


THE DIOCESE OF JUNEAU
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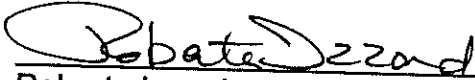
SUMMARY OF
BENEFITS AND POLICIES FOR PRIESTS

The following revisions and additions of the benefits and policies for priests are effective as of January 1, 2007.

Given at Juneau, Alaska, January 11, 2007



Most Reverend Michael W. Warfel
Bishop of Juneau



Roberta Izzard
Notary

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I. Remuneration

A. Taxable

The base salary for priests in the Diocese of Juneau is set at \$1000.00 per month and will be adjusted annually for COLA. This amount shall include any documented, reimbursable business expenses. The non-business portion of the salary is taxable income.

A priest's living expenses shall normally be paid directly (and tax-free) by his parish/place of employment. A priest may alternatively opt to receive a taxable living allowance of \$350.00 per month. Living expenses do not include what are generally considered to be personal, excessive or luxury items (e.g., cologne, jewelry, electronic equipment for personal use, etc.) The amount of salary and living allowance costs for priests shall be reviewed and adjusted as needed by the Bishop after discussion with the Presbyteral Council every three (3) years.

A priest's parish/place of employment shall provide modest housing. The Diocesan Finance Council, by resolution, has declared that for taxation purposes, the current combined fair market value of housing is \$1000.00.

A priest shall receive a taxable vacation allowance of \$800 per year. This amount may be paid in either monthly installments or annually.

Each priest incardinated in the Diocese of Juneau is required to participate in the federal Social Security System. He shall be reimbursed by his parish/place of employment for self-employment Social Security taxes in the taxable amount of \$200 per month.

Priests who must file taxes (religious priests are exempt and diocesan priests are not) are reminded that the IRS considers them employees for regular taxation purposes but as self-employed for Social Security purposes. If a priest desires to avoid making quarterly estimated payments to the IRS, he should contact the Diocesan Accounting Office to ensure that sufficient income taxes are withheld to account for his self-employment tax obligations. All diocesan priests are responsible for filing their own tax reports with the IRS. The annual tax guide from the National Federation of Priests is provided as an aid.

B. Non-taxable

It is expected that all priests serving in the Diocese of Juneau will attend an annual priest's retreat and may arrange for one (1) personal mid-week retreat. Total costs for the diocesan retreat will be pro-rated according to the same formula utilized for Faith In Action and the costs will be shared proportionately by parishes/places of employment of the priests who attend. Receipts of expenses must be submitted to the Business Office.

Total remuneration allowable for personal mid-week retreats is \$500 and includes costs for room and board and transportation. It is to be paid for by the parish/place of employment. For parishes that operate on or close to a deficit, a request for assistance may be submitted to the Director for Priestly Formation.

It is expected that all priests serving in the Diocese of Juneau will attend certain diocesan meetings and functions: Presbyteral Council Meetings, Diocesan Convocations, Full Time Ministers Meetings, Ordinations and other meetings when stipulated by the Bishop. Transportation costs for these meetings will be pro-rated according to the formula utilized for Faith In Action and shared proportionately by parishes/places of employment of those who attend. Receipts for expenses must be submitted to the Business Office.

Support groups for priests, such as Jesus Caritas, meet requirements similar in nature for necessary diocesan meetings and should apply the same formula for remuneration stated above to their parishes/places of employment.

(Priests should keep in mind that the above mentioned items ought to be included in the annual parish budget.)

Arrangements for personal spiritual direction remain the responsibility of each priest.

II. Health and Dental and Vision Insurance

The Diocese of Juneau is insured under a self-insurance program under the Alaska Conference of Catholic Bishops (which includes the Archdiocese of Anchorage and the Diocese of Fairbanks). The Alaska Catholic Conference of Bishops is a member of a Catholic medical self-insured pool called the RETA Trust. BlueCross BlueShield handles all medical, dental and vision claims for RETA Trust and the three Alaska dioceses. The range of benefits included under these programs is described in the Summary of Coverage that is provided annually to each enrollee.

A priest's parish/place of employment shall pay all medical, prescription drugs and dental deductibles not covered by insurance. Because the insurance program covers only for costs that are "usual, customary and reasonable (UCR)," each priest should attempt to obtain medical, dental and vision services that do not exceed the UCR limits.

Monthly medical, dental and vision premiums are paid entirely by the parish/place of employment.

