“The Laborer’s Wage”

Policy Manual for Remuneration,
Compensation and Benefits for
Priests Who Serve in the Archdiocese of Louisville

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March 2026

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PHILOSOPHY

"As those dedicated to the service of God and the fulfillment of the office entrusted to them, priests deserve to receive an equitable remuneration, because 'the laborer is worthy of his hire,' (Lk 10:7)[i] and 'the Lord directed that those who preach the Gospel should have their living from the Gospel'" (1 Cor 9:14)[ii]. The model offered by the Church, particularly since the Second Vatican Council, envisions a common fund to secure that priests have a fitting living standard and to insure the "proper care of priests afflicted by ill-health, disability or old age" (21)[iii]. The decree On the Ministry and Life of Priests (*PresbyterorumOrdinis*) calls for a Gospel spirit regarding temporalities. "They should not regard ecclesiastical office as a source of gain," the Council teaches, "or spend the revenues accruing from it for the betterment of their own families ... Priests should never set their hearts on riches" and they "should avoid every appearance of greed..." They are "invited to embrace voluntary poverty" (17)[iv].

The Decree also offers a call for fairness and equity. "Priests deserve a fitting remuneration. "They are entitled to "reasonable support" and the payment they receive "should basically be the same for all working under the same conditions." They should receive sufficient pay to allow them "to give help ... to the needy." Also, "priests' remuneration should be enough to allow them sufficient time every year for the holiday (vacation) they deserve" (20)[v].

The 1971 Synod of Bishops reaffirmed the perspective of the Council in its document, *The Ministerial Priesthood* [vi].

> The remuneration of priests, to be determined certainly in a spirit of evangelical poverty but as far as possible equitable and sufficient, is a duty of justice and ought to include social security. Excessive differences in this matter must be removed...account also being taken by the average condition of the people of the region (4)[vii].

The 1983 *Code of Canon Law*[viii] formalizes the remuneration of priests in canon 281. Canonical commentators indicate that economic compensation for work is a personal, natural right. At the same time, they note that the "ecclesial service of clerics is a ministry, and not a profession. The juridical formalization of that relationship can only be achieved with difficulty" (*Exegetical Commentary*, II/1, p. 363). The remuneration of priests is closely related to their willingness to devote themselves to ecclesiastical ministry, appropriate to their condition, needed to provide for them in infirmity and old age, related to the common good, and consistent with distributive justice. The basis of the priests' right to remuneration is in their status as sacred ministers, not as employees.

Priests' salaries are no gauge of professional ability or their value to the community. It should be sufficient to provide for their needs and some charitable works, but not sufficient for an ostentatious lifestyle contrary to Jesus' example. Their salaries represent the recompense necessary for them to live decently, act charitably, enjoy vacations and educational opportunities, and to provide for health care and retirement needs. It presumes, in justice, a full measure of priestly service in the assigned office. This includes daily prayer for God's people and the regular celebration of Mass.

Priests willingly sacrifice earning power for the good of the Church, the People of God, and every Diocesan Priest is asked to do his best to live within the framework of these provisions and according to the plan's spirit. It is an attempt to help all priests practice the lifestyle of Christian stewardship—the care and responsibility of time, talents and personal treasure—in a manner that is mature, responsible and dependable.

GENERAL REMUNERATION NORMS

"The duty to provide for the adequate sustenance of sacred ministers devolves radically upon the faithful who are the beneficiaries of their service (c. 222). However, . . . the subject upon which is imposed the obligation to support sacred ministers is, without doubt, the diocesan organization…." (*Exegetical Commentary*, II/1, p. 365). Thus, to ensure that the priests are provided with an adequate means of livelihood and social welfare (c. 384), the Archbishop has established this policy.

<u>Interpretation</u>

Apart from hierarchical recourse, the Archbishop is the best interpreter of these policies

<u>Consultation</u>

By virtue of their baptism, the faithful cooperate in the exercise of the power of governance (c. 129), and in keeping with their knowledge, competence and position, the faithful have a duty to make manifest their views (c. 212 §2). Furthermore, "because of the gift of the Holy Spirit that has been given to priests at their ordination, [the bishop] will regard them as their indispensable helpers and advisers in the ministry and in the task of teaching, sanctifying and shepherding the people of God" (*PO*, 7). Thus, the Archbishop may consult with lay faithful and clerics, individually or in groups, when determining general policy or when applying the policy to a particular situation.

