# Compensation and Benefits Guidelines for Lay and Clergy Employees

Episcopal Church in Minnesota

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# INTRODUCTION

This document was prepared by the Personnel Committee of the Episcopal Church in Minnesota (ECMN) as a resource to faith communities, clergy, wardens, and treasurers. It provides information related to compensation and benefits for lay and clergy employees of faith communities.

Unless otherwise noted, the information provided in the following document is required by law, by direction of General Convention, or by resolutions and commitments of the Convention of ECMN. Every effort has been made to clearly identify and clarify recommendations versus requirements.

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# COMPENSATION

Compensation, whether defined as salary, cash salary, stipend, bonus, one-time cash payments, or money paid by a faith community on behalf of the employee (such as children's tuition, utilities, etc.) is the money regularly paid to an employee in return for general and continuing services. ECMN is committed to ensuring fair compensation for lay and clergy employees in every faith community, including fair, just and living wages for all hourly employees. Whenever possible, faith communities of The Episcopal Church should strive to ensure all employees earn a minimum of $15.00 per hour.

Decisions about compensation require careful review of a faith community's financial resources and unique circumstances. While ECMN Council sets minimum compensation amounts for clergy, these amounts are a baseline and faith communities are encouraged to negotiate with clergy to ensure compensation is competitive.

## *Compensation for Full-Time Priests and Transitional Deacons*

Clergy minimum compensation is determined by ECMN Council in consultation with the Personnel Committee and the Church Pension Group, and takes into account medians in credited service, cash compensation, total compensation, and averages for each of those elements. All priests and transitional deacons employed in faith communities or institutions of ECMN are to be paid at least the minimum compensation as set out in the table below. Faith communities and related institutions are free to compensate priests and transitional deacons in amounts that exceed the minimum.

| | **Years Ordained** | **Compensation W/O Rectory** | **Compensation With Rectory** |
|---|---|---|---|
| Transitional Deacons | | $52,700 | $42,200 |
| Priest | 0-4 | $55,900 | $45,300 |
| Priest | 5-9 | $60,600 | $50,000 |
| Priest | 10-14 | $61,500 | $50,900 |
| Priest | 15-19 | $62,300 | $51,700 |
| Priest | 20-24 | $65,000 | $54,400 |
| Priest | 25-29 | $68,100 | $57,500 |
| Priest | 30-34 | $71,200 | $60,600 |
| Priest | 35-39 | $74,300 | $63,700 |
| Priest | 40+ | $77,400 | $66,900 |

There are regular reviews of the minimum compensation and on occasion the Personnel Committee will *recommend* a cost of living adjustment (COLA) for clergy, which will be reflected in the minimum compensation table above. COLA are recommendations only, unless the adjusted amount is more than the minimum compensation, in which case, COLA are required.

## *Compensation for Part-Time Clergy*

Full-time employment in ECMN is calculated at five days per week, inclusive of Sunday worship. While a standard workday for lay staff is defined as eight hours per day, the definition of a "standard day" for clergy is difficult. It is understood that clergy's daily time commitment may require greater or fewer hours depending upon the season and individual needs of the faith community. It is expected that both full and part-time clergy will use good judgment in adjusting the "standard workday" based on the current needs of the individual faith community.

Part-time positions are to be calculated as a percentage of scheduled days to be worked per week against five days. For example, compensation for a one-half time position (2.5 scheduled days per week) would entail the following:

a. 50% of the full-time minimum standard cash salary;
b. 50% of the fair rental value housing allowance, or provision of a rectory; but the fair market value is the cap;
c. The Clergy Self Employment Allowance (SECA) reimbursement of 7.65% of sum of cash salary and housing (plus utilities) allowance;
d. Pension premium amounting to 18% of salary, housing allowance, and SECA;
e. Items that are negotiable include: Health insurance, Dental, Long-term Disability and Life Insurance, a budgeted amount for travel, a budgeted amount for continuing education and an agreement on paid versus unpaid leave.

