

# Salary-setting for pastors and staff

## *Considerations related to common church practices*

--There should be an officially adopted procedure for annual review of the senior pastor by a designated small group of the board, and also annual assessment of his salary and package.

Same for pastoral and support staff.

--All salaries and benefits should be listed together in one or two sums in the proposed church budget listing, so people do not compare what each person on staff makes. That should be determined by the small team in collaboration with the finance committee, and with the senior pastor related to other staff positions.

See the steps on "Setting Salaries on a Church Staff."

- In the private considerations of the salaries, figures should not be in one sum but broken down into the categories, as is done in almost all jobs:

**Salary** \$60,000 (just to use a round number)

**Health insurance** \$13,000 (Churches provide in various ways, but clearly are obligated just as other companies and ministries are. When a sum is given for this, church leaders would want to be sure what the person purchases is fair and adequate.)

**Retirement** \$4,000 Most churches do provide this, often using a matching fund so the pastor can contribute even more.

**Social security:** Some churches pay the normal "employer's share of the self-employed amount the pastor is taxed.

**Continuing education or seminars** \$1,000

**Reimbursement for mileage and church business meal expenses** (an approximate amount, but a specific policy on per-mile amount and what count as church business)

**Vacation weeks and sick days** These should be noted on the original “letter of agreement” but also on the annual update so that there is no confusion.

*When there is not a breakdown of the figures, other leaders make inaccurate comparisons. For instance, if the above figures were simply listed by the pastor’s name as \$78,000, others might compare in their heads to their own \$78,000 salary without adding all the other expenses or benefits that most companies give. If they did, the “apples to apples” comparison might be \$78,000 to \$96,000 or more.*

***Churches never want to be unfair about the amounts or the way these items are considered. They simply often have habits of practice that are not evaluated.***

***And often the persons who are penalized are the members of the pastors’ families, something no one really desires.***

There are several very accurate tables for church salaries that are available for consideration – each of them break the tables down by area of the country, size of the church, and responsibilities.

National Association of Church Business Administrators – ministrypay.com (The Church Network –TCN)

Leadership Network -- leadnet.org/salary

Many churches also compare with the local school system tables of salaries.