<u>Delegation and Authority</u>

The Archbishop is free to appoint a delegate to act in regards to matters of remuneration, compensation and benefits. In the policy, the term "Archbishop" is always understood to include his freely appointed delegate.

It also includes those persons or offices authorized to handle the regular administration of such matters, referred to as "competent diocesan authority."

<u>Exceptions to the Policy</u>

Any arrangements made outside the policy for Priests' remuneration, compensation and benefits are to be submitted in writing and approved by the Archbishop prior to implementation.

SALARY (Priests' Remuneration Schedule)

Beginning in 2018, each year's salary scale has been determined when the Archdiocese calculates the applicable increase for the upcoming year for lay employees. Using the previous year's scale for priests, a percentage is added to the salary rate.

For example, if the base increase range for a year was set at 2.5% then the salary scale would be increased by that amount. Subsequent years follow the same formula until a new policy manual is promulgated.

Occasionally the scale may be changed for unique circumstances as occurred for the 2026-2027 ranges.

ANNUAL SALARY*

Years ordained	2025-2026	2026-2027
0-10 years	$48,900	$52,325
11-25 years	$49,830	$53,320
26 + years	$51,050	$54,625

* This salary scale presumes the priest has opted to have Mass offerings treated as parish income. Otherwise, the base salary should be reduced by $300.00/month or $3,600/year.

EXPENSE REIMBURSEMENT

Priests incur a number of expenses related to their sacred ministry. A number of these expenses are to be reimbursed by the diocese or parish to assist priests in their sacred ministry.

Mileage Reimbursement

Priests, especially Pastors, are to visit their families, especially to help the sick and dying (c. 529). To fulfill this obligation, priests are often required to travel some distance. To assist priests in this sacred ministry, costs associated with use of a vehicle can be recovered through mileage reimbursement.

Priests of the Archdiocese and those having assignments in the Archdiocese are authorized to be reimbursed for their official ("work related") mileage at the IRS determined rate for any given year. This rate is established using the government's formula. The rate for calendar year 2026 is $0.725 per mile. The rates apply to fully electric and hybrid automobiles, as well gasoline and diesel-powered vehicles.

The Internal Revenue Service requires that your business or work-related mileage be substantiated if the reimbursement is to be treated as non-taxable income to you. This is generally referred to as an "accountable" reimbursement plan. Priests of the Archdiocese are to comply with the standards set by the Internal Revenue Service in regard to claiming mileage reimbursement. Mileage reimbursement is not provided for travel from the priest's residence to his assignment.

The mileage reimbursement is to be calculated on a monthly or quarterly basis and paid with other documented invoices of the parish/institution.

In accord with diocesan financial policy, all priests are expected to have at least $100,000/$300,000 in personal liability insurance on their vehicles, and it is highly recommended that all priests purchase insurance that offers individual protection from uninsured and under-insured motorists.

Retreat Fee

Priests are obliged to seek holiness in their lives and must make a regular spiritual retreat (c. 276, 4°). Priests in the diocese may participate in one of the retreats organized by the diocese. However, every priest has the option of making a private retreat. Fees are often associated with the use of a retreat center or a retreat director. To assist priests in their pursuit of holiness, costs associated with this spiritual retreat can be recovered through a retreat fee reimbursement.

The reimbursable retreat fee may not exceed $900.00 annually. This is paid for by the parish/institution.

Continuing Education

Priests are obliged to continue their sacred studies even after ordination (c. 279). This continuing education may take the form of professional periodicals, conferences, and other forms of education. To assist priests, costs associated with the continuation of their sacred studies can be recovered through a continuing education reimbursement.

This continuing education reimbursable allowance may not exceed $1,800.00 annually. The Archdiocese will pay the first $1,200.00 of this allowance through the Office of Continuing Education. The parish is responsible for the remaining $600.00 of this allowance.

A priest in graduate studies is already engaged in ongoing continuing education, paid by the Archdiocese; therefore, additional continuing education funds are not provided during the graduate studies assignment.