There is inherent variability in a part-time position, based on the season and individual requirements of the faith community. If unscheduled work becomes a regular expectation, clergy may request a review of position status.

## *Clergy Housing*

The housing allowance, or "parsonage allowance" as termed by the IRS, must conform to the tax code. The Clergy Housing Allowance Clarification Act of 2002 clarifies the "fair rental value" test for those clergy who own their own home. The fair rental value of a fully furnished home, plus utilities, is used as the target amount that reflects the cost of either clergy-owned or church-provided housing in local markets.

The 2002 act voids the decision in Warren v. Commissioner [TC 23 (2000)], which had reversed the test referenced above and which had modified Section 107 of the Internal Revenue Code, which had been unaltered since 1971.

The housing allowance is not subject to income tax, but is subject to self-employment tax. The terms "housing allowance" or "parsonage allowance" assume an inclusion of housing, utilities, furnishings, etc. Even though clergy receive a tax benefit from the housing allowance, they are still allowed to deduct mortgage interest and real estate taxes as itemized deductions.

The housing allowance is reported in Box 14 of the W-2, which is an information only box, and should be noted as "Section 107 Allowance - $XXX,XXX." Section 107 of the Internal Revenue Code outlines the housing allowance.

The allowance must be designated by the faith community  (typically prior to the beginning of the next fiscal year), and done in advance of the allowance being taken. An allowance cannot be acted upon retroactively to suit a situation. Clergy and faith communities are encouraged to discuss any needed amendments for the upcoming year. Housing resolutions are prospective in nature and cannot look backward prior to the point of revision. Sample housing allowance resolutions can be found in Appendix A.

For assistance in determining an appropriate amount to designate for the housing allowance, see the worksheet provided in Appendix B.

If a cleric is provided a rectory, the faith community may pay the cost of utilities either by direct payment or through a utility allowance to the cleric. The Vestry or Bishop's Committee should also designate a portion of the cleric's cash compensation as a rectory allowance. The amount of this allowance should equal the cost of insurance, furnishings, repairs, etc. that will be paid by the cleric. The utility and rectory allowances must be documented in the same way as a housing allowance. A sample resolution is provided in Appendix A.

## Housing Allowances for Clergy Couples

Clergy couples are limited to the equivalent of one housing allowance between the two incomes. In this instance, clergy need to be mindful of the amount requested by each spouse in the annual housing allowance resolution of their respective Vestry or Bishop's Committee.

If either spouse has access to a 403b retirement plan, such as the RSVP plan through the Church Pension Group, a judicious use of the aggregate housing allowance being split between a clergy couple can maximize the use of such a plan. 403b plans do not count the housing allowance in the base for computation, so sharing the allowance properly can maximize use of the plan. It is strongly suggested that clergy consult their financial advisor and/or accountant in the decision-making process for the housing allowance.

At the time of a cleric's death, the housing allowance terminates for the surviving spouse from that point forward. This does not apply in the case of a clergy couple. For the surviving non- clergy spouse, the housing allowance will be pro-rated for tax purposes for the year in which the clergy spouse dies.

## Clergy Housing – Equity Assistance/Shared Equity

As a means to attract highly qualified clergy to open positions in faith communities, a "shared equity" arrangement may be a tool in negotiating a Letter of Agreement (LOA). If a shared equity agreement is utilized, it must be part of the LOA (or a revised LOA) agreed to by the cleric, Vestry or Bishop's Committee, and the Bishop. In short, "shared equity" means that the cleric and the church will be partial owners of a purchased residence. This is a legal arrangement and the use of a real estate attorney is recommended to make sure that titling is appropriate for Minnesota.

