

New Hampshire Conference
United Church of Christ
Clergy Compensation Guidelines

Notes on Compensation Guidelines
1/07

There were no provisions for an Annual COLA increase to the salary portion of the guidelines when approved by the delegates in Wolfeboro in '04, which means that those guidelines are all that we have to go by as official Conference policy. The Commission for Congregational Life recommends that churches currently developing profiles and position descriptions use the '04 adopted guidelines as a platform, and that a 9-13.5% (3-4.5%per annum) COLA increase be applied to the salary lines as the best formula. Conference Council deferred to CCL to be bringing this recommendation back for action at the June Annual Meeting of the Conference.

Ministerial Compensation Guidelines

The New Hampshire Conference, UCC, ministerial compensation guidelines* are intended to support the cooperative ministry between laity and clergy by recommending sensitive guidelines for the compensation of pastors and Christian educators serving its local churches. These guidelines apply to any pastor engaged in full or part time ministry, including interim pastors, associate pastors, commissioned ministers, and ministers of Christian education, and include recommendations on salary and housing, and other employer costs. While local churches set personnel and compensation policy, the recommendations in these guidelines give responsible examples that can be used during the annual review of the local church policies and salaries.

Covenant Relationship

What is set forth here comes from ideas and principles consistent with the spirit of the United Church of Christ Manual on Ministry (MOM), Section 1: *Partners in Authorizing Ministry*, page 20, which reads:

We believe that the ministry and mission of the Church are given to all baptized Christians. We will nurture and join our gifts for ministry with those of the pastor in the Church and in the world. In all matters pertaining to the life, organization, and mission of this local church, we will work cooperatively and collegially with the pastor.

We recognize that our church and our pastor are part of the larger faith community which is the United Church of Christ and we will be, and support our pastor in being, a responsible participant in our Association, Conference, and the United Church of Christ.

We recognize that our church and our pastor are part of the Church Universal and we will be, and support our pastor in being, a responsible participant in ecumenical activities in order to strengthen the unity, witness and mission of the Church everywhere.

Regular Assessment of the Relationship

Regular assessment of the relationship between the clergyperson and the church should occur annually and be supervised by a standing committee. The most common is the Pastor-Parish Relations Committee, although others may be the Personnel Committee, Board of Deacons, or Trustees. Occasionally, an ad hoc Committee will be created to carry out a portion of the process; however, it is important that the clergyperson be able to fully make use of the membership and input of a standing committee throughout the year. Their role, beyond assessment, would be to provide avenues for advice, accountability and support within the church on a regular basis.

Regular Assessment of the Compensation Package

The review of the minister's compensation package and an annual performance evaluation can be conducted by more than one church board. As the compensation package is often contained within a Letter of Call, it is suitable to outline within the package any duties and responsibilities of the clergy person. These should be accompanied by the reciprocal responsibilities of the church members who have entered into this relationship. For example, in the absence of the clergyperson, the document can name who or which committee will assume the clergyperson's responsibilities.

Overview

National studies of clergy salaries show that several factors will influence the level of pay. We recommend that at each review, the pastor and church members engage themselves in a related Bible study as part of a discernment process. One such Bible study can be found through the

* The Clergy Compensation Committee, a subcommittee of CCL, gratefully acknowledges the Commission for Leadership Development, Massachusetts Conference, UCC, and the Maine Conference, UCC, for allowing us to incorporate their work into this document.

Office of Church Life and Leadership, titled “*Fair and Just Treatment of Persons Called and Employed by the Church: A Bible Study.*”

Because the pastor of a church is required by his/her Association of the New Hampshire Conference to be a highly-educated and trained professional, the salary and housing package for pastors should be comparable to similarly trained professionals in the community. The total compensation package should be at least equal to that of professionals requiring three or more years of post-graduate study, e.g., school superintendents, school principals, engineers, etc. Consideration should include years of service, special skills, and other relevant life and work experience. The work schedule and compensation package should allow for the pastor to create a balance of time spent between church and family and friends, between work and recreation, and the care for others and care for oneself. Performance goals outlined in the Letter of Call or separate document provide an objective, quantifiable basis for an annual review and evaluation of a minister’s performance. Other factors for calculating salaries and benefits are the size and location of the church and cost of living increases.

Direct Compensation

Minimum Cash Salary: The cash salary is the amount of actual dollars paid to the minister. Cash salary does not include housing, utilities, allowances, benefits, Social Security or reimbursable expenses.

In 2004, for churches with active membership up to approximately 99 people, for a full time, newly-ordained clergy person with ministerial standing in the United Church of Christ, the recommended starting cash salary for one year is \$27,000-\$32,000.00. For churches with higher membership participation, the minimum salary should be increased by \$2,500 at the next 50 members, and then again at each 100 member increment. We recommend that for each year of ordained ministry experience, \$800 should be added to the minimum, for up to 15 years of experience. The New Hampshire Conference UCC Clergy Compensation Committee developed these figures by comparing clergy salaries among several denominations and with other professions.

We suggest that there be a comparison of denominational recommendations for the Episcopalian, Methodist, and other bodies with regard to how their ministers in your area are being paid. Some studies point out that denominational polity among various denominations can greatly influence the pastors’ salary within a polity. You will find sufficient information in this regard, as well as other helpful comparisons, in a Pulpit & Pew 2003 research study titled “How Much Should We Pay the Pastor?” This document is available at www.pulpitandpew.duke.edu.

