

Origin: Diocesan Council
Status: Policy
Distribution: All Parishes, Congregations and Worshipping Communities
Subject: Clergy Honoraria (Pastoral Services)

Introduction

As a matter of cultural practice it is common for families of those being baptized, married or buried to thank the officiating clergy by way of a monetary gift. Diocesan Council has been requested to establish a policy with regard to the treatment of such money, and the issue was referred to the Compensation Committee for consideration and recommendations.

Following consultation with clergy, the Compensation Committee recognized that there are variations in practice across the diocese. The perception that some parishes or clergy are “advantaged” or “disadvantaged” by virtue of their buildings or population size is highly subjective and does not form the basis of this policy. This policy therefore allows for a variety of practices within defined limits, and in particular those limits imposed by tax and labour laws.

Policies

1. Clergy may not charge a fee for a pastoral service.

It is inappropriate for clergy to charge a “fee” to perform a wedding, funeral, baptism, home visit or any other pastoral or liturgical office for the following reasons:

- a) Pastoral ministry ought never to be denied on the basis of an inability to pay.
- b) The celebration of pastoral offices is an expectation of any priestly ministry, and in the case of paid clergy is already compensated in the form of a salary.

Note: This policy only applies to moneys that would be received by clergy personally, whether given directly or assessed as part of a fee structure. It does not prohibit a congregation from assessing fees other than those received by clergy, such as wedding administration, caretaking or rental fees, subject to the principle expressed in (1.a) above.

2. Any money received by clergy in the context of delivering pastoral ministry has the legal character of a “honorarium” as opposed to a “fee” or simple “gift”.

- a) All money so received by clergy must be declared as Other Income (Line 130) when calculating personal income taxes.

- b) If asked for guidance about what constitutes an appropriate amount for an honorarium, clergy may respond by describing, factually, a typical amount or range, but must remain clear that it is not a fee.
 - c) If a clergy person wishes to donate all or a portion of such honoraria to their congregation or parish, such donations must be made according to the usual donation process and are tax-receiptable.
 - d) If the congregation has a clergy discretionary fund to which gifts may be specifically designated, a clergy person may elect to donate his or her honoraria to that fund.
 - e) As a subcategory of gifts, honoraria remain subject to the Clergy Gift Policy (5.2.6b) in addition to this policy.
3. A congregation may elect, as part of the employment contract with its clergy, to require its clergy to transfer to the congregation all or a portion of any honoraria received in the course of congregational ministry.
- a) Because it affects clergy compensation, such a policy must be disclosed in the process of hiring. Should the implementation of such a policy affect currently-employed clergy, the implementation process is subject to applicable labour laws (and in particular the requirement of appropriate notice).
 - b) Where such a policy is in place, any money so transferred to the congregation by the clergy is neither reportable as income nor receiptable as a donation by the clergy person.
 - c) It is permissible for a congregation to allocate to a clergy discretionary fund all or a portion of any honoraria so forwarded.

Clergy Discretionary Funds

In general, discretionary accounts are the property of the parish or congregation and their use is subject to the oversight of the church. Because the deployment of these funds often involves confidential information, detailed accounting of these funds does not belong under the normal procedures of the church. However such discretionary accounts must be privately reviewed by an at-arms-length person. The totals of such accounts are reportable to the parish treasurer and the confirmation of an independent review provided to the parish wardens and treasurer.