As a result of this split ownership, this property is not fully church-owned and so does not qualify to be free of property tax. There are several models to use in such arrangements. The most common involves a simple “percentage of ownership” based on the purchase price. The same percentage is then used at the time of sale to divide proceeds (assuming any capital improvements were shared equally). As this is typically done to facilitate down payments, it is common to have a buyout provision after three or five years, giving clergy the ability to repay the church their proportionate and current ownership share in order to own the house outright.

If you have questions on this topic, please contact the Rev. Michael Pipkin, Missioner for Missional Management (612) 870-3315.

## *Clergy Self-Employment Tax Allowance (SECA)*

Clergy are considered self-employed for Social Security tax purposes. This means the cleric is responsible for paying self-employment tax on income earned through their employment by a faith community. ECMN Canons require each faith community to pay at least half of the priest's self-employment tax, which is 7.65% of cash compensation and housing combined. For assistance in calculating these amounts, please contact Jennifer Gamberg, your Missioner for Finance (612) 871-5311.

Please note: this only applies to income derived from ecclesiastical employment. Compensation paid by secular employers to clergy falls under a different section of the tax code. Please consult with a tax professional for more information.

## *Clergy Income Taxes*

Except for Sunday supply clergy, a cleric’s income should be reported to the IRS on Form W-2 (not on Form 1099) at the end of the year. Clergy are exempt from federal and state income tax withholdings, but they may request voluntary withholding. This voluntary withholding may include an additional amount sufficient to cover self-employment tax. Some clergy find this a helpful alternative to filing quarterly Estimated Tax payments. Any amounts withheld for self-employment tax should be reported to the IRS as federal income tax withheld, not as social security taxes. Clergy should consult with a tax professional for assistance with clergy income taxes.

## *Supply Priest Compensation*

The compensation for Sunday supply priests is $175 for one service and $225 for two services in one location on the same morning. This covers time for sermon preparation, service planning, etc. Time spent providing pastoral care, such as hospital calls, should be paid at a minimum rate of $55 per hour. Reimbursement for travel must be paid at the standard rate published annually by the IRS. Reimbursement of other expenses, such as meals or lodging, may also be appropriate.

In March 2003, ECMN Council approved a resolution under which compensation paid to Sunday supply clergy in ECMN may be designated as "housing allowance" pursuant to Section 107 of the Internal Revenue Code. This designation does not change or modify the status of Sunday supply clergy as independent contractors.

## *Compensation for Deacons*

A deacon (non-transitional) serves her/his assigned faith community an average of eight to 10 hours per week without compensation. If the faith community wishes for the deacon to do work beyond those eight to 10 hours, compensation may be paid based on a mutual agreement between the deacon, the faith community and the Bishop (who oversees the work of deacons). The minimum compensation amounts for priests and transitional deacons do not apply to deacons. All arrangements should be documented.

## *Lay Employee Compensation*

Faith communities are encouraged to offer competitive wages to lay employees as a means of attracting the best and most capable lay employees. The Episcopal Church supports fair, just and living wages for all lay employees. Whenever possible, strive to ensure all employees earn a minimum of $15.00/hour. For assistance in determining what a competitive wage might be for a particular position, please contact the Rev. Michael Pipkin, Missioner for Missional Management (612) 870-3315.

Special tax rules associated with housing allowances and housing provided by faith communities do not apply to lay employees. If housing is provided to a sexton or some other employee, the fair value of that housing must be added to her/his compensation on their Form W-2 at the end of the year.

The faith community must pay 7.65% of the lay employees' compensation, including housing (if any), for Social Security, Medicare and an equal amount must be withheld from the employee's pay. The faith community must also withhold federal and state income taxes from the lay employees' pay.

Amounts withheld from employees' pay for Social Security, Medicare, federal and state income taxes and the employers' Social Security and Medicare payment for lay employees must be paid to the IRS or Minnesota Department of Revenue on a regular basis. The frequency of tax payments to the IRS depends on the size of the employer's payroll.

## *Time Away from Work*

The Episcopal Church strives to lead by example in providing competitive benefits, including both paid and unpaid time away from work to support individual and family commitments.