Any church offering less than the minimum is encouraged to include non-financial compensation comparable to the difference. For example, a local church whose budget permitted an amount approximately \$4,000 less than the minimum, allowed the pastor the opportunity to acquire supplemental income. The agreement included the following under Personal Days Leave: “1 additional day-off per week, or equivalent total of 52 days, so long as the pastor participates in 46 worship services each year.” See page 9 of this document, entitled: “Less Than Full-Time Ministers.”

Housing: A second, major portion of a pastor’s compensation is housing, which is provided either in the form of the rent-free use of a church-owned house or a housing allowance. Various options for housing should be considered as part of the Letter of Call and may be renegotiated as required.

Church-provided house (Parsonage): When the use of a parsonage is provided, the house should be on a par with the average housing in the community; it should be attractive, conveniently arranged and well-maintained. The church customarily pays for all parsonage utilities (heat, light, water, refuse service, local phone calls, etc.) Pastors who live in parsonages have the benefit of being able to tax exempt their household costs through a budgeted parsonage allowance. The church's official board should vote annually, before the ensuing year begins, what part of the pastor's salary is to be treated as a parsonage allowance, and include this figure in the official records. An annual parsonage allowance (not to exceed a reasonable amount) could save the pastor in income tax. Any unused allowance is always taxable income. Any over expenditure of the allowance is never deductible.

Equity Allowance: For a pastor living in a parsonage, an equity allowance is part of basic compensation, and is only fair and just. An equity allowance is **not** a housing allowance. The two different types of allowances should not be confused.

In fairness, there is a need to enable parsonage dwellers to accumulate some equity that can eventually be used to provide housing, either owned or rented. After a lifetime spent in parsonages, the family may have no assets with which to provide housing. In other words, at death, disability, or retirement, the pastor's family is on its own. The mechanics for funding an equity allowance should be as simple as possible. A written statement outlining a plan, the funding, and specific procedure is crucial. *(We strongly suggest that this be done in consultation with a qualified tax attorney or certified financial planner to assure that the plan conforms to the requirements of the IRS and makes best use of the equity funds.)*

How much? Some congregations figure out how much the parsonage has increased in value during the past year. A 2% increase in value on a \$125,000 parsonage would be a \$2,500 equity allowance payment. Other churches estimate the typical payments on mortgage principal and set aside that. Still others set aside a percentage of salary, for example 7.5%, as an equity allowance.

The important consideration is that the pastor be allowed what most parishioners have: a build-up of equity. It must be remembered that an equity allowance is additional compensation (deferred income), and eventually will be taxable. Of course, the tax, also, may be deferred. A separate fund is set aside and is not available to the pastor until the pastor seeks to purchase a home or until retirement. It becomes taxable when it is used or when the pastor has access to the funds, whether or not it is used at that time. If a pastor moves, it will be desirable to agree further that the depository of such set-aside funds will be changed upon the pastor's relocation, but that the fund and the restrictions on its use be continued.

Housing Allowance: A housing allowance can be used by the pastor to rent or purchase a home. Home ownership is considered advantageous by many clergy because it allows a pastor to build equity in real property and to gain annual appreciation. This equity is then available for the pastor to use as collateral for an education loan or as payment toward retirement housing. Also, home ownership insures that a pastor's spouse and family will have a home and a community in the event of a pastor's untimely death. Many churches have found that with the capital realized from the sale of an existing parsonage, they can loan their pastor funds for a down payment on a home. Or, with the help of the income from the rental of an existing parsonage, they can provide their pastor with a housing allowance.

If a housing allowance is provided, several factors must be taken into consideration, both by pastor and congregation:

- Revenue rulings issued by the IRS state that the maximum amount of housing which clergy may receive and exclude is the fair rental value of the home, furnished, plus the cost of utilities, or the actual housing expenses, whichever is the least amount. Then to the extent that such an allowance is spent, it is excluded from taxable income. It is recommended that churches offer a housing allowance as an additional amount equal to at least 30% of the cash salary.
- Such an allowance is for all expenses, as well as utilities and amortization, and, depending upon local circumstances will range from \$10,000 to \$35,000 annually. For the actual amount of the housing allowance to qualify by IRS standards as tax-free income, it must be clearly designated by church vote as housing allowance and be formally approved annually by the appropriate church board prior to the beginning of payments. This approval must be recorded in official minutes and retained in the church files. Also, a pastor must keep records such that she or he can show that the actual housing costs do in fact equal the entire housing allowance. Any amount of the allowance that is not actually spent on housing is taxable to the pastor.
- It must be kept in mind that a housing allowance is fully taxable for social security tax purposes.
- A housing allowance can be spent on any items required to provide a home, such as the monthly mortgage payment (interest and principal), taxes, insurance, furniture, furnishings, repairs to the house or furniture, new appliances, yard care, mowing, snow removal, all utilities, even the cost of pots, pans, silverware, and household cleaning materials. The only stated exceptions are food and maid service.

When a church loans money to the pastor to help finance a home, there are several payback options to be considered:

- a second mortgage with monthly payments of principal and interest,
- a second mortgage with monthly payments of interest only, the principal to be paid when the pastoral relationship is concluded,
- a shared equity arrangement in which the appreciated value of the home is divided at the time of sale between the pastor and the parish, proportional to their respective investments in the property, at which time the church's principal investment is also repaid.

Benefits

Annuity Contribution: Quarterly contributions to the annuity fund are part of the standard benefit package for UCC clergy. The annuity contribution, usually paid by the local church to the UCC Pension Boards, is equal to 14% of the salary plus housing allowance. If a parsonage is provided, the annuity contribution is 14% of 130% of the salary. This is the standard formula recommended by the UCC Pension Boards.

In cases where a pastor's compensation package is weighted heavily toward a housing allowance, the church should consult a tax accountant to assure that the total annuity contribution does not exceed that allowed by the IRS for contribution to a 403b tax sheltered annuity.