III. Primary Health Care Provider and Durable Power of Attorney

Each priest serving in the Diocese of Juneau shall provide the Diocese and his parish/place of employment with the name of his primary health care provider in order to assure appropriate continuity of care, especially in case of emergency. Similarly, each priest serving in the Diocese of Juneau shall provide the Diocese with a copy of a Durable Powers of Attorney for Health and Financial matters and provide a copy to the Diocese of Juneau. The person(s) given this /these power(s) should not only be informed of such delegation in advance, but also should enter into discussions with the priest concerning the priest's wishes in the event he becomes incapacitated. The delegate should understand that life sustaining measures should always be consistent with church teaching. The priest should also inform family members, friends, and the Bishop of his wishes in regard to the involvement, if any, of the Diocese of Juneau in helping the priest to manage his affairs in the event of a health crisis.

IV. Life insurance

Each diocesan priest is covered by a \$10,000 life insurance policy until age 70. The benefit is \$4,500 after age 70. The policy pays double in the event of an accidental death. The life insurance premium is paid by the parish/place of employment. The Diocese of Juneau pays the premiums for retired priests. Each priest should regularly review and update his designated beneficiary. Most priests recognize that the Diocese of Juneau pays for their funeral expenses and have chosen to designate the Bishop of the Diocese of Juneau as their life insurance beneficiary. While greatly appreciated, it is not required.

V. Long Term Disability Insurance

Each active diocesan priest is covered by a long-term disability policy that pays a benefit of \$1500 per month in the event he is unable to perform his duties beyond a 180 day waiting period. The Diocese of Juneau pays the monthly insurance premiums. Benefits are paid until age 65 for disabilities occurring before age 60. They will be paid for a five-year period for disabilities occurring between ages 60 and 65. There is no coverage after age 65. Furthermore, the benefit is paid directly to the Diocese of Juneau to offset a portion of the premature, unexpected expenses that would necessarily be incurred by the Priest Retirement Fund.

VI. Automobiles

Each priest has the option of having an automobile provided for him or using his own or, in the case of religious priest, a vehicle owned by his community. If he opts to use his own vehicle, his parish/place of employment will pay him \$300.00 per month to offset the vehicle's depreciation. Regardless of ownership, the parish/place of employment will pay gas, oil, maintenance and insurance costs. It

shall also pay any insurance deductibles in the event of an accident. Insurance shall be obtained through the Diocese of Juneau.

VII. Vacation, Days Off and Time Away from Assignment

Within each calendar year (January 1 – December 31) each priest is entitled to one month (30 days) of vacation per year with pay. It is encouraged and expected that each priest shall take a weekly day off in order to provide for spiritual, physical and mental health.

On occasion, there are functions that may require a priest to be in attendance over all or a portion of a weekend, e.g., ACTS retreats, a youth convention, Rachel's Vineyard retreats, etc. Added to this is the reality that most priests are required to hold multiple responsibilities, e.g., military duty, youth activities, service on a commission, vocations, diaconate formation, etc. These activities often require some prioritization and advance scheduling.

- A priest is to receive a maximum of 30 days vacation a year (permission for time longer than 30 days must be made personally with the bishop). Priest coverage is to be arranged by the priest for the time he is away from his assignment. The parish/place of employment will provide remuneration to the supplying clergyman. Remuneration for supply priests is based on the base salary divided by the number of weeks/weekends he serves in the parish. The parish/place of employment will normally be responsible for the supply priests travel to and from the parish. (If there are questions about responsibility for travel costs, contact the bishop.)
- Other than days off and vacation time, parish priests are generally to be available to their parishioners throughout the year. Exceptions are those occasions when priests are fulfilling other responsibilities, e.g., diocesan meetings, Presbyteral Council meetings, Vocation's business, diaconate formation, etc.
- Priests are expected to have a weekly day off. This may be spread out over a couple of weeks to allow for several consecutive days but never more than three or over a weekend.
- Other duties are to be balanced with a view to the primary assignment. Parish ministry holds a place of primacy and a greater claim than other activities. When a conflict arises between a need to be at the parish and another activity over a weekend, e.g., ACTS retreat, Charismatic event, a replacement priest is to be found. If a priest can not be located to cover for parish weekend Masses, the bishop must be contacted.
- Priests are to ensure that they are available for service in the Diocese during certain times of the year and for certain occasions:

Christmas/Epiphany, Holy Week, Ascension and Pentecost; confirmation, first communion, parish feast days, significant days for the particular community. Exceptions must be arranged personally with the Bishop.

- If a priest is going to be away from his assignment for more than a week, information of his whereabouts and a way to contact him must be provided to the Bishop's Office (Executive Assistant) and preferably a phone number. Provisions need to be made in the parish for emergency situations, especially if a priest may be needed, e.g., a death of a parishioner.