This amount is not to be accumulated for more than two years. Items submitted for reimbursement must be for professional development as opposed to personal development (in which case the priest's personal funds are to be used). A cancelled check or copy of statement is required for reimbursement. The Director of the Continuing Education Office will determine any question of interpretation.

OTHER INCOME

In general, a priest has a right to any income received from activities performed outside his regular duties and which do not interfere with them, e.g., royalties, honoraria, or extra-clergy help.

Other Salary Income

No priest is to receive more than one full-time salary.

A priest receiving full-time remuneration for his ministry from a source other than a parish or institution to which he is assigned must choose between his parochial/institutional remuneration or the salary being received from the other source.

Other Supplemental Income

A priest who, in addition to his archdiocesan assignment, serves in another ministerial role (e.g., as chaplain in the Veterans' Administration for Reserves of the Armed Forces or the National Guard) or in a similar paid position, will have his ministerial remuneration adjusted in relation to time away from his assignment.

Honoraria and Gifts

The faithful may desire to provide some monetary token of appreciation to sacred ministers on various occasions. Provided that the intention of the donor is clear, gifts may be retained by the priest or deacon.

If the ministerial event has taken the priest away from his primary duties, the priest should donate any gift or honoraria to his pastoral assignment.

Mass Offerings (Stipends)

"In accord with the approved practice of the Church, any priest celebrating or concelebrating is permitted to receive an offering to apply the Mass for a specific intention" (c. 945). The reception of a Mass intention is a priest's legal right, and thus, each priest may accept Mass offerings in accord with the norm of canon law (cc. 945-958).

Priests in the diocese may voluntarily choose to give all Mass offerings to the parish and because of this $300 a month, or $3,600 annually, has been incorporated into the salary levels. If this occurs, the parish is obliged to undertake the canonical responsibilities related to these offerings. Should a priest prefer to keep any Mass offerings, his salary will be decreased by $300 a month.

Each parish should retain a written record of the priest's intention and adjust the priest's salary appropriately.

1. Stipends Restricted to an Individual Priest

   Priests may receive offerings that require that the individual priest offer the Mass. However, these offerings and Mass intentions are the responsibility of the priest, who is personally responsible. As a general rule, priests may only keep one offering for himself each day (c. 951). Thus, priests who have voluntarily relinquished Mass offerings must offer Mass for these "personally restricted" intentions on days when the parish has assigned no intention to the daily Mass.

2. Stipends given to a Parish for Mass Intentions

   Mass offerings are the responsibility of the pastor of the parish. The pastor must maintain a special book in which he lists the number of Masses to be celebrated, the intention, and the date the Mass was celebrated (c.f., c. 958, §1). Should the pastor leave the parish, the intentions remain with the parish and become the responsibility of the new pastor. Upon receipt, Mass offerings are recorded as parish income. For convenience, an explanation of some canonical obligations associated with Mass Stipends is provided in the policy:

   Donor's Intention

   "Offerings given by the faithful for a certain purpose can be applied only for that purpose" (c. 1267 §3). In all cases, the donor's intent must be carefully and diligently fulfilled. Discerning this intent is particularly significant in regards to satisfaction of Mass offerings, most especially when a bequest to a parish is so large that the parish is unable to fulfill the Mass offerings in a year.

   Canonical Inspection

   The Local Ordinary, either personally or through others, is obliged to examine the Mass Intention book at least annually (c.f., cc. 957, 958, §2). This occurs whether or not it entails the examination of the parish records or the examination of the priest's personal records.

   Amount of the Offering

   Unless the intention of the donor must be presumed to have been different, if an offering is made without an indication as to the number of Masses to be celebrated, the number is to be computed according to the amount set by the Archdiocese, which is $10.00 (c.f., cc. 950, 952).

   Collective Intentions

   Individual Mass stipends cannot be combined into a single offering and celebrated with one Mass (c.f., c. 948). However, in cases in which the people making the offerings have been explicitly informed prior to their offering and have freely consented to combining their offerings into a single offering, their intentions can be satisfied with a single Mass celebrated according to a "collective" intention; the celebrant may keep no more for himself than the usual amount of a single Mass offering (c.f., c. 951; *Mosiugiter*, 1991). The place and time for the celebration of this Mass, which is not to be more than twice a week, must be made public.

