

Keystone Compensation Guidelines

With the merger of four United Church of Christ Conferences into the Keystone Conference in 2026, the need for new compensation guidelines has emerged for our churches across Pennsylvania, Maryland and New Jersey. A Keystone Compensation Guideline Committee was commissioned in 2025 with two representatives from each of the current Conference to discuss fair and just compensation for clergy and the churches who call them into ministry in a particular setting. With wide differences in the cost of living in different parts of the states, the Committee sought a compensation model, especially around the Salary Basis, that was reflective of that reality but was also simple enough for both clergy and churches to easily calculate.

An important note: these new guidelines may reveal that your church is either paying more or less compensation (including benefits) than the 2026 Keystone Compensation Guidelines. We wish to stress that if you find yourself exceeding the new 2026 compensation guidelines, this should be considered a source of pride for your congregation and not a chance to reduce or cut a pastor's current compensation. Additionally, if your church finds itself now below the guidelines, this may be an opportunity to consider additional compensation, in either cash increases, or in other low-cost benefits such as additional days of vacation or excusing them from meetings in which their presence is not needed. We encourage churches to continue honoring their current call agreements if they exceed 2026 Keystone Conference Guidelines.

The Keystone Conference understands that not all congregations will be able to meet all the recommendations in this document. Our congregations can only afford what they can afford, but if the compensation level is significantly below the recommendations, it should encourage a conversation around possibly reducing the hours your pastor works to reflect a fair and just compensation level. In the call to ministry, a pastor and a congregation enter a covenantal relationship. In this relationship, the pastor pledges to care for the spiritual and *ministerial* needs of the community; and the congregation, in turn pledges, to care for both the spiritual and temporal needs of the pastor.

Mindful of this covenantal relationship, the Keystone Conference provides the following guidelines for clergy compensation. These figures assume the pastor is ordained in a full-time position (see special section for lay, licensed, or part-time ministers). In using these guidelines as a starting point for conversation, congregation leaders need to take into consideration additional factors unique to each setting, including annual performance reviews, additional advanced degrees, specialized training, and other measures of faithful and effective ministry (see for example the UCC Marks for Faithful and Effective Ministry). Equally important is the cost of living, particularly housing, in the particular vicinity of the church. Occasionally, church leaders will feel resistance to the clergy compensation package, finding it to be too expensive. In compiling these guidelines, we tried to accommodate for benefits that many jobs provide but are not available to local church pastors, such as additional compensation for holiday pay, on-call availability, and overtime.

Pastors and local churches are encouraged to work together covenantally to determine how pastors' salaries and benefits are best allocated.

CASH SALARY:

Cash Salary recommendations for full-time pastors when no parsonage is provided (includes housing allowance). The percentage of the cash salary to be considered as housing allowance is to be determined annually by the pastor and approved by the church governing body.

The Keystone Compensation Committee recommends that the salary basis should be based on the average teacher's salary with 10 years of experience and a master's degree in the school district where the church is

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located. This metric was chosen because it's a professional career that requires a similar level of education, receives similar benefits, and compensation information is available in every community.

Below are tools your church can use to find the salary basis compensation recommendation for each community, but you also may be able to find the most current information on your school district website.

- The average teacher salary for all **Pennsylvania** school districts can be found here: <https://www.openpagov.org/district-snapshot/>
- The average teacher salary for all **New Jersey** school districts can be found in the most recent Taxpayers' Guide to Education Spending: <https://www.nj.gov/education/guide/>
 - Click on the most recent year.
 - Under "Download," click "TGES Zipped Excel files."
 - In the zipped files, open the spreadsheet for CSG16, which includes the Ratio of Students to Teachers, Median Salary.
 - Use the School District (not the township or borough) row. The column "SALT" shows the median teacher salary.
- The average teacher salary for **Maryland** school districts can be found in the Maryland Public Schools Professional Salary Schedules resource, published at <https://marylandpublicschools.org/> and often released in the fall.
 - Find the table that includes "Minimum and Maximum Salaries for Maryland Public School Teachers". Use the column for teachers with a Master's degree.

Cash Salary recommendations for full-time pastors when a parsonage is provided. A reduction of 23.1% in the cash salary basis using the tools above with the understanding that the church will pay all utility and maintenance costs of the parsonage, including lawn care and snow removal. The figure 23.1% is used here in order to bring benefits even between pastors receiving a housing allowance and those living in a parsonage. A salary reduction of 23.1% with benefits at 130% will result in equal benefits between the two housing options.

Experience addition: In addition to the recommended cost of living adjustment, add \$750 per year of pastoral experience (total, not just in this congregation) for the first 15 years.