Group Health and Dental Insurance: The church should pay for the cost of insurance for the pastor and should consider paying for the cost of insurance for the family. Because the cost of health insurance can be prohibitive, this decision should be part of the negotiations between the

church and the pastor. Participation in the denomination's health insurance program assures that coverage will continue to be available throughout the pastor's ministry.

Caution: *Withdrawal from the denomination's health insurance program could mean that the pastor may not enter the program at a later date, if desired or needed.*

Disability Income and Term Life Insurance Plan: The Disability Income and Term Life Insurance Plan of the UCC provides disability income insurance and declining term life insurance equal to a portion of base salary (usually 1.5% of cash salary and housing). Because the plan does not take effect for 90 days following a disability, churches should be prepared to pay the pastor's full compensation during this waiting period either by purchasing short term disability insurance elsewhere or by covering these costs out of church funds.

Medicare: The Conference recommends that when a pastor reaches the age of 65 and becomes eligible for Medicare that the church cover the cost of the Medicare Supplement Plan and reimburse the pastor for Medicare part B.

Social Security Offset: Clergy are treated as self-employed for social security purposes. Pastors must pay the current 15.3% (Schedule SE) on the cash salary plus housing allowance or fair market rental value of the parsonage. The Conference urges churches to pay 7.65% of the pastor's salary and housing allowance (or 7.65% of 130% of the base salary if a parsonage is provided) for social security, as it must do for regular FICA employees. This should be paid directly to the pastor and listed in the budget as a Social Security Allowance or Offset. This is taxable income and must be included on the W-2 form given to the pastor and reported on the clergy person's tax returns. Pastors should apprise themselves of the most recent IRS regulations.

Worker's Compensation: Churches are required by law to provide worker's compensation insurance coverage to all employees, including clergy.

Malpractice Insurance: The Conference recommends that each church purchase malpractice insurance, included in the Conferences of the UCC Insurance Program.

Reimbursed Expenses

Churches are expected to reimburse all professional expenses of ordained ministers. The NH Conference encourages churches to develop a reimbursement policy in accordance with the IRS as a means for reimbursing ministers for expenses made on behalf of the church. The church budget should include as line items all reimbursements for professional expenses. These expenses include:

Automobile: All miles traveled on church business should be reimbursed at the current IRS rate. Expense vouchers should be submitted on a regular basis that include a record of all trips taken, noting the purpose of the trips, the distances traveled, including tolls and parking fees.

Professional and educational expenses: The costs to subscribe to professional journals, to entertain guests of the church, to clean and procure vestments to be worn during worship, and the costs of all professional dues, books, and in-service training should be reimbursed by the church.

Business expenses: Association, Conference and parish business expenses should be paid in full by the church. The church should pay for its pastor(s) to attend meetings and conferences of the association, conference and wider church. The church should reimburse the pastor for expenses

incurred while attending camps, conferences, and any ecumenical activities. Attendance at such functions should not be considered vacation.

Moving expenses: These should be paid in full by the church that is calling the minister.

Annual Time Compensation

Vacation Leave: Vacation time should be a minimum of one month per year, including Sundays. This time should be exclusive of denominational meetings or professional training. It is recommended that vacation time be extended one week at each fifth year anniversary. In addition to these vacation leaves, churches might also provide one weekend off per quarter to compensate for days-off that might otherwise be taken on holidays. Common times for these to occur are the Sundays following Christmas and Easter, and one weekend during Lent.

Holidays: Paid holidays are to include New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, the Friday after Thanksgiving, Christmas, and one floating holiday.

Days Off: The equivalent of two days off per week is recommended.

Professional Development: Pastors pursue a regular pattern of study throughout the work year. It is recommended that churches grant pastors two weeks each year for purposes of pursuing concentrated reading, study and/or workshops for continuing education purposes. Churches are encouraged to provide an allowance for such activities.

Leaves of Absence

Parental, Family Medical or Emergency Leave: Provisions should be made, at the time of the birth of a child, for a female pastor to be granted six weeks maternity leave, with full salary and benefits, with the possibility that an additional six weeks of unpaid leave may be negotiated. At the birth of a child, a male pastor may be granted two weeks of paternity leave with full salary and benefits. Should the male pastor be the primary caregiver for the family, additional unpaid leave may be negotiated, up to a total of three months. In the case of the adoption of a child, a female or a male pastor may be granted six weeks of family leave, with full salary and benefits. Flexibility in scheduling should be allowed during the first six months after a new family member arrives to allow for parents to experience and grow in this important time of family adjustment and change.

Allowance should be made for the pastor to be with his or her immediate family at times of special celebration, such as weddings or graduations, and at times of personal sorrow such as illness or death. Also, the pastor may have times of personal emergency or unusual family responsibility. Paid personal leaves would normally be limited to a period of five to seven (5-7) days a year, except where compassion dictates further extension.

Sick Leave: Sick leave, accumulated at the rate of one day per month, for up to thirty days, is normative in many churches. In cases of prolonged illness or disability, churches should continue to provide clergy compensation and all benefits except travel, for ninety days, when the Disability Insurance takes effect. Parsonage use or housing allowance should be continued for the three month period, and thereafter be negotiated month-by-month.

Sabbatical Leave: It is recommended that a church have in its written call to a pastor the provision for a three month sabbatical every five years, with full pay and benefits, exclusive of vacation. The value of sabbaticals for both the pastor and the congregation cannot be overstated. The demands on a pastor's time and emotional energy are great. A sabbatical is a time for study, travel and other experiences of personal renewal for the pastor, encouraging new ideas, a

“recharging” of the spirit and a new energy for ministry. The pastor is expected to continue serving the church for a minimum of one year following the completion of a sabbatical.