Limitation on Offerings
Respecting the donor's intention, Mass intentions that cannot be satisfied within one year should be transferred to the Chancery for distribution to other priests (c.f., cc. 953, 956).

This is accomplished by issuing a check with an accompanying list of the intentions to the Chancery. Compute the number of intentions by the amount set by the Archdiocese, which is $10.00. This transaction will be recorded as a Contra Income Account to the parish (use a number in the 1600 Account number range named Mass Stipends Transferred Out).

Mass for the People (*missa pro populo*)
Pastors are obligated to celebrate one Mass a week on each Sunday and Holy Day of Obligation for the people of the parish (c.f., c. 534).

Canonists conclude that the *missa pro populo* is an obligatory intention that arises from a ministerial obligation – and not from the acceptance of an offering. Thus, they may not claim a Mass offering (or stipend) for the Mass for the People, but they may accept an offering for a second Mass offered that same day (c.f., *Exegetical Commentary*, III/1, p. 718-719).

Other Offerings (Stole Fees)

In the past, certain ministerial functions were reserved to the Pastor. As such, offerings received for these functions (or stole fees) were part of the Pastor's benefice. These stole fees had to be given to the Pastor, even if another performed the function. At the Second Vatican Council, the Church sought to reform the benefice system "with the objective of 'separating the remuneration of the priests from ministerial acts, especially those of a sacramental nature'" (Exegetical Commentary, II/2, p. 1329).

Having heard the Priests' Council, the Archbishop of Louisville has striven to provide suitable remuneration to the priests, and there is no need for priests to find a source of livelihood from stole fees. Thus, in accord with canon law (c. 531), priests are to deposit into the parish account all offerings received from the faithful for parochial functions (e.g., baptisms, weddings and funerals), even those that occur away from the parish church, unless the intention of the donor is certain.

1. Right to Spiritual Riches of the Church

   The faithful have a right to be assisted by their Pastors from the spiritual riches of the Church (c. 213), and sacred ministers may not deny the sacraments to those who opportunely ask for them, are properly disposed, and are not prohibited by law (c. 843).

   Apart from what is established by competent authority, ministers are to seek nothing for the administration of sacraments, and special care is to be taken to ensure that the needy are not deprived of the assistance of the sacraments (c. 848). No service may ever be denied to anyone who is unable to make an offering.

2. Personal Offerings

   In regards to baptism, weddings and funerals, no personal offerings for the services of a priest or deacon are to be required and no offering is to be recommended.

3. Administrative Fees

   Charges for the organist and/or choir are permitted if the entire fee is given to them. In addition, a fee for the use of the facility, to offset the cost of utilities, is also permitted.

Supply Ministry Income

Priests may sometimes be prevented from fulfilling their pastoral obligations (e.g., lawful absence for vacation or retreat, continuing education opportunities, illness, etc.). In these instances, other priests may be called upon to fulfill these functions. In other instances, additional priests may be called upon to assist a priest in fulfilling his pastoral obligations (e.g., communal celebrations of penance and anointing of the sick). “Supply” priests are to be remunerated by the parish benefiting from their sacred ministry. The supply help compensation rates were approved by Archbishop Shelton effective February 5, 2025.

Furthermore, provided the “supply” priest will not claim reimbursement from another source, he should receive mileage reimbursement for “work-related” or “business” travel from the parish benefitting from his sacred ministry. All “supply” priests, including those from outside the diocese, should be reimbursed for mileage according to the Archdiocese of Louisville established rate.

Reimbursement worksheets are to be supplied by the parish to the individual priest. (See Appendices page 28).

1. Baptism

   Priests are to be remunerated $50.00 for each session of baptism, regardless of the number of infants.

2. Eucharist
   a. Priests, who preside at a Sunday celebration of the Eucharist or on other Holy Days of Obligation, are to be remunerated $75.00 for each Mass, whether or not he is responsible for a homily.
   b. Priests, who preside at a weekday celebration of the Eucharist, are to be remunerated $50.00.
   c. School Mass Priests are to be remunerated $75.00.
   d. It should be recalled that some priests will not opt to treat Mass stipends as parish income. Thus, especially if a priest is from outside the diocese, or is a retired religious order priest, then an additional $10.00 is given for the Mass stipend.