The Committee decided to forgo salary basis recommendations connected to the size of the congregation in determining compensation for the sake of simplicity and to recognize that a pastor of any size congregation is expected to fulfill their work within the same number of general hours, though those duties may be different. However, the pastor and church of larger size congregations may wish to negotiate additional cash and benefit compensation to mitigate the additional responsibilities that come with serving a larger church.

2026 COST OF LIVING ADJUSTMENT:

We recommend churches increase the salary basis in keeping with cost of living changes. For 2026, we recommend an increase of 3%.

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PART-TIME PASTORS:

We recommend that part-time pastors should also receive benefits. **We realize that a pastor working less than full-time, may want to allocate their compensation package in particular ways. This is a part of the negotiation and covenantal process.**

For pastors serving $\frac{3}{4}$ time: Using the percentage of cash salary (including housing and the experience addition) as a base, Pension (14%), Life and Disability (1.5%), and Social Security allowance (7.65%); full health, vision and dental insurance for the family.

For pastors serving half-time: Using the percentage of cash salary (including housing and the experience addition) as a base, Pension (14%), Life and Disability (1.5%), and Social Security allowance (7.65%); reimbursement for $\frac{1}{2}$ the cost of health, dental and vision insurance, or church may consult with pastor to cover all of the insurance, in exchange for a reduction in cash salary.

If half-time or more use appropriate percentage of the above guidelines; if less than half-time, use rate of \$35 to \$40 per hour.

LICENSED AND LAY MINISTER:

A congregation should consider the training, experience, and other gifts and skills the pastor may bring to Ministry in the local setting. In the absence of ecclesiastical master's level training, equivalencies for secular or other master's level training should be considered, i.e. CPE residency, Commissioned Lay Pastor training (PCUSA). Other trainings to consider: Lay Worship Leader Training (ELCA), secular training and experience i.e. management or human resources, or military leadership, as they apply to the call and expectations of the local congregation. After consideration of those and other applicable trainings and experiences, and especially proven pastoral, elder, or diaconate leadership experience, a beginning point of 80% of those Authorized by Ordination may be a starting place for conversation, with the understanding that other benefits, as needed, especially housing allowances, health insurance, disability and other needed items should be considered.

ASSOCIATE/ASSISTANT PASTORS:

The Conference recommends a figure of 90% of the senior pastor's salary and housing, but commensurate with conference minimum guidelines plus experience.

We also recommend that a stipend should be paid to Associate/Assistant Pastors for times when they are serving as "acting senior pastor."

HOUSING EQUITY OFFSET:

If a parsonage is provided, the church may consider offering a Housing Equity Offset to ensure that the minister is able to build up equity. This amount is taxable to the minister. Recommended guidelines are 1.5% of the average home value. The Housing Equity Offset should not be calculated into the Salary Basis upon which other Benefits are determined.

Churches should consult a tax advisor prior to establishing any account for an equity allowance to ensure compliance with IRS rules on non-qualified deferred compensation plans.

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We recommend that a church should pay reasonable relocation costs to move the pastor and their family from their current location to an area near the church. It is the responsibility of the pastor to secure at least two written estimates of the costs involved in this move and to submit the estimates to the Church Council so they can adequately plan and execute their part of these logistics. Relocation costs include the expense of one advance home hunting trip for you and your family, the move of their household goods, mileage for transporting their automobile(s), and lodging for the pastor and their family enroute. However, it is recommended at a maximum amount for moving expenses be agreed upon before finalizing the call agreement.

PENSION/ANNUITY:

We recommend that 14% of the salary basis (cash salary plus housing allowance OR if a parsonage is provided, at least 130% of the cash salary) be paid by the church directly into the pastor's account with The Pension Boards.

SOCIAL SECURITY AND MEDICARE OFFSET:

The Social Security Administration designates ordained ministers as self-employed persons, so we recommend churches compensate the pastor for the portion of Social Security and Medicare that they would pay if the pastor were considered an employee of the church. It is recommended the church or employer contribute ("offset") half the amount the minister must pay, through the Self Employment Tax, for Social Security and Medicare. Currently, the Self Employment Tax is 15.3%, therefore the church "offset" is 7.65% of the salary and housing allowance.

MEDICAL, DENTAL, AND VISION INSURANCE:

Full participation for pastor and eligible immediate family members in the Health (Plan A) and Dental (2000) and Vision Insurance Plan of the United Church of Christ. To see current rates, please find them at this location: <https://pbucc.org/index.php/rate-locator>

LIFE AND DISABILITY INCOME PLAN:

We recommend that the church will contribute 1.5% of the Salary Basis to the Life Insurance and Disability Income Plan of the United Church of Christ. Salary basis equals the cash base salary plus housing allowance or 130% of cash base if a parsonage is provided.