This absence will require either an interim or supply minister’s salary during the absence. Grants, available from foundations such as the Lily Foundation, are often available to cover most of the costs of the leave.

Wider Church and Local Community

Professional Performance within the Community and the Wider Church: Ministers are frequently called upon to offer leadership to program activities within the church beyond their regular weekly duties. These activities may include counseling at summer camp, advising during a mission trip, or leading a weekend workshop or retreat. The time spent on these ministries should be considered in addition to vacation and study time.

Additionally, the minister may be expected to be a visible, vocal community voice. These community activities can be as diverse as volunteering as a sports coach to volunteering for Hospice. In addition, a minister will become involved in Association, Conference, denominational and ecumenical activities of a wide range. It is not unusual for a church’s Letter of Call to include such provisions. Therefore, how the minister interacts in the social, political and spiritual environment is within the mission of the local church. These interactions should be part of the minister’s regular reports and available for evaluation.

Working Conditions

The church should provide competent support, especially for office tasks and building maintenance. In providing office space at the church or parsonage, consideration should be given for the minister’s need for technology, accessibility, privacy, and the ability to work without interruption.

Death of the Minister

In cases where the clergyperson dies, churches should provide salary, housing and all benefits to the spouse, partner and/or family for three months. Continued use of a parsonage and other expenses, such as moving, should be considered on an individual basis, in close consultation with the Conference Minister.

Associate Pastors

Associate pastors should receive from 65% to 90% of the senior pastor’s salary, depending on position descriptions, scope of responsibility, length of service, experience and years in the ministry - with the expectation that, after five years in the position, the salary should be at least 75% of the cash salary of the senior pastor.

The Interim Minister

The interim minister will serve a church during situations that demand specialized skills, training and responsibilities. In accordance with their specialized duties, every interim minister will possess a working knowledge of the UCC pastoral search process and the UCC Guidelines of ministerial ethics.

One common and important role of the interim minister is to serve a church during the times between settled pastors. It is recommended that the interim minister be involved in many aspects of church life, offering guidance and pastoral support during the transition time. At the same time, the interim’s specialized responsibilities will occasionally limit or prohibit full involvement in some areas. For example, while the interim minister might be particularly helpful to the pastoral search committee in the initial steps of its work, the candidate selection is always the role of the committee and the congregation.

Another occasion for interim ministry includes times when a church is experiencing a high conflict situation. This would include, but not be limited to, times when a church population becomes injured or suffers division stemming from incidents of sexual abuse, or occurrences of gross financial misconduct. The specialized approach of an interim pastor is needed to help process the difficulties and advance the community towards a resolution and healing.

Compensation Guidelines

The salary, housing and benefit package of a full time interim pastor will be comparable to that of a settled pastor.

Less than Full Time Ministers

Churches that cannot afford the recommended full-time compensation (salary plus benefits) may consider offering fair part-time compensation. Fairness is the key because without it a congregation may have unrealistic expectations of a part-time clergy person. Compensation arrangements for a part time pastor will be negotiated based on one of these two options:

- A percentage of the full time salary and housing package (i.e., 75%, 60%, 50%), or
- A unit increment of three and one-half (3 ½) hours of work time (such as morning, an afternoon, or an evening) compensated at a rate of \$80.00 to \$125.00 per unit. The unit option rate includes compensation for base salary and housing. It is recommended that Sunday morning worship be calculated as two to four (2-4) units to provide adequate compensation for preparation time.

One approach to negotiating a fair part-time congregation-clergy covenant is to look at the responsibilities in terms of units. A morning, afternoon or evening would constitute one unit of work. For example, a pastor who spends a morning on worship preparation, the afternoon on hospital visits and the evening at a trustee meeting would work three units that day.

A full-time pastoral position would involve 10 to 14 units a week, depending on the season, emergencies and other situations, but should average 12 units a week over the course of a year. Three-quarter time compensation would average 9 units while half-time compensation would average 6 units.

This approach allows a congregation to set priorities and provides considerable flexibility. Lay people might prepare the newsletter, teach an adult Bible study or make routine visits to shut-ins, freeing the part-time clergy person to concentrate on worship preparation and a limited number of meetings, counseling sessions and crisis visitation. In this way, a church may provide a professional-level ministry with a part-time pastor.

Imaginative approaches to bi-vocational ministry offer another option. Churches with part-time ministers might explore innovative ways to attract clergy by investigating other part-time employment opportunities in their communities and listing them in their search profiles. Especially as more people enter the ministry after working in other areas, this approach offers possibilities.

The following suggests unit assignments for the most common clergy responsibilities:

Responsibility	Units Per Week
Worship Preparation	2-4
Sunday Worship/Coffee Hour Visitation of those in need:	1 3-4
• shut-ins, hospitalized, etc.	
• other church members	
Administration	1-2
Meetings	2-4
• in the church	
• in the community	
• local clergy	
• UCC Association,	
Conference, etc. Counseling, Weddings,	1
Funerals	1-2
Teaching / Bible Study	1-2
Communication - bulletin/newsletter	1
Community Chaplaincy	
• nursing home, jail, hospital, etc.	

How to Present the Package in the Church Budget

The New Hampshire Conference recommendation is to provide the breakdown of the minister's earnings, benefits and reimbursements in five distinct categories, such as the ones below.