**A note regarding sick time:** The City of within Minneapolis requires employers with five or more employees to accrue one hour of paid sick time for every 30 hours worked the Minneapolis city limits. Accrued sick time may be limited to 48 hours per year.

- **For faith communities within Minneapolis city limits:** If the faith community's paid time off policy meets or exceeds the 48 hours per year, no action is required. If paid time of (PTO) policies do not meet this threshold a separate sick time accrual system should be established. If the community employs five or more people this is mandated as paid time. If the community employs less than five people, the equivalent unpaid time off must be grated.
- **For faith communities outside Minneapolis city limits:** Employees who work in excess of 80 hours per year within city limits must accrue one hour of sick time for every 30 hours worked within the city limits of Minneapolis.

## *Time Off for Clergy*

### Paid Time Off (PTO) for Clergy

Following six months of continuous employment, full-time clergy are granted 20 PTO days per calendar year. PTO accrues on a per-pay-period basis. PTO does not accrue while an employee is on leave without pay. Part-time clergy are granted a prorated amount of PTO based on scheduled work hours. Individual PTO agreements should be documented.

### Parental Leave for Clergy

Clergy are granted up to 12 weeks paid time away from work for the birth, adoption or placement of a child. If both parents are employed by the Church, a combined total of 12 weeks time off is granted. Reinstatement beyond 12 weeks away from work cannot be guaranteed.

## *Time off for Lay Employees*

It is recognized that the financial and human resources of faith communities vary. In all cases, lay staff should be granted paid and unpaid time off in accordance with federal and state laws. *Suggested* time off policies are detailed below.

### Paid Time Off (PTO) for Lay Employees

The Episcopal Church provides regular full-time and part-time employees scheduled to work 24 or more hours per week with paid personal time off in order to promote flexibility and to accommodate personal needs for time away from work. Employees may use PTO for vacation, short-term or long-term illness, for illnesses of an immediate household member, or any other purpose. PTO accrues on a per pay period basis. PTO does not accrue while an employee is on leave without pay.

Following six months of continuous employment, regularly scheduled employees scheduled to work 40 or more hours per week are eligible for PTO accrual as follows:

| Length of Service | Accrual |
|---|---|
| 0 – 2 years | 80 hours annually |
| 2 – 4 years | 120 hours annually |
| 5 – 9 years | 160 hours annually |
| 10 + years | 200 hours annually |

Part-time employees regularly scheduled to work 24 or more hours per week accrue PTO on a prorated basis.

PTO accrual begins from the date of hire, but does not vest until an employee successfully completes 90 days employment.

## Parental Leave for Lay Employees

Faith communities may offer eligible employees up to 12 weeks unpaid paid time away from work for the birth, adoption or placement of a child. If both parents are employed by the Church, a combined total of 12 weeks' time off is granted. Reinstatement beyond 12 weeks away from work cannot be guaranteed.

Recommended eligibility requirements: employees who have been employed for at least twelve (12) months (with or without a break in service) and who have worked for an average number of hours per week equal to one-half the full-time equivalent position in the employee's job classification, are eligible for an unpaid leave of absence of up to twelve (12) weeks. For the birth, adoption or foster placement of a child the leave must begin within twelve (12) months of the birth or adoption; however, in cases where the child must remain in the hospital longer than the mother, the leave may begin within six (6) weeks after the child leaves the hospital.

When possible, faith communities may compensate up to 12 weeks paid time off for the birth, adoption or placement of a child.

# BENEFITS

## *Expense Reimbursements*

Clergy and lay employees are commonly reimbursed for certain expenses they incur in the course of performing their duties. The kinds of expenses that are commonly paid are travel, meals and entertainment, lodging, meeting registrations and continuing education. There are tax considerations for the person who is paid reimbursements. Some common items are discussed below.