VIII. Emergency Travel and Moving Expenses

The parish/place of employment covers the transportation costs of a priest who needs to travel for the funeral of an immediate member of his family. Moving expenses of a priest newly assigned to a parish/place of employment shall be paid by the new parish/place of employment.

IX. Ongoing Spiritual Formation

All priests are expected to participate in the annual diocesan priest's retreat. An additional private retreat may be scheduled but no longer than eight (8) days. Additional time may be added but requires use of vacation time. The purpose of the retreat is to disengage from day-to-day activities and focus on spiritual life in Christ. It must be accomplished at a genuine retreat facility of some kind. It is not to be confused with a religious event, pilgrimage, cruise or excursion. A retreat that extends over a weekend needs the approval of the bishop.

Priests within the Diocese of Juneau are encouraged to seek mutual support among each other. Gathering regularly for prayer and fellowship does much to enhance and sustain priestly ministry. Similarly, each priest is encouraged to seek spiritual direction and regularly celebrate the Sacrament of Penance.

X. Continuing Education and Formation

Priestly ministry, if it is to be effective, requires the continuing education and formation of the ordained minister. It is understood that continuing education and formation includes those activities that contribute to the personal and professional growth of priests. It has several dimensions and may generally be divided into three categories: short term educational programs; study programs; sabbaticals.

- Short term education programs are workshops, institutes, seminars, convocations, etc. which require the absence of a priest from his assignment for less than a month. Eligibility is open to all diocesan priests who have served in the Diocese of Juneau for more than three (3) years. If

a priest plans to use time apart from vacation time, a proposal must be submitted in writing to the Director of Priestly Formation for his recommendation and then the Bishop for his approval. Costs for short term educational programs are to be covered by the parish/place of employment. Coverage for sacramental duties is to be arranged by the priest for the time he is away from his assignment.

- Study programs are courses of study which lead to a certificate or a degree and require the approval of the Bishop. They may require the priest's absence from his assignment for an extended period of time, e.g., over several summers or for several years. Courses of study would include programs to provide proficiency in another language, a technical skill for ministry such as pastoral counseling or an advance pastoral or academic degree. Eligibility is open to diocesan priests who have served in the Diocese of Juneau for more than five (5) years or at the request of the Bishop. A proposal is to be submitted to the Director of Priestly Formation at least nine (9) months prior to the start of the program of study. Proposals must include location, institution, course of study, goals and objectives, a complete budget (to include cost for travel, tuition, books/supplies, room and board, etc.) A plan is to be submitted for covering the priest's assigned duties in his absence. Once approved by the Bishop, the Diocese of Juneau will pay tuition, room and board, travel (up to \$1,500 international and \$800 national) and books and supplies (up to \$300 per semester or quarter). The Diocese of Juneau will pay the priest's full salary and benefits. The parish/place of employment will be responsible for the salary and benefits of the priest who replaces him during his absence.

XI. Sabbatical Policy

A sabbatical is an extended period away from a priest's assignment of up to but not more than three months in pursuit of one or more of the following: theological studies; pastoral or professional skill development; spiritual and/or personal development and growth. It is not sick leave, graduate studies, vacation time, etc. though it may include advanced studies. Active diocesan priests are eligible for a sabbatical after having served in the Diocese of Juneau for ten (10) years. A proposal is to be submitted to the Director of Priestly Formation at least nine (9) months prior to the start of the program of study. Proposals must include location, institution, course of study, goals and objectives, a complete budget (to include cost for travel, tuition, books/supplies, room and board, etc.) A plan is to be submitted for covering the priest's assigned duties in his absence. Once approved by the Bishop, the Diocese of Juneau will pay tuition, room and board, travel (up to \$1,500 international and \$800 national) and books and supplies (up to \$300). The Diocese of Juneau will pay the priest's full salary and benefits. The parish/place of employment will be responsible for the salary and benefits of the priest who replaces him during his absence.

XII. Clergy Leave of Absence

It sometimes happens that a priest may come to a critical point of decision-making regarding his life and ministry as a priest. Issues may be so complex and unclear that an extended period of reflection and discernment is needed. When such a need arises, the Bishop will endeavor to support the particular priest and enable him an opportunity to clarify his life. There are limits, however, to the time that a priest could reasonably be absent for such a purpose as well as the financial assistance the Diocese of Juneau could afford to provide. Therefore, approval for a leave of absence must be made in direct consultation with the Bishop. In no case would support be able to be provided beyond six (6) months.