1. Cash Salary, Housing and Equity Allowance
2. Professional Expenses (travel, meetings, reimbursements)
3. Benefits (Pension Contributions, Insurances, Social Security, Books, Continuing Education, etc.)
4. Sabbatical, Study, Maternity, other Leaves of Absence
5. Additional Costs

Example of Motion to Approve Package

Once the five categories above have been presented to the congregation, a member of the Pastor-Parish Relations Committee may provide a motion at the church annual meeting to approve the total direct compensation package. Using the example on page 11 of these Guidelines:

"I move that the total compensation paid to Reverend _____, an ordained minister employed by the _____ Church, in _____, New Hampshire, in the year 2004 shall be \$28,080.00 of which \$6,480.00 is designated for a housing allowance pursuant to Section 107 of the Internal Revenue Code."

The New Hampshire Conference, UCC, publishes a booklet called “Our Church Seeks a Pastor” that is available to all local church search committees. That booklet provides an example of a Letter of Call/Covenant. The following two Letters of Call/Covenants may be considered by the local church as additional examples.

Letters of Call /Covenant (example one)

The minister in this example has recently graduated from seminary and is serving her first church. In addition, the church is unable to pay for a full time minister. The pastor and church have agreed to additional time-off in lieu of the reduced financial compensations.

Letter of Call between Sunrise Congregational UCC and Rev. Aurelia Rose who has been called and elected to serve by the congregation as pastor and teacher.

Preamble: The pastor shall have charge of the spiritual welfare of the congregation, shall preach and teach the Word of God, shall be responsible for the services of public worship, shall administer the sacraments, and shall provide pastoral care and leadership. In matters of faith and ethics, she shall be free to express in word and action her interpretations of the Word of God.

Pastor’s Annual Financial Compensations I.

Direct payment to clergyperson:

- | | | |
|---------------------------|---|--------------|
| 1. Cash salary | <i>(4/5^{ths} of minimum cash salary)</i> | \$ 21,600.00 |
| 2. Housing allowance | <i>(30% of cash salary)</i> | 6,480.00 |
| 3. Social security offset | <i>(7.65% of salary plus housing allowance)</i> | 2,148.00 |

II. Direct payment programs: or, Benefits through the UCC Pension Board:

- | | | |
|--|--|-------------|
| 1. Pension contribution | <i>(14% of cash salary plus housing allowance)</i> | \$ 3,931.20 |
| 2. Health Insurance | | 6,214 |
| 3. Dental Insurance | | 631 |
| 4. Group Life and Disability Insurance | <i>(1.5% of salary plus housing)</i> | 486 |

III. Professional expenses: or, Church Operating Costs:

- | | | |
|-----------------------------|---|----------|
| 1. Travel | <i>(limited mileage reimbursement at current IRS allowance)</i> | \$ 3,000 |
| 2. Pulpit supply | | 700 |
| 3. Professional development | | 1,000 |
| 4. Moving expenses | <i>(reimbursement of all moving costs)</i> | 1,523 |

Pastor’s Annual Time Compensations:

- | | |
|--------------------------------------|---|
| 1. Vacation | 4 weeks |
| 2. Professional development | 2 weeks |
| 3. Personal days leave | 1 day per week or equivalent total per year, as long as Pastor Rose participates in 45 Sunday worship services each year. |
| 4. Sick leave | 1 per month, accumulated to 30 days maximum |
| 5. Maternity or adoption leave | Six months at full salary and benefits. |
| 6. Family medical or emergency leave | 7 per year, accumulated to 30 days maximum. |
| 7. Sabbatical leave | After 5 years, 3 months with full pay and benefits, exclusive of vacation. |

Church-Pastor Relationships

Church responsibilities to the pastor: We recognize the many and diverse expectations we have of our pastor, and we offer our support through prayer, encouragement, and partnership in the ministry of this church.

We recognize the need for regular assessment of the relationship between Pastor Rose and our church; consequently, it is the responsibility of the Pastor-Parish Relations Committee to evaluate annually the pastor's performance and to report its conclusions to Pastor Rose and to the Church Council by the 1st of September. The form of performance evaluations will be developed in consultation with the pastor. As a part of this evaluation, the Pastor-Parish Relations Committee, with the pastor, will review annually this letter of agreement, exclusive of financial compensations, and report any recommended changes to the Church Council. Similarly, an annual review and recommendation of Pastor Rose's financial compensations will be conducted by the Church Council in consultation with the pastor, and completed by the 1st of October. At the same time, the Church Council will prepare a revised Letter of Call incorporating any necessary changes. In the absence of the pastor, the Diaconate shall assume those pastoral functions and duties which are consistent with the functions and duties assigned deacons through church bylaws.

Pastor responsibilities: In addition to the pastor's many broad responsibilities as leader of Sunrise Congregational UCC, it is expected that Pastor Rose will actively participate in activities of the Church Council, Diaconate, and church boards and committees. Responsibilities also include involvement in the wider church of the United Church of Christ and the ecumenical community.

It is important that Pastor Rose fully utilize the Pastor-Parish Relations Committee as a primary avenue for access, advice, accountability and support within the church. For example, it is to the chairperson of this committee the pastor should report her intention to be absent from her duties. The Pastor-Parish Relations Committee can serve the pastor as sounding board, ombudsman or her representative to others in the church.

AGREEMENT APPROVAL

Signatures below signify approval of the contents of this letter for the calendar year 2005.

Pastor: _____

_____ Date

_____ Church Clerk (or Moderator)

_____ Date

Letters of Call /Covenant (example two)

The minister in this example had served another UCC parish for eight years. Prior to entering parish ministry, he taught at a UCC seminary for 15 years.

The First Congregational Church Main Street, Town Square, East Meadows, NH

Letter of Call/Covenant To the Reverend Frederick Smythe Potter.