3. Penance (Confession, Reconciliation)

   Priests are to be remunerated $50.00 for hearing each session of confession, whether or not the confessions are individual or individually part of a communal service.

4. Anointing of the Sick
   Priests are to be remunerated $50.00 for each communal celebration of anointing of the sick at which they assist.

5. Matrimony (Weddings)
   Priests are to be remunerated $75.00 for officiating at a wedding, whether or not he is responsible for the homily. If it is a Nuptial Mass, the priest may not seek an additional remuneration for the Mass.

6. Funeral Rites
   Priests are to be remunerated $75.00 for officiating at the funeral rites of the faithful, whether or not he is responsible for the homily. The priest may not seek an additional remuneration for a funeral Mass. Similar compensation is to be provided for funeral services outside of Mass (funeral home). The rate for a Graveside service is $50.00.

BENEFITS RELATED TO THE CLERICAL STATE OR ECCLESIASTICAL OFFICE

The bishop is obliged to provide for the adequate means of livelihood and social welfare of the priests (c. 384). This is distinct from the remuneration received for ministry (c. 281 §1). The same term can often be used to describe both the "benefits" of the clerical state and those attached to an ecclesiastical office.

As many diocesan priests serve in parishes, the remuneration policy often describes how these benefits are parochially administered. However, clerical benefits may also be administered by other means, appropriate to the priest's assignment and his conditions and circumstances.

The Parish House (Rectory)

1. The Proximity of the Parish House to the Church
   Parochial priests are obliged to reside in a parish house close to the church (c. 533, §1). Thus, parish houses should be close to the church building; it may either be on parish campus or away from it. In general, the parish house should be within the parish boundaries.

2. The Parish House and the Parish Offices
   Parochial priests should remain accessible to parishioners for pastoral care and especially to the poor and needy. However, in general, parish offices are to be separate from the priests' living quarters. Priests should be able to be reached by telephone in cases of emergency.

3. Room and Board

   Parochial priests are obliged to reside in the parish house (c. 533, §1). Thus, parishes are obliged to provide a parish house and provide what is necessary for the parochial priests to reside there. The ordinary and reasonable cost of residing in the parish house (i.e., room and board) is borne by the parish/institution of the priest's primary assignment.

   Room and board includes but is not limited to the following: housing, food, cell phone service, basic Cable TV, laundry, dry cleaning, newspaper, utilities, office, furnishings, insurance on priests' personal property, and garage/carport. The "General Benefits Form" defines the benefits of room and board (See THE "GENERAL BENEFITS FORM" on page 27).

4. Good Stewardship of the Parish House

   All priests are expected to be good stewards of parish property, and as such are responsible for the upkeep of the parish house (or rectory). Prior to a priest vacating a rectory, the rectory should be cleaned and repaired. Any costs that pertain to pet or smoke damage are the responsibility of the vacating priest. The parish should budget for any transitional expenses such as new carpet or fresh paint, leaving the particular selection of each to the incoming priest. The residence is subject to inspection by the area Dean.

Housing Apart from the Parish House (Alternative Housing)

The local ordinary can permit a priest to live apart from the parish house, provided there is a just cause and due provision has been made for parochial functions (c. 533 §1). In most cases, this housing should be owned by the parish or the Archdiocese.

1. Criteria When Considering Approval:

   The following principles serve as criteria in determining whether or not alternate housing arrangements for priests are permitted:

   <u>Personal Wellness</u>

   Recognizing the stresses created by the challenge of contemporary ministry, it is imperative that a priest has a healthy living situation. This would include the option to live in a place apart from his place of ministry and the opportunity to live with others with whom he is compatible. For priests who are married, this may include family.

   <u>Availability for Service</u>

   A priest is responsible for making certain that the parish is well served regardless of the location of his residence. A priest must be willing to be available by phone and return to his assignment when need arises. The pastoral assignment takes precedence over the living situation.

