MINNESOTA CONFERENCE

UNITED CHURCH OF CHRIST

Compensation Guidelines 2025-2027

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Minnesota Conference United Church of Christ
Compensation Guidelines for 2025-2026

Introduction:

Compensation for ALL local church employees should be fair and just, taking into consideration the size of the church and the employee's experience, skills, and education. Other factors that churches typically consider are the church's income, special needs, supply and demand, and the geographical setting. This document is created to help congregations plan compensation for its ministers. It can, however, be a very useful guideline for ministers serving in a variety of other ministry settings.

This guideline is put forth in order to honor and value authorized ministers and create an environment of best practices for the ministers and ministry settings of the Minnesota Conference, United Church of Christ. Some churches may be unable to provide sufficient compensation for full-time pastoral service. Such churches are encouraged to meet with the Conference Staff to review their situation and to consider creative alternatives, such as the calling of a part-time bi-vocational minister and/or sharing a minister with another congregation. A congregation should not expect a minister to work full-time for part-time compensation. Churches that are not able to meet these guidelines should consider options under Alternative Ministerial Positions [pp.10] that fit their budget while treating their ministers with fairness, justice and integrity.

In preparing the Guidelines for the 2026 Annual Meeting, we determined that the recommendations for 2025-2026 were sufficient to carry through another year. These numbers reflect recommendations in a range to allow for churches to perhaps meet guidelines at the lowest end and strive to reach the middle or high end of the range. We realize the formula used to determine compensation is not representative of all situations within our churches. We are striving to create a more representative expression of compensation that will allow just compensation for clergy and reachable goals for our churches.

The working group will continue in 2027 to review these guidelines and make them relevant and useful for our congregations – the work is ongoing.

A note about deciding ministerial compensation: A process should be in place for the regular, annual review of ministerial performance and compensation. We suggest that in each church, a small sub-committee, perhaps a Personnel Committee responsible to the governing board, be given the task of this review. These reviews and proposals should not be made by a budget committee or other budgeting body.

Please be aware that because federal tax structures (IRS and Social Security codes) are unique for ministers, and because each minister's family needs differ, the ministerial compensation package should be allocated in consultation with the minister so as to best meet the minister's needs [see worksheet, p. 14]. Churches are encouraged to first calculate the total compensation to be allocated, and then in consultation with the minister to re-allocate the individual line items.

Working through Ministerial Compensation

Because the minister of a church is often expected to be an educated and trained professional, the salary and housing package for ministers should reflect this level of preparation. The total compensation package for ordained ministers should reflect a living wage for your region commensurate with their experience. Other considerations are appropriate for ministers holding Lay Ministerial Standing, licensed and commissioned ministers. But regardless of whether the authorized minister is ordained, commissioned, licensed, or holds lay ministerial standing, each minister's total compensation package should take into consideration years of service, education, special training, skills and abilities as well as the ability to work without anxiety to meet reasonable financial goals such as pension, vacation, child care, etc.

Additionally, the work schedule and the compensation package of all authorized ministers should be healthy for the minister and for the ministry location. This requires a balance of time spent in the church's ministry and time spent with family and friends – a balance of work and recreation, a balance of exercising the body and the mind, a balance of care of others and care for self. In the instance of a part-time and/or bi-vocational minister, the minister's other vocation must be considered when balancing work and recreation.

A full-time position should be considered 40-45 hours a week, with the goal being an average of 40 hours. In times of high-volume ministry (Advent/Christmas, Lent/Easter, memorial services and extensive pastoral care), a minister should be expected and encouraged to find space and time to return their average hours over time to no more than 45 hours a week, with a goal of 40 hours.

In addition, congregations whose clergy are members of marginalized communities (BIPoC, LGBTQIA+, ministers with disabilities) serving predominantly white European dominant culture congregations need to take into consideration the extra time and effort such ministers expend engaging and ministering to communities made up of members of the dominant culture. Consideration can be made to offer extra paid time off, earlier sabbaticals (every 4 years), or extra compensation. Conversation and transparency around these subjects are encouraged, and the Minnesota Conference, as well as the Committee to Dismantle White Supremacy, are available to support this work.