At the election for Pastor held in First Church of East Meadows, NH on the 1st day of December, 2004, you were duly elected to that office. The people of our congregation voted to enter into a covenant with you to become Pastor and Teacher of this church, effective January 1, 2005.

The duties which will be required of you are those set forth in the Word of God, in the Constitution of the United Church of Christ, in a position description to be negotiated with you within three months of your acceptance of the pastoral office, and affirmed in the vows you took at your Service of Ordination.

To support and encourage you in the discharge of your important and responsible office, we promise you, in the name of the congregation, all proper attention, love, and respect in Christ's name.

In consideration of your service, and so that you may be relieved of temporal cares as far as possible, we do hereby obligate ourselves to support and encourage you in the following ways:

Compensation

1. The church agrees to pay you \$41,000 as Base Salary, payable semi-monthly, by the church Treasurer.
2. The church agrees to provide you with a parsonage with all utilities provided and an equity allowance of \$3,075 (7.5% of salary) per annum, upon mutual agreement between you and the Board of Trustees as to where those funds will be deposited.
3. The church agrees to pay to the UCC Pension Boards, quarterly, an annuity of \$7,462 (equal to 14% of 130% of Base Salary).
4. The church agrees to pay the full annual premium for the Minister's Group Health Insurance Program of the United Church of Christ, including dental coverage, currently \$10,256 per annum.
5. The church agrees to pay for the Disability Income and Term Life Insurance Plan of the United Church of Christ, based of 1.5% of the compensation basis (salary plus housing).
6. The church agrees to pay you a Social Security offset equal to one-half the cost of coverage per annum.

Vacations, Study, Leaves of Absence

1. We agree to provide one month's vacation from all parish responsibilities.
2. We agree that you shall have a minimum of one and a half days off per week, and wherever possible, to follow any guidelines recommended by the Conference, pertaining to a pastor's work schedule.
3. We agree to grant you up to two weeks' study leave per year for continuing education, in consultation with the Pastor-Parish Relations Committee or Diaconate.
4. We covenant that you shall have a sabbatical, at your request, and in consultation with the Church Council every 5-7 years, for a period of 3-4 months at full-pay, or 6 months at half-pay. It is understood that you will remain as pastor for a full year following any sabbatical.
5. In the event of the birth or adoption of a child, we agree to negotiate appropriate leave and/or flexibility of schedule with you, pursuant to the guidelines found in the Conference's Clergy Compensation Booklet.
6. We agree that you shall have (5-7) days per annum of personal leave, and we agree to be sensitive to those times when compassion dictates a further extension.

7. We agree that you shall have sick leave, accumulated at the rate of one day per month, up to thirty days. In the event of prolonged illness, disability, or death, we further agree to provide you (or, in the case of death, your spouse and family) salary, use of the parsonage, and all benefits for three months.

Professional Expenses

1. We agree to provide you with full auto expenses monthly at the current IRS rate, and upon proper submission of an expense voucher.
2. We expect that you will attend the meetings, conferences, and assemblies of the wider church, both denominational and ecumenical, and we agree to provide for those expenses up to a sum of \$800.00 per annum.
3. We agree to provide you with an expense allowance of up to \$1,200 per year, to be paid to you upon consultation with the Treasurer of the church.
4. We agree to pay your moving expenses, up to the sum of \$2,500.

Additional Terms of Employment

1. Upon your request, we agree to make provision for up to \$2,500 per annum for child-care costs.
2. We agree to provide you with an easily accessible office, and to be sensitive to your needs for adequate support staff, appropriate surroundings and equipment.
3. We agree that you shall have a job description (covenant) which is mutually satisfactory and mutually beneficial, and which will clarify mutual expectations.
4. We covenant with you that there shall be provisions made for an annual review and evaluation of our mutual performance as pastor and congregation. We further covenant for an annual review of this call/covenant, including an annual review of all compensation and benefits.
5. It is understood that this Letter of Call/covenant between pastor and congregation can be terminated by either party giving at least ninety (90) days' written notice, or upon other terms of mutual agreement. If either the church or the pastor feels that there is any unfairness in the termination, the aggrieved party has the right to refer the matter for a hearing to the Association Committee on Church and Ministry.
6. It is understood that the Conference Area Minister and the Association Committee on Church and Ministry shall be consulted at the request of either the pastor or the congregation, should the relationship between the pastor and the congregation become strained or in jeopardy.

In witness thereof, we have subscribed our names, on this 1st day of December, 2004. For the congregation calling:

Moderator	(Signature)	Date

Clerk	(Signature)	Date

Treasurer	(Signature)	Date

Pastor-Elect	(Signature)	Date

(Note: Affix church seal here, if available)

Four copies; one each to the following:

Pastor-Elect, Association Committee on Church and Ministry, Conference Minister, Local Church

NOTE: All of the representations within the following list are to be taken separately and as starting points for developing individualized position descriptions. It is understood that everyone who uses this document will adapt, delete, and add according to their personal beliefs, preferences and local needs. In other words, please choose from among the descriptions the ones that you wish to use, and make the necessary revisions.

NOTE ALSO: At the present time there is an additional, sample position description available in the New Hampshire Conference document entitled, "Our Church Seeks a Pastor."

Sample Position Description (Covenant)

Our Pastor is responsible, in cooperation with the Church Council, for the policy and program of the work of Christ within this congregation of the United Church of Christ.

Our Congregation is responsible to give you all proper attention, respect, love and support in your Pastoral and Teaching ministry on behalf of Christ Jesus within this congregation.