**Allowances or Reimbursements:** Payments of "business" expenses are included in a clergy person's or lay employee's taxable income (on their W-2 form) unless the payments are through an "accountable" reimbursement plan. An accountable plan is one that:

1) Reimburses only those expenses that are substantiated, within 60 days of the expenses, as to the amount, date, place and business purpose of the expenses, and
2) Requires any excess reimbursements (reimbursements exceeding substantiated expenses) to be returned within 120 days.

If a clergy or lay employee is paid a monthly allowance for travel, continuing education or other expenses, but is not required to account for her/his expenses as indicated above, then the amounts paid must be added to her/his taxable income on her/his W-2 form at the end of the year.

**Automobile expenses:** Automobile expenses can be paid based on either the actual costs of operating the car for business or on a standard mileage rate. The standard mileage rate is the most commonly used form of reimbursement. If mileage is paid at a rate greater than the rate set by the IRS, the excess amount is considered to be taxable income and must be added to the clergy or lay employees' W-2 form. Mileage paid for commuting to the person's regular place of work is similarly non-exempt and should not be reimbursed or must also be added to the W-2 form.

**Computers, equipment, books, vestments and other purchased items:** As a general rule, any items purchased by a clergy or lay employee that are reimbursed by the faith community, or items that are purchased for the use of a clergy or lay employee by the faith community, become the property of the faith community. An exception to this rule includes items that have a useful life of less than one year. If reimbursed or purchased items are retained by the clergy or lay employee when s/he terminates employment, the person should pay the faith community for the fair market value of those items or that value should be added to her/his final W-2 form.

**Medical insurance premiums:** Some faith communities may pay an allowance for, or reimburse an employee for premiums paid for her/his spouse's medical insurance. This is usually done when the employee remains on their spouse's employer's health plan, rather than participating in the Episcopal Church Medical Trust. Such payments may not be exempt from taxation like medical insurance premiums paid to the Episcopal Church Medical Trust and could be added to the clergy or lay employee's W-2 form.

**Non-reimbursed business expenses:** If a clergy or lay employee pays for business expenses without reimbursement from the faith community, s/he may be able to deduct those expenses on Schedule A of her/his Form 1040 tax return under "miscellaneous business expenses." Please consult a tax professional for guidance.

## *Employee Pension*

### Clergy Pension Plan

All clergy of the Episcopal Church are required to participate in the Clergy Pension Plan, and faith communities are required to contribute to the Clergy Pension Plan on behalf of the clergy they employ. The Clergy Pension Plan not only provides for clergy retirement, it also provides life insurance and disability benefit coverage, which benefits the cleric's family in case of death and the faith community in case of disability. Pension fund contributions are assessed at 18% of the sum of all cash compensation (including stipend, bonuses, fees, one-time cash payments, tuition paid for dependents, any salary reduction arrangements, or employer contributions used to fund annuity, tax-sheltered annuity, or other 403(b) plans) plus housing (or cash equivalent if a rectory is provided), self-employment tax contributions, and utilities paid.

### Lay Pension Plan

In 2009, the Episcopal Church implemented the Lay Pension Plan for lay employees of faith communities of the Episcopal Church. All lay employees scheduled to work a minimum of 1,000 hours annually for any faith community is required to be enrolled in a pension plan that is either administered or authorized by the Church Pension Fund.

Employers may also provide pensions for lay employees scheduled to work fewer than 1,000 hours per year, but are not required to do so.

Each employer must choose between The Episcopal Church Lay Employees' Defined Contribution Retirement Plan (a 401(a) and 403(b) plan, whose records are kept by Fidelity Investments) or The Episcopal Church Lay Employees' Defined Benefit Retirement Plan, and apply the benefits of the plan to all qualified lay employees equally.

For more information, or to receive information about participating in the Lay Pension plan, please contact Lizanne Geno, your Missioner for Administration.