Finally, in extreme circumstances clergy are called upon to minister not only within their congregations but also within the community and world. When trauma occurs within a community, or collective trauma is experienced widely, ministers carry extra loads of care and pastoral authority. A church may consider offering extra paid time off in times such as these or after a collective emergency/traumatic experience. Ensuring that your pastor is given time to take space, rest and regroup spiritually will support your collective ministry over time as well as model sabbath and acknowledgement of the toll communal grief takes on us all.

Compensation Components

1. Cash Salary – The term "cash salary" refers to the part of a minister's compensation that is considered "spendable income" and is taxable and reported as ordinary income. This is to be differentiated from housing allowance, benefits or expense lines (such as mileage, professional, etc.). In the Appendix there is a table for considering Cash Salary of a minister based on experience and membership of a congregation (p. 15). If the actual cash salary of a minister (before any re-allocation of funds to other line items) is below that of the appropriate membership size and experience, the position may be considered to be less than full time. The salaries listed in the chart

are for ordained ministers. Since ministry is not a static endeavor, compensation should be viewed as a necessarily changing long-term covenant between a setting and its minister(s). As ministers continue their work and growth, every setting is encouraged to incrementally adjust their minister(s)' cash salary based on several factors, including, but not limited to:

a. Annual cost of living adjustments to compensate for inflation.
b. Merit increases to acknowledge ministerial excellence.
c. Increasing ministerial experience, acknowledging the gradual movement up through the pay steps. This could be an increase of perhaps $500-$1,000 per year.
d. Churches should also be prepared to acknowledge growth in membership, attendance or contributions with an adjustment in salary.
e. Changes in the cost of benefits, especially health and dental insurance. These benefits can change drastically in cost as the minister ages, or as the minister's family changes.

2. Housing - For authorized ministers, the cost of housing will be a part of the minister's compensation package. After the total salary and housing compensation are agreed upon, the minister may request a reallocation of certain line items to better meet the minister's needs, in compliance with the codes of the IRS.

a. If a parsonage is provided, full utilities, basic telephone service, and maintenance costs are to be paid by the church. Furthermore, it is recommended that the church consider an equity development plan for ministers living in a church-owned home. Toward this end, it is suggested that a church provide an amount equal to 3%-5% of the minister's salary basis to be invested for the minister's benefit in one of the following ways: as an additional contribution to the UCC annuity fund; in an IRA, or a TSA (through the Pension Boards UCC); in another agreed upon investment vehicle.

A minister who is furnished a parsonage may exclude from income the fair rental value of the parsonage, including utilities. However, the amount excluded cannot be more than the reasonable pay for the minister's services. – IRS Publication 517

(In the case of a parsonage, the "salary basis" for Pension Boards UCC purposes = 130% of cash salary + any furnishings allowance received.)

b. If a housing allowance is provided, the amount received should permit the minister to buy, furnish, and maintain a median-priced house in the church community. A housing allowance should be no less than 1% per month of the value of the median-priced 3 bedroom home in the community. According to the IRS, the value of the annual housing allowance must be formally approved by the appropriate church board each year prior to receipt of the allowance by the minister. The approval must be officially recorded in church minutes and be retained in the church files.

A minister who receives a housing allowance may exclude the allowance from gross income to the extent it is used to pay expenses in providing a home. Generally, those expenses include rent, mortgage interest, utilities, repairs, and other expenses directly relating to providing a home. – IRS Publication 517

A minister's housing allowance (sometimes called a parsonage allowance or a rental allowance) is excludable from gross income for income tax purposes but not for self-employment tax purposes. ~ IRS.gov

Formula: Value of median-priced house x 1% x 12 = Housing Allowance

- If a median-priced house in the community is $100,000, the church's recommended housing allowance would be $100,000 times 1%, or $1,000 per month. ($12,000 per year).

- If a median-priced house in the community is $250,000, the church's recommended housing allowance would be $250,000 times 1%, or $2,500 per month. ($30,000 per year).

(In the case of a housing allowance, the "salary basis" for Pension Boards UCC purposes = cash salary + housing allowance.)