In order that mutual expectations might be clarified and evaluation possible, fair, just and mutual, these Principal duties are envisioned:

Our Pastor shall oversee the worship and work of the congregation. Our pastor shall provide direction and evaluation for all aspects of the church's ministry.

We (the congregation) shall support our pastor's oversight by our worship attendance, and by our willingness to receive guidance and example from our Pastor.

Our Pastor shall celebrate all the Rites and Sacraments appropriate to a United Church of Christ including, but not limited to: Baptism, Holy Communion, Confirmation, installation of lay persons, marriage, and burial. Our pastor shall also provide adequate training and counseling to all who are touched by the Rites and Sacraments of the Church.

We shall support and encourage our pastor's sacramental leadership among us, and receive, in a spirit of mutual need, our pastor's counseling and training relating to the Rites and Sacraments of the Church.

Our Pastor shall plan and conduct services of worship each Sunday, and at such other times as may be appropriate. Our pastor shall be expected to research, preach, and teach God's Word.

We shall be a congregation committed to being teachable and reachable in Worship, and to receiving, in all honor, our Pastor's sharing relating to God's Word.

Our Pastor shall visit and give comfort to the hospitalized, sick and shut-in members of our congregation on an appropriate and continuing basis. Our pastor shall also seek out and provide adequate instruction to those with a sincere desire to unite with our congregation.

We, as a congregation, shall provide our Pastor with the assistance of Deacons and others who may, at our pastor's request, engage in this ministry.

Our Pastor shall act as the primary Counselor of those within the congregation who need guidance and assistance.

We shall see that our pastor has adequate time for such duties and we commit that our pastor shall not be expected to bear a counseling load beyond responsible expectations, or the limits of our pastor's skills.

Our Pastor, as Teacher, shall be accountable for a strong program of Christian Education, in conjunction with the Director of Christian Education and Religious Education Committee, oversee the training of those preparing to be Confirmed, and provide leadership and encouragement for an active youth program.

We shall assist our pastor with the recruitment and training of responsible Christian Education Committee members and Church School teachers. We also shall work with our pastor to secure adequate lay or professional assistance needed to carry out an active youth program.

Our Pastor shall direct the on-going administrative matters of the congregation, and supervise all church staff. Our pastor shall have the right and duty to make recommendations to the Board of Trustees regarding the employment, termination, and salary reviews of all church staff.

We shall provide our pastor with adequate support staff for the size and program of the congregation. We commit to receive our pastor's oversight, evaluation, and input in all matters of administration, operation and personnel.

Our Pastor shall ensure that church records are properly maintained, including records of membership, birth, marriage, baptism, confirmation, communion, and death. Our pastor shall ensure that all office functions are effectively handled.

We shall provide our pastor with appropriate office space, equipment, and staff. We shall provide our pastor with lay and professional assistance in the handling of all records and papers.

Our pastor shall take part in appropriate community activities, and ensure that our congregation takes its responsibility to engage in missions work beyond the local church. We expect our pastor to be ecumenically minded, and contribute to the needs of the community as our pastor feels is appropriate, as a representative of our congregation.

We shall support our pastor's involvement in the community and ecumenical church and allow adequate and appropriate time for these activities and involvements.

Our pastor shall be expected to represent the congregation at, and where appropriate serve on, Association, Conference, and denominational boards, committees, and related activities.

We shall support and encourage our pastor's participation in the wider work and witness of the United Church of Christ, and provide lay delegates and workers for same, at our pastor's direction and suggestion. We agree that work for the United Church of Christ beyond our congregation shall not be counted as vacation time, study leave, or days of.

Our pastor shall act as an ex-officio member of all organizations, committees, and functions of the congregation. Our pastor shall endeavor to assure that all members of such groups thoroughly understand their purpose, objectives, and reason for being. Our pastor shall attend activities, meetings, and other gatherings as appropriate, and where time permits.

We shall not expect that our pastor can do everything. We shall endeavor on our part not to place undue demands on our pastor's time relating to these organizations, committees, and functions. We shall not expect our pastor consistently to be out more than three evenings in any one week, or that our pastor become so involved that the needs of our pastor's family are neglected.

Our pastor shall endeavor to assure sound communications between her/him and the congregation, and two-way communication between the congregation and the wider church.

We commit ourselves to open, honest, and loving communications with and about our Pastor, and to the receipt of her/his leadership when it comes to matters relating our congregation to the wider church.

Our pastor shall have the full authority granted to our pastor by the United Church of Christ, and by the Constitution and Bylaws of our congregation. Our pastor shall always have freedom of the pulpit, and the right to be consulted in any matters decided by the congregation and any of its organizations, boards, officers and committees.

We shall respond appropriately at all times to our pastor's authority, and shall have the right of conference with our pastor at all times.

Our pastor shall be expected to develop professionally through continued study, reading, conferences and seminars. Our pastor shall share this knowledge where appropriate, and encourage our congregation to develop in their secular and spiritual growth.

We shall support and encourage our pastor in these endeavors, and provide adequate time and assistance, so that our pastor can fully benefit from continual development.

Our pastor shall be expected to perform those other duties which may be mutually assigned or developed by pastor and congregation.

We shall assist our Pastor at all times in the discharge of our pastor's duties, and we accept that our ministry is a mutual one, as pastor and congregation.

Calling and Compensating Christian Educators

Education and Experience of Christian Educators: The educational background of Christian educators is as different and varied as each individual. Some discover their call to be a Christian educator early on, and are able to follow a college (and sometimes graduate school) curriculum which gives them a good academic background in Bible, theology, and educational theory. Others arrive at a position in Christian education much later, but are able to use their life experiences in the church, as well as their secular employment experience, to carry out their responsibilities effectively.