   Because a change of pastoral assignments could necessitate a change of residence, a priest must not limit his availability for diocesan assignments by the location of his personal residence.

Good Stewardship

Since financial accountability and proper stewardship of parish resources is expected of priests in the Church today, the priest choosing an alternate residence must be forthright in presenting an adequate, but suitable, financial arrangement to the Parish Council. Given variations that exist in housing costs from area to area it is difficult to recommend a specific allowance. However, the expectation for the presbyterate would be a “like living” situation that does not bring an excessive financial burden to the parish. (One suggested measure might be the cost of a two bedroom apartment in the area.)

Previously Approved Agreements

In previous years, after receiving the Archbishop’s approval, each priest made his own arrangements with the parish/institution. A copy of any such agreements, which remain in effect, must be filed with the Chancery.

Any arrangements already in place as of the date of the manual need not be ended, however, no new permissions will be granted by the Archbishop except in unique circumstances.

2. Procedures for Requesting Alternate Housing:
   If alternative housing arrangements are desired, the priest himself will take the initiative by putting into writing the reasons for this request, including the financial cost, and submitting it to the institution or Parish Council and Finance Council for consultation. The Vicar for Priests shall act as a consultant to the priest and shall assist in facilitating financial negotiations with the Parish Council or Finance Council.

   Once this consultation has taken place, and the priest, Parish Council, and Finance Council have come to a consensus, the request is then submitted to the competent Archdiocesan authority for approval. Provided the priest is aware of any emendations, proposals may be adjusted by the competent authority prior to approval by the Archbishop.

   When an alternative housing agreement has been approved, a copy of the same is to be filed with the Archdiocese. The agreement is to include the process to be followed when circumstances change.

3. Particular Alternative Housing Situations
   Good stewardship requires that any alternative housing agreement should be determined with the particular housing situation of the parish in mind.

   A Parish House (Rectory) is Provided

   A parish that provides a parish house (rectory) should not incur any unwarranted financial burden when a priest seeks alternative housing.

   The parish shall be responsible for the reimbursement of ordinary and reasonable costs of residing in the alternative housing (i.e., utilities, cable, telephone, newspaper, laundry, and dry cleaning). Rent or mortgage, insurance, maintenance, or furnishings are not to be assumed to be covered by the parish.

A Parish House (Rectory) is Not Provided

It is preferable that a parish that does not have an available parish house (rectory) should develop a plan to acquire, by purchase or rental, a proper residence. When no house exists, the parish will incur the expense of financing housing for the priest in addition to reimbursing him for the ordinary and reasonable cost of residing in the alternative housing.

The priest would be entitled to the IRS's list of allowable housing expenses.

For Consideration

Priests should be familiar with how permission for alternative housing may have other unexpected effects.

For example, priests of the Archdiocese are to comply with the standards set by the Internal Revenue Service in regards to claiming mileage reimbursement. Under some circumstances, the priest may not be able to claim commuting mileage from the alternative housing to the parish.

Periods of Rest

1. Vacation

    The law guarantees parochial priests several periods of rest as a natural necessity which, except for serious reason, cannot be done without (c.f., cc. 283 §2, 533 §1, 550 §3; Exegetical Commentary, II/2, p. 1335). The period of time may not exceed thirty days, continuous or otherwise. If the priest will be absent for more than one week, he is required by law to advise the local ordinary (c. 533, §3). For periods of continuous rest that do not involve more than three weekends and for which supply help has been secured, priests are dispensed from the lawful requirement to advise the local ordinary.

    Priests in the diocese are permitted to take an annual vacation of thirty days, continuous or otherwise.

    Every effort must be made to provide a substitute for weekend Masses and the Sacrament of Reconciliation. The cost of the supply help is to be borne by the parish or institution to which the priest is assigned.

    Every priest is entitled to a vacation regardless of the availability of substitute help. If the parish or institution is unable to obtain substitute help, the Chancery should be contacted.

    Because of the sufficient salary provided to priests and the local policy regarding a day off, the expenses related to the priests' vacations (e.g., travel, lodging, meals, etc.) are presumed to be personal expenses. If a priest believed that his financial situation would preclude him from taking a sufficient period of rest, he should consult with the Chancery so that arrangements can be made.