Regardless of the above considerations, according to Publication 517 of the IRS: If you own your home and you receive as part of your salary a housing or rental allowance, you may exclude from gross income the smallest of:

1. The amount actually used to provide a home;
2. The amount officially designated as a rental allowance; or
3. The fair rental value of the home, including furnishings, utilities, garage, etc.

c. For churches that cannot provide either a parsonage or a sufficient housing allowance to purchase a home in the community, a home (house or condo) for the minister might be leased or rented. Full utilities, basic telephone service, and maintenance costs are to be paid by the church. An equity development plan described above under "parsonage," should be included.

3. Social Security Offset - Because the IRS considers ministers to be self-employed for purposes of Social Security (though not for purposes of federal income tax), these guidelines expect ministry settings to provide an additional cash benefit equal to 7.65% of the minister's salary basis (cash salary and housing) to ministers who contribute to Social Security. [For an explanation of salary basis, see section 1 and 2, above, depending upon whether a parsonage or housing allowance is provided.] For tax reporting purposes, the Social Security Offset is included as taxable wages on the minister's W-2 form.

4. General Benefits - Benefits are provided for authorized ministers as an expense of the ministry setting. To be in keeping with Conference Guidelines, a church must provide the following benefits: retirement annuity, life & disability insurance, health & dental insurance, worker's compensation, paid vacation & days off, business travel reimbursement, financial & leave provisions for civic service and continuing education events, professional expense reimbursement, and Criminal Background Check reimbursement. [Participation in The Pension Boards, UCC plans requires employment on at least a ½ time basis.]

a. Retirement Annuity - Quarterly payments to the Annuity Fund, an IRS 403(b) tax sheltered annuity administered by The Pension Boards, United Church of Christ, are a standard part of the UCC ministerial benefits package. Ministry settings provide contributions directly to

The Pension Boards of 14% of the minister's salary basis. (1) For ministers paid a housing allowance, the salary basis is the total of cash salary + housing allowance. (2) For ministers provided a parsonage, the salary basis is the total of cash salary + 30% of cash salary + any furnishings allowance. All such payments and subsequent accumulations are tax deferred until retirement.

b. Life & Disability Insurance : The UCC Life & Disability Insurance plan is a standard part of the UCC ministerial benefits package that provides both short- and long-term disability benefits [of 60% of the minister's salary basis], and term life insurance. The cost of the plan is 1.5% of the minister's salary basis [see Section 1 and 2 above] paid directly to The Pension Boards UCC on a quarterly basis. For complete information, see the Pension Boards UCC website www.pbucc.org. If a minister is unable to enroll in the UCC LDI plan, comparable coverage should be sought elsewhere and 1.5% of the salary basis applied to the cost of that coverage.

   i. Short-Term Disability Benefits: Begin after 30 days of disablement at the discretion of the insurer.
   ii. Long-Term Disability Benefits: May begin at the discretion of the insurer when short-term benefits end. The benefits terms outlined in the plan's Summary Plan Description determine the actual benefit payment.

c. Health & Dental Insurance : Plan A Health Insurance & Dental Insurance for ministers and their dependents through The Pension Boards, UCC is a standard part of the UCC ministerial benefits package. If health & dental insurance is desired by the minister, we recommend the ministry setting make: (1) quarterly payments for the full cost of the annual premium directly to The Pension Boards, UCC; or (2) payments applied to the cost of a comparable plan of another insurer. If a Pastor declines insurance, then we recommend either a cash equivalent payout equal to the premiums for single coverage in the Pension Boards' UCC health insurance plan or offering a subsidy toward the health insurance they are receiving from elsewhere. The payout or subsidy is added to the cash salary component of the compensation package.

Note: Persons entering authorized ministry in the United Church of Christ for the first time have a 90-day window during which they may enroll in The Pension Boards, UCC health insurance plan without need of a medical examination.

d. Worker's Compensation: Ministry Settings are required by law to provide worker's compensation insurance coverage for all employees, including ministers.

e. Vacation: Ministers should be provided 4 full workweeks of vacation per year, including 4 Sundays. If a minister's normal work week is 5 workdays, then there should be 20 days' vacation per year. If a minister normally works 6 days per work week, then vacation should be 24 days per year. Every setting should have a clear policy about carrying accrued vacation into the next year and/or converting unused vacation into cash. Such paid vacation is a standard part of the UCC ministerial benefits package.