VACATION:

Four weeks of vacation during each 12 months of service, including four Sundays. A vacation of one month per year (30 days). Vacation time does not roll over from year to year; vacation time that is unused at the end of a year is forfeited. Vacation pay will be prorated upon separation.

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PARENTAL LEAVE:

If the pastor becomes a parent through the birth or adoption of a child, the pastor will receive twelve weeks of paid parental leave.

PERSONAL AND SICK LEAVE:

In the event of your illness, the church provides up to 12 days of sick leave per 12 months of service; sick leave can accumulate up to 120 days across the years of your ministry with the church, though accumulated sick leave is not payable upon termination.

In the event of circumstances such as but not limited to the illness of a dependent, the death of a family member, or a personal crisis, the church will provide up to 5 days of personal leave per incident, not to exceed 10 days per 12 months of service. Personal leave does not accumulate and is not payable upon termination.

SABBATICAL:

A 3-month sabbatical after each five (5) years of full-time pastoral service or a 2-month sabbatical after each five (5) years of part-time service

MINISTER’S DEATH:

The church will provide the immediate family – in addition to salary earned but not yet paid – full cash salary, housing, health and dental benefits, and Social Security and Medicare offset for 90 days from the date of death.

Use of the parsonage and moving expenses are negotiable based on the ability of the congregation to provide such support.

COPYRIGHT:

The default under the law is that works prepared by a pastor within the scope of their employment (called “works for hire” in copyright law) – such as sermons and liturgies – become the property of the church. By including the following copyright agreement language, a church gives up those rights but has a license to use the copyrighted works with the consent of the minister.

Full language:

Church and minister acknowledge that sermons and other original written and spoken theological reflections authored by minister (collectively, “the works”) are ecclesiastical events and moments which are the product of deeply personal spiritual reflection, prayer and discernment by minister. Church and minister agree that regardless of when and where such reflection, prayer, discernment and preparation of the works, occurs, whether or not on church premises or using church facilities and whether or not during regular church hours of operation, the content of such works remain personal to minister, with minister retaining all ownership, copyright, and other legal interests in such works and having unfettered discretion to reprise or republish such works for other purposes and at other times, and to alone have claim to any financial benefits that may attend thereto. Church and minister do not intend for this acknowledgment and agreement to constitute the conveyance by

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church to minister of either a taxable or tax-free excess benefit, but rather to reflect the ecclesiastical reality of the formation and ownership of these works. In consideration of minister's employment by church, minister hereby grants to church an irrevocable, non-exclusive, worldwide, sublicenseable, transferable and royalty-free license to use, reproduce, distribute, create derivative works of, publicly perform and publicly display such works (whether solely or jointly with others) in any media now known or hereafter known. Such license shall continue in effect (I) while minister is employed by church and (II) thereafter, with the consent of minister, which consent of minister will not be unreasonably withheld or delayed. In no event shall use of such works by church be for purposes of its commercial gain; provided, that any such use in the ordinary course of church's stewardship campaign shall not be considered a prohibited use for commercial gain. Church and minister agree at this time to amend the terms of the agreement regarding such works at any time and in any manner as minister in his/her sole discretion deems advisable to better and more fully reflect the intent of the parties expressed herein.

MINISTRY EXPENSES:

Congregations are expected to reimburse all professional expenses of authorized ministers for Association, Conference, and parish business. These expenses should be paid in full by the congregation or a budget cap set for these expenses. It is recommended that a maximum amount be agreed upon before finalizing the call agreement.

BACKGROUND CHECK REIMBURSEMENTS:

There are two types of background checks that authorized ministers serving in the Keystone Conference must complete. Churches should reimburse their pastors for both.

UCC Required Background Check: At the beginning of a new call, all pastors serving UCC congregations must complete a background check through Oxford Documents. A one-time reimbursement for the full cost of the Ministerial Criminal Background Check [currently \$175] that is required as part of the Ministerial Profile will be provided when a new pastor begins employment at the church.

Pennsylvania Required Background Checks: The state of Pennsylvania requires all employees who have contact with children complete every five years Child Abuse History Clearances, State Police Criminal History Clearances, and FBI Criminal History Clearances. The cost of these will be reimbursed by the church. These must be completed for all authorized ministers serving congregations, even in settings where children are not regularly attending.

WIDER CHURCH PARTICIPATION, LEADERSHIP, AND MEETINGS

There are many ministries of the church that a pastor is expected to participate in that require funds and time away from the church. Each local congregation is encouraged to allow time away for these ministry opportunities; and it is recommended that the funds for these opportunities be included in the "Ministry Expenses" portion of the church budget. Time away from the church for these purposes should not be considered vacation or continuing education time. Examples of these experiences include: Conference and Association Meetings, outdoor ministry leadership, General Synod, regional or National Youth Event, mission trips, and disaster recovery work.