2. Pilgrimages

    If a priest leads a pilgrimage for his parish or most of the participants are from the Archdiocese of Louisville, no penalty of vacation days should be taken.

    If a priest is part of a tour company or a tour and the people are not from the Archdiocese of Louisville, his time should be taken as vacation time.

3. Day Off

    In addition to an annual vacation, by particular law, every priest has the right to a twenty-four-hour day off each week free from all parish/ministerial obligations and responsibilities, e.g. an entire Monday. The priest is responsible for food and approved normal household costs.

Worker's Compensation

Every priest is to be covered by Worker's Compensation. The premium will be paid by the primary parish or institution to which he is assigned.

Health Care Benefits (Medical Insurance)

While the deductibles, co-payments, and out-of-pocket maximums have changed, it remains Archdiocesan policy that the actual cost to a priest should never be more than $1,000 per year of his own money. Beyond the $1,000 maximum paid by the priest, an additional $2,000 funding is available through the Archdiocese for significant medical reasons and not for normal over-the-counter purchases or other insurance premiums. Proof of services provided and payments made must be submitted for review and possible reimbursement. For demonstrated, serious financial reasons, additional funding is possible through the Archdiocese on a case by case basis.

A Medical Expense Reimbursement Worksheet should be submitted to the Office of Priest Personnel. (See Appendices page 29)

Life Insurance

All priests enrolled in the archdiocesan health care plan will be provided with a term life insurance policy until retirement. As provider of the policy, the Archdiocese should participate as a beneficiary of the policy.

Dental Insurance

All priests enrolled in the archdiocesan health care plan will have the opportunity to participate in one of three dental care insurance plans. The Archdiocese offers retired priests the opportunity to enroll in a group dental plan.

Professional Liability Insurance

The comprehensive personal liability coverage afforded under the Liability Insurance Certificate includes each priest on assignment within the Archdiocese for his negligent personal acts. Acts of a criminal nature are not covered. Professional liability coverage for priests is included in the General Liability portion of the certificate under "Section-H," Counseling Errors and Omissions. This does not cover automobile liability.

Insurance On Priests' Personal Property

Personal property of priests and other religious on assignment within the Archdiocese is covered with a $25,000 limit and a $100 deductible. This coverage is on a replacement cost basis and only extends to personal property located on archdiocesan property. Additional coverage is available. A personal property inventory may be required.

Sabbaticals

A "sabbatical" is defined as an extended period of time (not to exceed three consecutive months) away from a priest's normal assignment for the purpose of study in a formal program, approved by the Ordinary, to help the priest become spiritually and pastorally more effective in his work; more skilled, more knowledgeable and more satisfied.

A sabbatical is distinguished from a vacation, a retreat, sick leave and further studies required by reason of specialized work in the Archdiocese.

For each seven years of service within the Archdiocese after ordination to the priesthood, an incardinated priest of the Archdiocese may claim one academic semester (three months or less) for sabbatical leave. However, only one period of three months or less will be granted an individual priest until all eligible priests who have requested it have had the opportunity to take sabbatical leave.

Priests will consult with the Director of the Office of Continuing Education regarding available programs and make a formal written application. A completed application, on forms supplied by the Director, must be submitted, and it will pass on to the Ordinary at least one year in advance for final approval.

The number of priests on sabbatical may vary depending upon available priest personnel and archdiocesan needs. Final selection of applicants for sabbaticals will be made by the Ordinary after consultation. Generally, selection will be on the basis of seniority of ordination. However, at least one priest who has been ordained less than fifteen years (but more than seven years) will be chosen for each period.

While he is on sabbatical leave, a priest is to receive his regular salary. The parish or institution will also pay the cost of the priest's replacement.

A temporary administrator will be suggested by the priest seeking a sabbatical subject to the approval of the Archbishop. Other assigned priests, deacons and lay staff remain in place to fulfill their assigned duties.

The Archdiocese will pay the cost of the sabbatical program, such as tuition, room, board, ordinary laundry, and books required for the courses. Transportation to the selected school at the start of the sabbatical and transportation back to Louisville from the school at the conclusion of the sabbatical will be paid by the Archdiocese. These costs will be paid out of the money allocated for Continuing Education for Priests. Total cost for sabbatical related expenses cannot exceed $15,000. The priest is expected to be responsible for all personal expenses.