f. Holidays and Days Off: It is expected that ministers will be afforded the usual paid holidays afforded other employed persons (including the provision that they will take compensatory time when a holiday falls on a day requiring pastoral work). It is also expected that ministers will take the equivalent of two days off per week, as do employees of most other organizations and businesses. These provisions are a standard part of the UCC ministerial benefits package.

g. Malpractice Insurance: Each ministry setting is encouraged to purchase malpractice insurance if this is not already included in the church's current insurance policy, so as to protect the church and its employees in the event of a lawsuit. This insurance is standard in the policies underwritten by the United Church of Christ Insurance Board (UCCIB).

h. Criminal Background Check: All UCC clergy must submit a Criminal Background Check in order to circulate their profile. The local ministry setting should reimburse a newly called minister for this expense.

5. Business Expenses: Business expenses are incurred by ministers as they carry out the work of th church. The setting and the minister should collaborate in clearly defining such expenses and establishing detailed accounting procedures and appropriate budgetary lines for their reimbursement. Examples below:

    a. Business Travel: The Internal Revenue Service annually and as otherwise needed, establishes a mileage rate to be used in calculating the business mileage reimbursement rate for the use of a personal vehicle. As of 1/1/2022, that rate is $0.585 per mile. Ministry settings should reimburse ministers for all business travel expenses, including the cost of parking & tolls incurred in carrying out their ministry. There are two ways to do this.
        1. The ministry setting may reimburse the minister monthly for the actual miles driven in the performance of the ministry, at the IRS business mileage rate, as well as the actual cost of tolls and parking incurred, based on a logged accountable plan. An itemized record of the miles driven, and the purposes of the travel would need to be submitted to the church setting for reimbursement.
        2. The ministry setting may reimburse the minister monthly for the cost of maintaining the vehicle used in the performance of the ministry (car maintenance, insurance, depreciation, gasoline, etc), based on the ratio of business miles driven in the performance of the ministry to total miles driven, as well as the actual cost of parking and tolls, based on an accountable plan. Itemized bills incurred in the maintenance of the vehicle, and an itemized daily record, including the purposes of the travel, would need to be submitted to the church for reimbursement.

In either instance, funds received in excess of the actual costs incurred are to be included by the minister in their income for the year. "Non-accountable" and monthly flat rate travel allowances are not recommended.

b. Continuing Education: Financial support for continuing education events is a standard part of the UCC ministerial benefits package. The amount that is budgeted should cover a significant portion of the expenses for tuition, travel, housing, books and meals. A minimum of $500.00/year is recommended.
(Leave Allocation for Continuing Education: see p. 8)

c. Professional Expenses: Provisions in the church budget (and explicitly referenced in the minister's call agreement or letter of offer) for the reimbursement of other business expenses that the minister might incur in the performance of the ministry is a standard part of the UCC ministerial benefits package. These might include professional organization dues; the cost of professional books, journals & magazines; the cost of ministry-specific attire; professional entertainment costs; and the cost of registration, housing, meals and travel for Minnesota Conference UCC, national United Church of Christ, and ecumenical meetings.

6. Leaves of Absence, Sabbaticals and Other Leave Benefits

a. Sick Leave: Sick Leave policy is encouraged. Sick Leave typically accrues at the rate of one day per month and may be accumulated from year to year up to a maximum of 45 working days. Sick Leave may be used for personal illness or accident, or for the care of a person in the minister's immediate family (i.e., spouse, partner, child, or parent). Sick Leave may also be used for medical and dental appointments. [*Note: Congregations in Minneapolis and St. Paul may be subject to their city's sick and safety ordinance. It is best to consult with a knowledgeable person regarding how one's city ordinance may affect time off for clergy and other paid staff.]

b. Disability Leave: In the case of a Leave of up to 30 days due to illness or accident, the ministry setting is expected to continue the minister's salary, housing and all benefits without interruption. When a Leave extends beyond 30 days, the minister or ministry setting should alert the Conference Office and The Pension Boards, United Church of Christ to apply for disability benefits under the UCC Life & Disability Policy.

c. Parental Leave: For the period prior to and/or immediately following the birth or adoption of a child, a Parental Leave of up to 2 months at full compensation is encouraged. Any accrued Vacation or Sick Leave may be used to extend the Leave period. Another option for extending the Leave would be for the minister to work part-time, engaging some of their responsibilities while making provisional arrangements for others. In each of these instances, prior to the Leave, arrangements for the continuation of the ministry setting's pastoral responsibilities during the Leave should be negotiated.