What follows are some guidelines for understanding what many Christian Educators have studied.

Minister of Christian Education: A minister of Christian education may either be ordained or commissioned. An ordained minister is a minister of the word and sacrament with some training in Christian education. Commissioned ministers of Christian education have completed very similar training as ordained ministers, but have focused their training specifically in the area of Christian education, and have chosen to have their calling in Christian education recognized as a ministry by their denomination. The educational background of these persons will be similar to that described for the Director of Christian Education.

Director of Christian Education, Christian Education Co-Coordinator: This person usually has been trained in the area of Christian education and has a Bachelor's or a Master's degree in a related area or attendance in a denominational training program in Christian education. This background education should include a basic knowledge of the Bible, theology, educational theory, developmental age characteristics, and possibly some group process and administrative skills.

Church School Superintendent: Most Church School Superintendents mainly serve in an administrative capacity. This person may recruit Church school teachers, order curriculum, maintain Church school supplies, and serve as the Church school contact person, as well as complete other related duties which are deemed necessary within a particular congregation. This person may be a high school graduate with several years of Church school teaching experience, or someone with any college degree who enjoys administration and has had Church school teaching experience. Needless to say, this person should also work well with people.

Other Considerations

Full-Time or Part-Time? Hiring a person for a part-time position requires that a number of lay persons are ready to accept the responsibility of carrying out most of the "hands-on" tasks that are involved in the Christian education program. A professional working part-time should only be expected to carry out the tasks that need an experienced/trained person. A full-time position can accommodate more of the "hands-on" tasks when it is apparent that not as many lay persons are available to take on the various tasks that make up the church's Christian education program.

Covenant: It is strongly recommended that a covenant be written and signed once a Christian educator has been hired, in much the same way that has been done for the pastor. This should make clear the lines of responsibility and accountability, the hiring and firing procedures, the frequency of performance and salary reviews, and the responsibilities of the position. This contract should be reviewed and updated when the contract for the clergy is reviewed.

Accountability: In order to help in the transition of bringing on a new staff person, it is strongly recommended that a staff relations committee be put in place. This group of parishioners will be responsible for seeing that a contract is maintained, will conduct performance and salary reviews, follow the hiring and firing procedures as outlined in the contract, and see that the lines of responsibility and accountability are clear and followed.

Background Check: A background check must be completed on all candidates being interviewed for any position in Christian education to comply with the NHC Safer Spaces Policy.

Compensation

The compensation for Christian education staff should be appropriate to the educator’s preparation and experience. Persons with experience in complementary fields (such as art, music, and drama, for instance) should have this expertise considered in the discussion of the compensation package as well.

The following monetary guidelines are intended to assist congregations in determining a just level of compensation for paid staff who have primary responsibility for Christian formation. The figures were compiled from comparisons with the guidelines from the Ohio and several New England UCC Conferences, and with consideration of current Christian education positions in New Hampshire. The categories are based on criteria recognized by the Committee on Certification for Church Educators of the United Church of Christ. (While certification is to be encouraged, it should not be regarded as a prerequisite for employment.) For more information about Certified Educators in the United Church of Christ, see www.ucc.org/education/certified.

Full-Time Salary Guidelines for Staff Responsible for Christian Education

(Part-time positions would be the appropriate percentage of the full-time salary guidelines.)

A person who is ordained or commissioned should be compensated according to the NH Conference guidelines for clergy.	
For a person who holds a minimum of a bachelor’s degree, plus or including academic credits related to church education, and has two years’ employment in church education.	\$26,750
For a person who has been employed in church education for at least three years and has completed the equivalent of a noncredit concentrated program of skill development in church education.	\$22,000

Benefit Package: Consideration needs to be taken in including enough benefits for Christian educators to accomplish their jobs effectively with a physically and spiritually healthy lifestyle.

Part-Time Position
(Minimum of 20 Hours Worked Per Week)

Benefits to include:

- Social Security Supplement
- UCC Pension for Lay Workers
- UCC Health/Dental Insurance for Lay Workers
- Paid Vacation - 4 weeks per year
- Leaves of Absence - negotiable with employer
- Sick Leave - accumulative at the rate of one day per month for up to thirty days per year

Job Related Expense Allowances to include:

- Books, magazines, and other resource materials
- Organization dues
- State and National Memberships
- Conferences
- State and National Ecumenical Events
- Travel Expenses - at the IRS Allowable Rate (currently 37.5 cents per mile)

Professional Time Allowances:

- None

Full-Time Position
(Minimum of 35 Hours Worked Per Week)

Benefits to include:

- Social Security Supplement
- UCC Pension for Lay Workers
- UCC Health/Dental Insurance for Lay Workers
- Paid Vacation - 4 weeks per year
- Leaves of Absence - negotiable with employer
- Sick Leave - accumulative at the rate of one day per month for up to thirty days per year

Job Related Expense Allowances to include:

- Books, magazines, and other resource materials
- Organization dues
- State and National Memberships
- Conferences
- State and National Ecumenical Events
- Continuing Education Costs
- Travel Expenses - at the IRS allowable rate (currently 37.5 cents per mile)

Professional Time Allowances:

- Sabbatical Leave - 2 to 3 months for every five years served

For further information, please read from *The Professional Church Educator 's Guide*, which is published by the Association of United Church Educators. There is much useful information in this booklet about what to look for when hiring a Christian Educator, how to develop a job description, conducting annual reviews, and the like. It is strongly recommended that each church acquire a copy, as the information it provides is invaluable in hiring and working with professional Christian educators. Copies of this resource are available for \$6.95 each from United Church Resources 1-800-537-3394.

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