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CONTINUING EDUCATION:

For full-time positions: \$1,500 and two weeks paid leave (including two Sundays)

For part-time positions: \$1,000 and one week paid leave (including one Sunday)

This time is not counted as vacation but is in addition to vacation leave.

MILEAGE:

Reimbursement for travel for church work according to the rate allowable by the Internal Revenue Service is to be paid in a timely fashion. It is recommended that the pastor and church look at past budgets and pastoral responsibilities for visitation and other church related duties.

Alternative Transportation: The Americans with Disabilities Act requires support for those who are unable to provide their own transportation. Additionally, some pastors work in areas where there is a need for them to use public or other transportation to perform their professional duties. In those instances where a pastor is not driving their personal automobile, a transportation allowance should be created for the payment of these charges, based on the actual mileage/usage costs.

REVIEW OF MINISTRY:

The church will examine the priorities, visions, stresses, and effectiveness of our congregation's ministries and of your ministry among us every year at minimum. As an ongoing part of this review, the church will negotiate annually with the pastor through our Church Council to update their call agreement, keeping in mind increases in the cost-of living, possible merit increases in salary, and consequent increases in benefits based on salary and housing.

TERMINATION OF SETTLED PASTORAL CALL:

All churches are expected to follow their Constitution and Bylaws in regard to calling and dismissing clergy. If the pastor desires to terminate the call agreement, they are expected to give 90 days' notice to the Church Council as a professional courtesy and to continue to perform their duties once they have given notice. The church will compensate them fully (salary plus all benefits) for the entire notice to the end of the 90-day termination. The church may choose to terminate the call agreement and is expected to give a minimum of 90 days' notice by a vote of the Church Council acting on behalf of – and with complete awareness of – the congregation (unless alternative procedures are outlined by church constitution and bylaws). Such a termination would not be made lightly or secretly, and the church promises to consult with Conference staff and/or to seek outside wisdom and assistance before such a vote.

SUNDAY SUPPLY:

\$200 plus travel expenses at the IRS mileage rate for one worship service. \$75 for each additional service the same day. Additional services of the Sunday Supply pastor such as hospital visits while the settled pastor is on vacation, should be compensated at the rate for a less than half time pastor (\$35 to \$40 per hour).

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Worksheet

This chart is meant for churches and pastors to update clergy compensation packages. At the time of the initial call, these numbers may have been entered into a Call Agreement. However, allowing for salary increases, varying insurance costs, and the clergy's preferences, compensation amounts may change several times throughout the pastor's tenure. This chart can be updated annually to record those changes. A copy of this worksheet should be sent to the Conference office to be placed in the pastor's ministerial file.

Clergy name: _____ Local Church: _____ Effective date: _____

Check here if this worksheet replaces a previous agreement between the pastor and this church.

Check here if this package does not meet Keystone Conference Compensation Recommendations.

	Pay Period	Annual
Salary		
Housing allowance		
SALARY BASIS <i>Add together the above columns; if providing a parsonage, multiply the Salary by 130% Recommendation is (Annual Teacher Salary) + (Years of experience up to 15 x \$750) Additional considerations include:</i> <ul style="list-style-type: none"> • <i>Recommended cost of living adjustments</i> • <i>Part-time pastors should receive the corresponding portion of the recommended salary</i> • <i>Pastors with Licensure or Lay Ministerial Standing should receive at least 80% of the recommended figure</i> • <i>Associate/Assistant Pastors should receive the recommended Salary Basis, with a compensation at least 90% of the senior pastor's salary basis</i> 		
Housing Equity Offset <i>Recommendation is 1.5% of the average home value in your community paid into an account for pastors living in a parsonage</i>		
Pension/Annuity <i>Recommendation is 14% of Salary Basis</i>		
Social Security and Medicare Offset <i>Recommendation is 7.65% of Salary Basis</i>		
Medical, Dental, and Vision Insurance		
Life and Disability Income Plan <i>Cost is 1.5% of Salary Basis</i>		
TOTAL COMPENSATION PACKAGE		

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Worksheet

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ADDITIONAL FINANCIAL COMMITMENTS FROM THE CONGREGATION:

	Pay Period	Annual
Ministry Expenses		
Background Check Reimbursements		
Conference, Association and Wider Church Meetings		
Continuing Education Recommendation is \$1,500 for full-time and \$1,000 for part-time		
Mileage		
TOTAL ADDITIONAL FINANCIAL COMMITMENTS		
TOTAL EXPENSES ("Total Compensation Package" + "Total Additional Financial Commitments")		

Moderator/President:

Print: _____ Sign: _____ Date: _____

Clerk/Secretary:

Print: _____ Sign: _____ Date: _____

Treasurer:

Print: _____ Sign: _____ Date: _____

Minister:

Print: _____ Sign: _____ Date: _____