## *Medical and Dental Insurance*

All clergy and lay employees scheduled to work more than 1,000 hours annually are eligible to receive health insurance benefits through the Episcopal Church Medical Trust.  All employees who are scheduled to work more than 1,500 hours annually must be provided health coverage for the employee and his or her immediate family and dependents through the Episcopal Church Medical Trust, unless a qualified waiver has been approved.

All faith communities within ECMN must participate in the Episcopal Church Medical Trust. Current plan offerings and premium rates are published in October of each year, and can be found on the ECMN website.

### Minimum Employer Contribution

ECMN believes that protection from catastrophic medical costs is a basic benefit of employment. A minimum financial contribution from faith communities to provide protection from catastrophic medical costs is required for clergy and lay employees who are scheduled to work a minimum of 1,500 hours annually.

The minimum financial contribution required to be paid by faith communities towards the purchase of medical benefits for eligible employees is as follows:

- Single Coverage: $640/month
- Employee Plus One Person Coverage (spouse or child): $1,125/month
- Family Coverage: $1,729/month

Each faith community will contribute at least this amount and not less towards the chosen plan. For eligible employees who wish to have 100 percent of their premium costs covered by their employer, the Medical Trust offers several choices, including High Deductible health plans, that have monthly premiums below the minimum financial contribution.  In these cases, the remaining amount of the faith community contribution can be applied to a “Health Savings Account” (see Appendix C).

We encourage employers to fully fund the medical benefits of their eligible employees when possible.

## Benefit Eligibility

All exempt (salaried) employees are eligible for benefits. Access to benefit plans for non-exempt employees begins when an employee is scheduled for at least 1,000 hours annually. Employer provided benefits are required when an employee is scheduled for 1,500 hours annually.

## Open Enrollment

Our online Open Enrollment generally runs the last week of October through the second week of Novermber, annually.  For specific Open Enrollment information, please contact Lizanne Geno, your Missioner for Administration.

### During the Open Enrollment period

- Current plan members may change their plan selections for the following year
- Eligible non-participating employees have the option to join a plan
- Eligible non-participating dependents may be added to a member’s plan without the need for a qualifying event

### Currently Enrolled Employees

Please inform your currently enrolled employees (plan members) that they will receive a letter from the Medical Trust approximately one week before the Open Enrollment period. This letter will provide them with information about when and how to access the Open Enrollment website, a benefits review and links to important plan resources. In your communications, encourage your employees to begin reviewing their options and research plans early.

### Non-participating Employees

Existing employees who qualify for health coverage but are not participating in one of our plans are eligible to enroll themselves and/or their dependents during Open Enrollment for the year. Please send a communication to these employees informing them of this option as well as the plans and rates available to them. You may use the enrollment form for new member enrollments and return them to Lizanne Geno, your Missioner for Administration (612) 871-5311.

# Appendix A – Sample Housing Allowance Resolutions

**Resolution of St. James' Episcopal Church, Bleuth, Minnesota December XX, 20XX**

## 1. If the clergy person lives in his or her own house or rents a non-church owned house

Whereas the Rev. Jane Smith is employed as a minister of the Gospel by St. James' Episcopal Church, Bleuth, Minnesota, which does not provide a residence for her, the Vestry (or Bishop's Committee) resolves that of the total annualized compensation of $(total amount) to be paid to the Rev. Smith during 20XX, that $(housing amount) be designated a parsonage allowance within the meaning of that term as used in Section 107 of the IRS Code of 1986, and clarified by the Clergy Housing Allowance Clarification Act of 2002.

## 2. If the clergy person lives in church-provided housing

Whereas the Rev. John Doe is employed as a minister of the Gospel by St. James' Episcopal Church, Bleuth, Minnesota, which, although providing a residence for him, does not provide full cost of maintaining and furnishing such a residence, the Vestry resolves that of the total annualized compensation of $(total amount) to be paid to the Rev. Doe during 20XX, that $(utility/furnishing allowance amount) be designated a parsonage allowance within the meaning of that term as used in Section 107 of the IRS Code of 1986, clarified by the Clergy Housing Allowance Clarification Act of 2002.