Ministers taking Parental Leave are encouraged to submit their need at least 90 days in advance of the Leave to allow sufficient time for the obtaining of pastoral coverage.

d. Compassionate Leave: Compassionate Leave policy is encouraged. Compassionate Leave is typically provided in the case of an illness, death, wedding, graduation, or personal emergency within the minister's immediate family (i.e., spouse, partner, child, parent, in-laws, grandparents, grandchildren, and siblings). Five days of Compassionate Leave per year is recommended, except in circumstances in which additional Leave time is negotiated.

e. Civic Service Leaves: Civic Service Leaves are a standard part of the UCC ministerial benefits package. Regular full-time and part-time ministers who are members of a US Military Reserve or National Guard unit will be excused from work when called for military duty and training. Ministry settings shall adhere to all federal and state laws affecting Military Leave.

Ministers are to be granted Leave for Jury Duty. They shall receive compensation from the ministry setting for up to 2 weeks. Compensation for ministers serving Jury Duty is the difference between their regular compensation and the Jury Duty per diem pay. Ministers are expected to resume pastoral duties once released from Jury Duty service for the day.

f. Continuing Education/Study Leave/Standing Requirements: Ministry settings should expect their minister to be committed to a continuing program of professional growth and development and are urged to provide ministers with 2 weeks of Study Leave per year, including weekends. Both the ministry setting, and the minister will benefit from it. (Financial Support for Continuing Education: see page 7)

To remain in good standing as authorized ministers within the Minnesota Conference and the United Church of Christ, clergy are required to attend Power and Boundary Training every 3 years and Anti-Racism/Diversity Training every 2 years. Local ministry settings are encouraged to not consider such trainings as time off, vacation or against the minister's regular study leave.

g. Sabbatical Leave: Ministry settings are encouraged to establish a Sabbatical Leave policy for their ministers. The concept of Sabbatical, rooted in Scripture, offers a time of sustained study, travel, and personal and professional renewal, typically enabling ministers to be of greater service within their ministry setting over time. Sabbatical Leaves are typically offered for 3 months duration with full compensation and benefits to the minister, or up to 6 months duration with partial compensation and benefits. Sabbaticals are typically granted every 4 to 6 years.

Following a Sabbatical Leave, a minister is expected to remain in service at their ministry setting for at least one full year or repay the ministry setting in full for the cost of salary and benefits afforded the minister during the Leave.

Ministry settings are encouraged to set aside, in their annual budget, funds that when taken together are sufficient to meet the total cost of providing pastoral services during the Sabbatical Leave.

h. Wider Church Involvement: Authorized ministers are expected to participate in the life of the Minnesota Conference and the wider United Church of Christ, by serving on Conference committees and teams, the outdoor ministries of the Conference, and within the national settings of the United Church of Christ. Local ministry settings are encouraged to not consider such service as time off or Vacation, but as part of the minister's and ministry setting's greater ministry.

i. Evaluations: The Minnesota Conference encourages all ministry settings and ministers to participate in an annual evaluation. Such evaluations should consider the shared ministry goals of both the minister and the ministry setting as they, together, seek to clarify or better discern the future of the church. Those desiring assistance in this process are encouraged to contact an Associate Conference Minister.

j. Minister's Death: In the event of a minister's death, the ministry setting is encouraged to provide the minister's spouse or partner and/or dependents, at minimum, the minister's full salary for the current month of service, any accrued vacation time, and three additional months of full salary. The ministry setting is also encouraged to provide to the minister's family housing in the parsonage free of charge (including the cost of utilities and local phone service), or be provided a housing allowance, for up to 90 days. Further provisions, such as health and dental insurance, may be made upon mutual agreement between the setting, the spouse or partner and/or the dependents of the deceased, the Associate Conference/Conference Minister and/or the Committee on Ministry.

[IRS guidelines state that the parsonage and/or housing allowance becomes taxable to the family of the deceased.]

