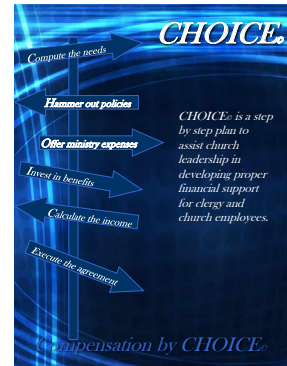


Financial Support for Clergy and Church Employees

A Summary of the CHOICE Plan Provided
by the Ohio Ministry Network



Let the elders who rule well be considered worthy of double honor, especially those who labor in preaching and teaching (1 Timothy 5:17). Essentially, Paul is encouraging us to provide our spiritual leaders with two-fold honor.

So how can we show honor to our leaders?

We can esteem our leaders with an **attitude of honor** (1 Thessalonians 5:12-13), and we can honor them with **appropriate pay**. We understand that compensation can be more than a weekly paycheck, but trying to determine an appropriate and honorable pay package may be difficult.

Consider these common questions:

- What is a fair salary?
- Should we pay for health benefits?
- How do I help my pastor plan for retirement?
- How can we afford an appropriate compensation package?

Even though compensation planning is difficult, it is important for the following reasons:

- It is biblical
- It reduces employee tax liability
- It reduces confusion and provides stability
- It ensures church funds are spent wisely
- It properly defines true personal income
- It extends the tenure of church employees

The Ohio Ministry Network realized that compensation planning was a difficult, yet important task that churches faced. They responded proactively by developing a step-by-step plan to assist church leadership in developing proper financial support for clergy and church employees . . . it is called the CHOICE plan. It is a simple template that offers six steps in creating a good compensation package:

1. **C**ompute the needs.
2. **H**ammer out the policies.
3. **O**ffer to cover ministry-related expenses.
4. **I**nvest in employee benefits.
5. **C**alculate the personal income.
6. **E**xecute the financial support agreement.

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Financial Support for Clergy and Church Employees (cont.)

We believe this tool can be an invaluable resource for church boards that desire to honor their spiritual leaders. You can download the CHOICE plan [here](#).

For a similar discussion on pastoral compensation, read the article, [A Biblical Approach to What We Pay Our Pastors](#), posted at churchjobs.tv.

As a reminder, the IRS requires that compensation provided to ministers is reasonable. As you consider compensation packages, one way to determine reasonableness is to consult independent compensation surveys for comparison.

- Richard Hammar's *2012-2013 Compensation Handbook for Church Staff* can be purchased from the [My Health Church webstore](#). This survey covers a wide range of churches and denominations.
- The Southern Baptist Convention publishes a compensation survey related to their Baptist churches on the [Lifeway website](#).

Each of these surveys can provide compensation ranges based on several factors and demographics. Further, the surveys include all components of ministerial compensation such as salary, housing allowance, social security add-on, retirement benefits paid by the church and health insurance paid by the church.