XIII. Retirement

Each parish shall pay \$125 per month towards the support of retired diocesan priests. In those cases in which a parish/place of employment is served by a religious priest, his community is to receive the \$125 payment. The parish/place of employment shall continue to provide this support for priests who are on continuing education and formation programs or on sabbatical. The Diocese of Juneau will provide this support for a priest who is on a leave of absence. A priest on extended leave of absence (over six (6) months) must contribute to the retirement plan himself if he is to remain in the program. A priest who leaves priestly ministry either on his own or is dismissed from the clerical state is disqualified from receiving retirement benefits from the Diocese of Juneau.

If a priest of the Diocese of Juneau is serving in a ministerial capacity outside of the Diocese, he or his employer shall be required to: 1) pay \$125 per month to the Diocese of Juneau, or 2) make a contribution of at least this amount into a qualified defined benefit retirement plan. In the latter event, upon retirement, the priest's monthly stipend from the Diocese of Juneau would be reduced by the amount of the defined benefit.

At the age of 75, a priest shall submit his resignation from office to the Bishop of the Diocese of Juneau. After considering all circumstances of person and place, shall decide whether to accept or defer the resignation. A priest incardinated in the Diocese of Juneau may retire at the age of sixty-eight (68). He is encouraged, however, to continue in active service as a "senior priest" as long as his circumstances and health allow.

A priest who has worked in the Diocese of Juneau for a total of ten (10) full years is entitled to the benefits described in the following paragraphs:

- A retired priest's salary and vacation pay shall remain the same as that of a priest in active ministry, and shall not be reduced by the amount of his Social Security check.

- Unless he is living in residence at a parish, he shall receive a monthly, taxable living allowance of \$350.00 per month and the Diocese of Juneau shall pay rent to the parish.
- The place and cost of a non-parochial retirement resident shall be negotiated between the Bishop and the retired priest. The cost of rent generally should not exceed \$900 per month. Housing costs should be reviewed periodically.
- Three months prior to his 65th birthday, each diocesan priest shall apply for Medicare insurance coverage at a Social Security Administration Office. He should defer Medicare Part B coverage until his retirement, at which time his RETA Trust medical coverage ends. At retirement, he should arrange with the Diocese of Juneau to purchase an appropriate Med Supp insurance policy. The Diocese of Juneau will pay the MedSupp premiums directly or reimburse the priest. Most retired priests purchase AARP MedSupp insurance directly and are reimbursed by the Diocese. The Diocese of Juneau will also reimburse priests for any deductibles (such as for prescription drugs) that are not covered by the MedSupp policy.
- A retired priest normally shall own his own vehicle. If so, he is entitled to the \$300.00 per month taxable auto allowance, which helps to offset depreciation. The Diocese of Juneau will reimburse him for the cost of his private auto insurance and any auto expenses related to ministry.

IVX. Last Will and Testament

Each diocesan priest of the Diocese of Juneau shall draw up a Last Will and Testament, which reflects the final distribution of his mortal remains and his estate property. A sealed copy of this document shall be filed with the Diocese of Juneau and be kept in the priest's file. It should include instructions regarding place of burial and other such instructions. The envelope should be marked in order to indicate that it is a copy of his Last Will And Testament as well as the date the Will as made and the place where the original is kept or filed.

It is recommended that an attorney be consulted in drawing up a Will, however, a priest may write his own. In the latter event, proper attention should be given to Alaska law. Each priest should designate a person to act as his personal representative; a brother priest is recommended. The Will should contain an inventory or indicate where such an inventory may be found. The inventory should list the priest's primary personal possessions, and real estate, his bank and investment accounts, safety deposit box location and contents, life insurance policies, and any other assets in which the priest may have an interest.

The Will must indicate how the priest wishes to distribute his estate property. The estate property consists of all assets that do not have designated beneficiaries. It does not include joint bank accounts. Nor does it include life insurance policies or IRA's, if these have named beneficiaries. A priest is free to leave his property to whomever he so wishes, but it is fitting that the needs of the Church not be forgotten.

XV. Funeral Expenses

The Diocese of Juneau will pay the normal costs of a modest funeral.

XVI. Visiting Clergy

It is the policy of the Diocese of Juneau that a priest not incardinated in the Diocese of Juneau will not be accepted for ministry in the Diocese until a *Testimonial of Suitability for Ministry* is on file in the Chancery Office. It is to be signed by his bishop (or his vicar) or the priest's religious superior. In addition, visiting priests who will be serving in the Diocese for longer than one month must undergo a background investigation prior to beginning.