Alternative Ministerial Positions

Part-time Minister as well as Pastoral Coverage for Sabbatical, Family Leave, Extended Bridge or Pulpit Supply

Churches that cannot afford the recommended full-time salary package may wish to consider offering their minister a part-time salary package. "Transparency" is the key to this package, because without it a church might easily develop unrealistic time expectations of its part-time minister. Suggestions and considerations for this process can be found in the Call Agreement Workbook (link p. 17)

This approach permits a church to set priorities while also providing considerable flexibility. Lay people might prepare the newsletter, teach an adult Bible Study or make routine visits to shut-ins, freeing up the part-time minister to concentrate on worship preparation, a limited number of meetings, and counseling of and visitation to those in need. In this way, a church may provide a professional-level ministry with a part-time minister.

A possible, but not exhaustive, list of church activities and responsibilities that might be included in a minister's time are:

- Worship preparation
- Sunday worship and Sunday programs
- Visitation at hospitals, nursing homes, personal homes
- Administration, phone calls, emails
- Church, community, and denominational meetings
- Counseling, weddings, funerals, and other pastoral concerns
- Teaching, Bible study/adult education
- Communication venues: bulletins, newsletters, website, other;
- Community-based chaplaincy at nursing homes, jails, hospitals, etc.

Shared and Yoked ministry

In settings where a minister is serving more than one congregation, crafting a compensation package can be more complicated. In yoked settings, the participating churches generally meet together to determine the scope of work and negotiate a compensation package. The congregations mutually agree what portion of the compensation package each church will pay. Typically, one congregation does the check writing and bookkeeping for the yoke with respect to the minister's compensation. For shared ministry settings where the churches are not formally yoked, the participating congregations can negotiate together, or separately, to provide ministerial compensation. In the latter situation the parties will have more latitude over what each contributes, but all will want to have a sense that each is paying a fair portion of the minister's compensation. Ministers who serve nonyoked churches will need to keep careful records for mileage reimbursement so that each church provides appropriate reimbursement. As with any ministry setting, fiscal transparency and professional accountability are important.

Interim Minister

Interim Ministry Specialists have unique training to help congregations with the transition from settled minister to settled minister. They rely on churches to support them during their ministry in the local setting but also need to maintain some stability between interims. Churches should take this into account when negotiating the terms to be applied at the end of an interim contract. It is suggested that each church provide an additional 30 - 45 days of full compensation following the end date of an interim minister's time in serving a church setting for more than 6 months, and 15 days of full compensation for less than 6 months of service.

Contracts for interim ministers, whether part-time or full-time, may be drawn up according to the cash and housing salary guidelines found on pages 2-3, or by preparing a part-time ministerial package. (See Call Agreement Workbook, p17).

In the majority of circumstances, the interim minister's total compensation, including benefits, will be comparable to that of the previous settled minister.

Ministers holding Lay Ministerial Standing or Licensed Minister

Ministers holding Lay Ministerial Standing/Licensed Ministers serve a vital role in the life of the Minnesota Conference. Their compensation should be commensurate with their training, experience, skills and abilities.

Commissioned Minister

Commissioned Ministers conduct vital ministry in the Minnesota Conference, with varied ministry contexts, training, and responsibilities. Compensation should be commensurate with their training and experience.

Pulpit Supply

Individuals serving as pulpit supply for leading worship should be compensated at a rate of $175-250/day plus mileage. Churches should consider compensating at the higher rate in the case of the supply pastor being asked to plan and lead worship along with sermon preparation.

Reporting a Minister's Compensation

Ministers may responsibly re-apportion their salary and housing in a way that is more beneficial for tax purposes, and to better meet their personal financial needs, while still being in accordance with the IRS Codes. Also, given the natural tendency to compare a minister's compensation with one's own, we suggest that church settings report Minister Compensation (salary + housing) in the church budget separate from that of Employer Expenses. For example:

