars, dues and memberships, library, educational expenses, camps, legal and professional services, gifts, auto, travel, cell phone, landline phone, internet fees, computer equipment, annual clergy retreats, etc. Any expenses incurred on behalf of the ministry to the church will qualify. All reimbursed expenses must be substantiated to the church with receipts or other documentation and all excess allowances must be returned to the church that are not used for ministry expenses.

In substantiating expenses to the church, the clergy person must provide receipts or documents indicating the amount, business use, number of business miles, time, date, business purpose and name.

All reimbursed ministry expenses under the qualifying reimbursement plan are excludable from taxable income in full to the extent of the reimbursement. Failure to meet these new rules would require each clergy person to report their reimbursed expenses as taxable income.

To be considered an accountable plan under federal tax provisions, a reimbursement or other employee expense allowance arrangement must comply with these requirements:

- Ministry connection: The reimbursements, advances, or allowances provided to employees under the plan must be for work-related expenses that would be deductible by the employee if claimed as a deductible ministry expense on their personal return. Any advance payments must be reasonably related to ministry expenses that a worker is expected to incur.
- Substantiation: Employees must substantiate, within a reasonable period, the amount, time, use, and ministry purpose of the allowance or expense payment. In lieu of substantiation of actual expenses, churches can use IRS-approved per diems. Note: When the accountable reimbursement plan is adopted by the vestry it applies to all employees—clergy or lay.

Appendix F

Documenting Business Expenses

Business Expense Substantiation Form

Employee Name _____ Date Submitted _____

Reviewed By _____ Date Approved _____

.....

Date	Amount	Payee/Place	Business Purpose	Addl Comments

Total Business Expenses Submitted \$_____

Appendix G

Documenting Travel Reimbursement

Mileage & Transportation Report

Employee Name _____ Date Submitted _____
Reviewed By _____ Date Approved _____

.....

Date	Location To/From	Purpose of Travel	Miles	Toll/Parking

Number of Miles _____ X current IRS Rate = \$ _____

Total Amount of Other Expenses: \$ _____

Total Mileage & Transportation Expenses: \$ _____

Appendix H

Documenting Discretionary Spending

Discretionary Fund Expense Substantiation Form

Employee Name _____ Date Submitted _____
Reviewed By _____ Date Approved _____

.....

Date	Amount	Payee/Place	Discretionary Purpose	Addl Comments

Total Discretionary Fund Expenses \$_____

Appendix I

Clergy Employment Checklist

Suggested checklist of items needed in a clergy personnel file

Employee Name: _____ Position: _____

Church Name: _____ Hire Date: _____

Documents in this file:

- | | |
|--|-----------------------------------|
| <input type="checkbox"/> Letter of Agreement | <input type="checkbox"/> Form W-4 |
| <input type="checkbox"/> Job Description | <input type="checkbox"/> Form I-9 |

Compliance with Clergy Compensation and Care Guidebook:

- ☐ Letter of Agreement includes required compensation and benefit package, and signed by Wardens and Treasurer, and approved by Bishop. Includes:
 - ☐ Stipend
 - ☐ Housing Allowance or Housing Equity Allowance
 - ☐ Pension
 - ☐ Medical Insurance
 - ☐ Life Insurance
 - ☐ Disability Insurance (ST & LT)
 - ☐ Travel Allowance
 - ☐ Business Account
- ☐ Current pay rate at or above minimum required
- ☐ Recommended Benefits
 - ☐ SECA Tax Allowance
 - ☐ Travel Allowance
 - ☐ Discretionary Fund Account
 - ☐ Continuing Education Allowance
 - ☐ Sabbatical Plan (Target dates: _____)
- ☐ Date of last Medical Exam: _____

Compliance with Clergy Background Checks⁷:

- ☐ PA Criminal Record Check (every 5 years). Date next renewal is due: _____
- ☐ PA Child Abuse History Clearance (every 5 years). Date next renewal is due: _____
- ☐ FBI Fingerprinting (every 5 years). Date next renewal is due: _____
- ☐ Oxford Document Check (every 5 years). Date next renewal is due: _____
- ☐ Ministry Safe Training (every 2 years). Date next renewal is due: _____
- ☐ Signed [Acknowledgement of Receipt of the Safe Church Policy](#) (every 2 years). Date next renewal is due: _____

⁷ For churches outside of PA, please see [Background Checks and Clearance Requirements](#) for your state specific requirements

Appendix J

Guiding Values

PRAYERFUL

Prayer is at the heart of all we do. While we are co-laborers, the work of transforming people with the gospel is firstly the work of God. Being first and constantly at prayer reminds us that we can do nothing without his power and presence.

RELATIONAL

As we nurture our clergy and raise up the next generation of church leaders, we follow Jesus' model of walking alongside the twelve apostles. Through our work and programs, our priority is developing personal relationships to effectively provide pastoral care and skill development.

KINGDOM-MINDED

We are unapologetic about the mission and work of the church, which is to make disciples. Our desire is to bring people into a saving relationship with Jesus because it changes our lives—in this world and for all eternity.

AGILE

We strive for operational excellence in our diocese and churches, to be worthy of your trust and to be better ready to support and fulfill the mission of the gospel.

Appendix K

Sabbatical Planning Guidelines

1. A clergy sabbatical time is a way to strengthen a congregation by providing opportunities for pastors to step away briefly from the persistent obligations of daily parish life and to engage in a period of renewal and reflection. Renewal periods are not vacations, but times for intentional exploration and reflection, for regaining the enthusiasm and creativity for ministry, for discovering what will make the pastor's heart sing. Pastors serve a variety of roles in their privileged position at the center of congregational life: preacher, teacher, spiritual guide, pastoral visitor, friend, confidant. The responsibilities are continual. The pace and demands of parish life can be relentless, often leaving even the most dedicated pastors recognizing the need to replenish their own spiritual reservoirs to regain energy and strength for their ministry. Life-giving experiences—strengthening relationships, renewing a sense of call, meeting and serving the neighbor in a new way, finding joy and purpose in a simplified life, traveling to new lands and unfamiliar territories, creating opportunities where members of the congregation can exercise

their gifts for ministry—are common themes of these renewal times. Profound discoveries that pastors and their congregations can describe as “life-changing events” will likely occur through a well-planned sabbatical experience.

2. The sabbatical is intended to provide rest and renewal but should have a structure to it. Planning for the sabbatical is just as important for the clergy person as it is for the congregation. The planning process can be broken into three phases: (1) the pre-sabbatical or planning phase; (2) the sabbatical itself; and (3) the post-sabbatical phase.
3. During the first phase, the objectives of the sabbatical should be defined in general terms and a flexible plan should be developed to achieve those objectives. The plan might involve study, travel, writing or some combination of all three, blended with a good measure of relaxation and family time. A written description of the sabbatical plan must be submitted to the bishop no fewer than 4 months before it commences.
4. The second phase is the sabbatical itself and the person should follow a flexible approach to pursuing the planned objectives, bearing in mind that the overall goal is rest and renewal, not rigid adherence to a prescribed plan of action.
5. The third phase is a time of adjustment for both the person returning and for those who have experienced that person’s absence. Feedback should be provided through face-to-face dialogue or in the form of a written report or journal to the bishop’s office within 3 months of returning from a sabbatical.
6. **FUNDING the sabbatical:** Clergy and congregations should consider additional funding options beyond budgeting and personal contributions from the clergy person. ADP has limited funding available through the Legacy Fund for this purpose (maximum grant is typically \$5,000 and attention is paid to the request covering expenses specifically focused on spiritual renewal and education). Diocesan grant information is found [here](#). Other grants are available [here](#).