

2027 Clergy Compensation Form Instructions

The 2027 Clergy Compensation Recommendation Report is completed online through the Michigan Conference Brick River People Portal. The form should be completed jointly by the pastor and the church's Administrative/Leadership Board Chair.

Important: The online form is the official submission. The downloadable worksheet is available for planning purposes, but the completed recommendation must be submitted through the online form.

1. Access the Compensation Form

- Log in to the Michigan Conference People Portal.
- Select Compensation from the menu.
- Select the appropriate clergy person and 2027 appointment.
- Open the 2027 Clergy Compensation form.

Only clergy and Administrative/Leadership Board Chairs have access to submit the 2027 Compensation Report. Others may use the downloadable worksheet to assist with planning.

2. Verify Clergy Information

At the beginning of the form, review the information provided by the Conference, including:

- Clergy status
- Total current appointment time
- Clergy relationship/status
- First date eligible for the retirement plan

If any of this information is incorrect, stop and contact your District Office before continuing. The information must be corrected in the Conference system before completing the compensation form.

3. Enter Appointment Information

Enter or confirm:

- Compensation Effective Start Date: January 1, 2027
- Compensation End Date: December 31, 2027
- Total Service Time/Appointment Percentage

- Source of Compensation: Select the appropriate church or extension ministry source.

If a clergy person serves more than one appointment, compensation can be divided among the ministry settings using the Manage Compensation Splits option.

4. Enter Compensation

Enter the amounts that make up the clergy person's compensation.

- Cash Compensation
- Enter the annual cash salary being paid by the church.
- Health Insurance

If the church pays a health insurance contribution for a plan other than a Conference plan, enter the annual amount in the appropriate field.

5. Housing

Indicate whether the clergy person:

- Lives in a parsonage or other church-provided housing, or
- Receives a cash housing allowance.

The form will calculate the appropriate housing information used for tax and benefits purposes.

IRS Housing Exclusion is the portion of compensation that is excluded from federal income reported on the W-2. It is not the same as simply entering the value of a parsonage or housing allowance.

6. Review Retirement Contributions

The form calculates the mandatory Compass contribution percentage based on the clergy person's eligibility.

When reporting Compass contributions, the total of the clergy's:

- Before-tax contribution
- Roth contribution
- After-tax contribution

should meet the applicable mandatory contribution percentage.

The form also provides options for clergy who:

- Choose to contribute less than the mandatory percentage, or
- Use the Student Loan Match option to opt out of the clergy contribution.

When entering a percentage, enter numbers only—do not enter the % symbol.

7. Review Salary Reductions and W-2 Compensation

The form calculates several totals automatically, including:

- Total Cash Compensation
- Total Before-Tax Salary Reduction Items
- Total After-Tax Salary Reduction Items
- Salary Reportable to the IRS on the W-2
- Church Treasurer's Calculation for Payroll
- Before-tax reductions may include pre-tax Compass/UMPIP contributions. After-tax reductions include applicable after-tax retirement contributions and other after-tax items.

Review these calculations carefully before submitting the form.

8. Review Additional Clergy Benefits

The form also calculates or collects information for additional clergy-related expenses, including:

- Benefits Billing
- Parsonage utilities
- Professional Accountable Reimbursement Plan
- Travel reimbursement when not included in the accountable plan
- Continuing education
- Other applicable benefits or expenses

Benefits billing is based on appointment status:

Appointment	Benefits Billing
Full or 3/4 time	12%
1/2 time	10%
1/4 time	6%
Retired or DSA	5%

9. Review and Submit

Before submitting:

- Confirm all compensation amounts with the clergy person and church leadership.

- Review the automatically calculated totals.
- Make sure housing information is correct.
- Confirm Compass contribution elections.
- Review additional benefits and expenses.

If applicable, verify that compensation has been properly divided among multiple appointments.

When everything is correct, select Done? Submit for approval.

A Few Important Reminders

- Do not submit the form if Conference-provided clergy information is incorrect. Contact the District Office first.
- Use the online form for final submission. The downloadable 2027 Compensation Report Worksheet is intended for planning and discussion.
- Keep a copy of your submitted information for church records and payroll planning.
- Questions or technical issues with the form should be directed to the appropriate Michigan Conference office.