

THE EPISCOPAL DIOCESE OF ARIZONA

Policies and Procedures

Compensation Policy for Priests Employed in The Episcopal Diocese of Arizona

- A. The minimum Total Assessable Compensation (Item 1 in Section D, below) for a Full-Time (FT) priests employed by a Congregation in The Episcopal Diocese of Arizona for 2025 shall be \$60,000 per year, for 2026 \$61,800 per year, and for 2027 \$63,650 per year.
- B. These minimums do not include such factors as tenure in a particular parish, job performance, variances in community costs of living, advanced degrees, unique parish responsibilities, or prior business/professional experience. In other words, the computed compensation levels of this Resolution are to be considered minimums, not targets (e.g., a transitional deacon yet ordained priest in the first few months of employment might be considered for such a minimum).
- C. Upon request, the Director of Finance and Operations shall share the compensation data reported by Congregations with such persons deemed appropriate by the Bishop on a case-by-case basis. Examples of such persons may be, but not limited to: chairs of search committees, resident and licensed priests, senior and Bishop's wardens, and called priests to the diocese.
- D. Congregations shall use this chart to calculate the amounts that appear in their report with each corresponding item:

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Compensation Policy Calculation for Subsection D

Item*	Minimum (FT Priest**)	Calculation
1. Total Assessable Compensation	\$60,000 (for 2025), \$61,800 (for 2026), \$63,650 (for 2027)	This number is the sum of <ul style="list-style-type: none"> ● Cash Stipend, ● SECA Reimbursement, ● Housing Allowance, ● Utilities, ● Tuition for Dependents, ● Qualified Retirement Plan Contributions, ● Equity Allowance, ● Other Taxable Income Paid by the Congregation. For those provided with housing and/or meals, please confirm calculation of this number with the Diocese or Church Pension Group.***
2. Pension Assessment	\$-,--- See Calculation	This is a fixed, mandatory amount based on the first item and set by the Clergy Pension Fund at 18% of Total Assessable Compensation. For items 1 and 2, an exception may exist for ‘working while pensioned’ priests, in which case the Congregation should contact the Diocese or Church Pension Group for more information.
3. Health Insurance	\$-,--- See Calculation	This number is the sum of <ul style="list-style-type: none"> ● Health Insurance Premiums, ● Dental Insurance Premiums, ● Life Insurance Premiums, ● HSA/FSA contribution Paid by the Congregation according to Diocesan Policy. In certain circumstances, by choice of the priests and agreement of the Congregation, it may be possible under diocesan Policy for this number to total \$0.
4. Continuing Education	\$1,500	This number is the amount provided by each Congregation for use by the priests for continuing education at their discretion. These funds should be available as reimbursements in an accountable plan.
5. Professional/Travel Allowance	\$2,000	This number is the amount provided by each Congregation for use by the priests for professional expenses and/or business travel. These funds should be available as reimbursements in an accountable plan.
*Item should be calculated for the year in which the information is due to the diocese (e.g. information submitted in the 2024 Annual Report(s) reflects numbers from approved budget for calendar year 2024) which should be equal to or greater than the corresponding minimum for that item. **Minimum for Part-Time priests items 1, 4, and 5 should be calculated on a pro-rated basis in increments of as little as 1/20 time = 5% of minimum. ***It is strongly recommended that Congregations with church-provided housing contribute an amount equal to four percent (4%) of the adjusted package to a portable financial instrument such as a tax sheltered annuity, as an equity allowance.		

EXPLANATION:

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The Bishop convened an ad-hoc committee on priests' compensation to research and develop a new policy for the Diocese.

In order to update the policy for priests' compensation, the committee conducted a survey of minimum and median salaries from a similar group of dioceses. From this peer data and the wide variety of cost-of-living in Arizona, we were able to arrive at the minimum Total Assessable Compensation of \$60,000 for a Full-Time ordained priest for the year 2025. Provision was also made for flexible scaling in Part-Time work agreements. The committee also considered whether to set compensation levels based on congregational size, tenure or geography, but decided a simple and limited disclosure of compensation would support local empowerment by Congregation and priests to negotiate appropriate compensation.

SAMPLE:

The following is a sample format for Congregations reporting compensation information in the Annual Report and to the Director of Finance and Operations.

Clergy	% of FT	1. Total Assessable Compensation	2. Pension Assessment	3. Health Insurance	4. Continuing Education	5. Professional/Travel
Allison Sample	100	\$64,000	\$11,520	\$22,068	\$1,500	\$2,000
Joe Example	50	\$30,000	\$5,400	\$0	\$900	\$1,900

Supply Clergy Rates for 2025

Supply rates shall be understood as minimums. Congregations must also cover mileage reimbursement at the standard IRS rate.

Single Sunday Service with Sermon: \$180

Single Sunday or Weekday service without Sermon: \$125

Two Sunday services with Preaching: \$225