Minister's Compensation

Salary $_____

Housing $_____

Total Compensation $_____

Employer Expenses

Annuity, Disability, & Health Benefits $_____

FICA (7.65% social security offset) $_____

Business

Auto Reimbursement $_____

Continuing Ed. & Professional Expenses $_____

Resource Appendix

Clergy Compensation Worksheet

	Current Year	Next Year
Salary Basis		
1. Cash Salary (pp. 2-4, pp. 14-15)	_____	_____
2. Housing Allowance or Fair Market Rental Value of Parsonage (pp. 4-6)	_____	_____
3. Salary Basis Subtotal (add lines 1 and 2)	_____	_____
4. Social Security Offset (p. 6) (7.65% of line 3)	_____	_____
General Benefits (pp. 6-8)		
5. Retirement Annuity (14% of line 3 or 14% or line 1 x 130%)	_____	_____
6. Life and Disability Insurance (1.5% of line 3 or line 1 x 130%)	_____	_____
7. Health and Dental Insurance	_____	_____
8. Criminal Background Check Reimbursement	_____	_____
Business Expense (pp. 8-9)		
9. Business Travel ($.725 per mile - 2026)	_____	_____
10. Continuing Education	_____	_____
11. Professional Expenses	_____	_____
12. Benefits Sub-total (lines 5-11)	_____	_____
Total Compensation (lines 3 + 12)	_____	_____

(Reminder: Thou shalt NOT wait to budget for Sabbatical Leave)

Recommended Cash Salary Table for 2025-2027

(reflects 2-3.5% increase from 2024/2025 Guidelines) The increase percentage reflects COLA with a slight increase for urban settings.

* The chart presents salary guidelines related to the membership of a church with various Steps within each membership category. The Steps refer to experience, special skills, and other factors deemed important for salary calculations.

(does NOT include housing allowance, parsonage, or benefits)

Membership	Step A	Step B	Step C	Step D	Step E
Less than 150	42,351 – 42,974	45,465 – 46,134	48,580 – 49,295	51,241 – 51,994	52,316 – 53,086
151 to 300	47,334 – 48,030	51,072 – 51,823	54,752 – 55,558	61,659 – 62,565	73,919 – 75,006
301 to 450	51,695 – 52,455	55,430 – 56,245	61,659 – 62,565	68,511 – 69,519	74,740 – 75,838
451-600	---	59,161 – 61,232	68,178 – 69,180	75,126 – 76,230	84,080 – 85,317
601-850	---	66,020 – 66,990	75,360 – 76,469	82,212 – 83,421	89,064 – 90,374
More than 851	---	---	84,080 – 85,317	89,687 – 91,005	96,537 – 97,957

Guide to the Steps

Cash salary guidelines are based upon the membership of the congregation, and the skills, education, and experience of the pastor, copastor, associate pastor, team ministry pastor, or other authorized minister. Please note that:

- truly outstanding performance in ministry may merit a salary in the next larger category or Step.
- an adjustment should be considered for ministers who have received less than adequate increases in the past year(s).

Step A = entry-level. No ministerial or applicable life experience, other than field education in seminary.

Step B = entry-level to early mid-level. 2-5 years ministerial and/or applicable life experience.

Step C = mid-level. 5-15 years ministerial and/or applicable life experience and proficiency in special skills.

Step D = high mid-level to early senior-level. 15 to 25 years ministerial and/or applicable life experience, perhaps an advanced graduate degree, specialized experience gained from continuing education or other work experience. A high level of proficiency in a wide range of skills typically needed by a senior minister, including staff supervision.

Step E = senior-level. 20 or more years ministerial and/or applicable life experience, highest level of skills proficiency needed by a senior minister, advanced graduate degree(s) and/or specialized skills.

Additional Resources

Call Agreement Workbook:

This resource from the United Church of Christ breaks down the elements of a Call Agreement, discussing full and part-time ministry, as well as interim and designated term. You can call the Conference Office for this resource or order it from the UCC here.

A Sure Foundation:

This resource is a collection of best practices for the relationships between pastors and congregations. "Whether you are entering a new pastoral relationship with a congregation or seeking to deepen an existing relationship, these resources support the healthy ministries of both pastor and congregation." You can call the Conference Office for this resource or order it from the UCC here.

Church Finance Handbook:

This handbook is full of information and best practices for churches. Updated in 2018, it addresses many of the questions churches have around employment, reporting of taxes, housing allowance, and so much more. It was written for churches in Massachusetts, so the state information is particular to that state, and it is important to always verify any information concerning the IRS to be sure there haven't been changes. To download a PDF, or read online click here.