**In either case, it would serve the church well to include the caption that "this stated parsonage allowance will remain in effect unless modified and approved by the church." This caption will protect the faith community and the benefits to the clergy person if the approval does not happen until January or February of a particular year.**

## Appendix B – Worksheet for Estimating Housing Allowance

$__________Fair rental value of residence

$__________Insurance (property and contents)

$__________Utilities

| | |
|---|---|
| Electricity | $ __________ |
| Gas | $ __________ |
| Heating | $ __________ |
| Oil | $ __________ |
| Water/Sewer | $ __________ |
| Trash/Waste | $ __________ |
| Local | $ __________ |
| Telephone | $ __________ |

Total ___________

$__________Household Furnishings

| | |
|---|---|
| Appliances | $ __________ |
| Interior Decorations | $ __________ |
| Exterior Decorations | $ __________ |
| Seasonal Decorations | $ __________ |
| Furniture (in/outdoor) | $ __________ |
| Electronics (TVs, Stereo) | $ __________ |
| Misc (disches, piano, etc.) | $ __________ |
| Tools and Equipment | $ __________ |

Total ___________

$__________Yard Maintenance/landscaping/gardening/pool

$__________Maintenance items (light bulbs, cleaning supplies, etc.)

$__________Homeowner Association Dues

**$__________Total Projected Expenses**

## Appendix C – Employee Classifications

**Full-Time Clergy:** Clergy scheduled to work 5 days per week, including Sunday worship. Full-time Clergy are typically eligible for all benefit plans. These are exempt positions paid on a salaried basis and not eligible for overtime.

**Part-Time Clergy:** Clergy scheduled to work less than 5 days per week. Compensation is pro-rated based on scheduled hours. Refer to the chart below for benefits eligibility. These are exempt positions paid on a salaried basis and not eligible for overtime.

**Full-Time Lay Staff:** staff regularly scheduled to work 40 hours or more per week. In general, clerical positions are hourly and eligible for overtime. Professional and managerial positions are salaried and typically exempt from overtime. Refer to your job description for your exemption status. Full-time staff are typically eligible for all benefit plans.

**Part-Time Lay Staff:** staff regularly scheduled to work 39 or fewer hours per week. These positions may be hourly non-exempt or salaried exempt. Refer to your job description for your exemption status. Part-time staff are eligible for some benefit plans.

**Independent Contractors:** Independent Contractors are not employees and are responsible for their own taxes and benefits. Contractors may provide support for a specific project, or provide non-core services on an ongoing basis (e.g., Human Resource Services, IT Services).

| | **Clergy Full-time** | **Clergy Part-time** | **Lay Full-time** | **Lay Part-time** |
|---|---|---|---|---|
| **Compensation** | Salaried | Salaried | Varies by position | Varies by position |
| **Exempt Status** | Exempt | Exempt | Varies by position | Varies by position |
| **Health**<br><br>Choice of 5 health plans | Employer monthly contributions to coverage:<br><br>Single: $640<br>Dual: $1,125<br>Family: $1,729 | **1,500 – 2,079 hours per year**: Employer contributions to coverage<br><br>**1,000 – 1,499 hours per year**: coverage available at employee cost<br><br>**< 1,000 hour per year**: not eligible | Employer monthly contributions to coverage:<br><br>Single: $640<br>Dual: $1,125<br>Family: $1,729 | **1,500 – 2,079 hours per year:** Employer contributions to coverage<br><br>**1,000 – 1,499 hours per year:** coverage available at employee cost<br><br>**< 1,000 hour per year:** not eligible |
| **Pension** | 18% required contribution | 18% required contribution | 9% employer contribution | Must work 1,000 hours per year to participate. 9% employer contribution |
| **Dental** | Employer paid | 1,500 hours+ per year: employer paid | Employer paid | 1,500 hours per year: employer paid |