Graduate Studies

A priest may be assigned by the Archbishop to participate in a Graduate Studies program. The graduate student continues to receive full salary and benefits as other priests as defined in this policy manual. The cost of attending the graduate program is paid by the Archdiocese. Expenses for round trip travel (one per semester) is also provided. While the priest is relieved of a regular parish assignment, he is expected to make himself available for temporary assignment in the summer or during other breaks as his program allows. Such assignments cover his compensation during those time periods.

Retirement

Every priest is encouraged to remain active in his priestly ministry to the extent that he is willing and able. By lawful custom in the Archdiocese of Louisville, all priests will offer their resignation from ecclesiastical office at age 70. All priests must offer their resignation from any ecclesiastical office no later than age 75 (c. 538 §3). At the time of resignation, the Archbishop is to decide whether to accept the resignation or defer it for a time.

Every priest is encouraged to make appropriate long-range plans for when he resigns from ecclesiastical office, commonly referred to as "retirement." These plans should include at what age he prefers to offer his resignation, where he wishes to reside, how he wishes to continue to exercise his priestly ministry, and other practical matters (e.g., health, finances, etc.).

Provision is to be made for the social welfare of priests as they may need in old age (c. 281 §2). To this end, the Archdiocese assists priests in making provision by including them in the **Employees' 401k Retirement Plan** and providing a **Priest Pension Plan**. In addition, priests receive **Social Security** Income based on their age, years of work and contributions they have made.

401k Plan
Beginning in 2001, all archdiocesan priests in an active assignment in the Archdiocese of Louisville are included in the Catholic Archdiocese Employees Retirement Plan. A contribution of $100 per pay period ($2,400 per year) is made on behalf of each participating diocesan priest. This continues until pension payments commence from the Priest Retirement Fund. In addition, the Archdiocese, through the priest's assignment, will provide optional matching contributions beyond the $2,400 per year at a matching rate of 100% of the first 2% contributed and 50% for the next 2%. The priest may contribute his own funds in whole percentage amounts through payroll deduction up to the limits allowed by law, but the maximum match is 3%. Priests should familiarize themselves with additional details of the plan. Newly ordained priests enter the plan on the first day of the month following the date of ordination. Example impact of the 401k plan: $2400 per year from age 30 – 70 would result in $525,000 based on an annual investment earnings average of 7%.

Priest Pension Plan
The Priest pension plan is essentially a "salary continuation plan. In 2026 the plan provides priests with annual pay equal to 75% of the salary they were paid in their final year of serving in an active assignment. Priest receives this pension during all of their years of retirement.

A priest becomes vested in the priests' pension after 10 years of active ministry. After 10 years, he would receive 20% of his retirement pension. For each subsequent year, from 11-14, he would receive an additional 20% of his eligible retirement pension. After 14 years of active ministry, he would receive his full pension. Alternate arrangements to this policy must be approved prior to ordination by the Archbishop. Priests already ordained as of July 1, 2018, who are negatively affected by this policy may also seek approval for an alternate arrangement from the Archbishop.

Social Security
Social Security is a government program which provide payments to persons reaching a qualified age (presently over 62) or who are disabled. Priests are encouraged to consult the Social Security Administration about their options for payments which increase by age and annual earnings.

A priest retiring at age 70 shall receive his retirement pension, plus Social Security, +plus 401k disbursements or other annuities previously offered such as the *Prudential Variable Annuity Investment Program.*

Additional Retirement Support:

Other Employer Pension

An individual priest who has worked for an employer other than the Corporate Sole and is due to receive a pension from that employer shall receive Social Security, a pension from the Archdiocese and possibly a pension from the outside employer.

The benefit from the Archdiocese will be calculated as follows: the number of years of service to the Archdiocese divided by the number of years of service as a priest at the time of retirement is multiplied by the pay at the time of retirement and the 75% percentage of pension in that year.

$$\frac{\text{\# of years of service}}{\text{\# of years as a priest}} \times \text{Pay at time of retirement} \times 75\ \text{\% of pay for pension}$$

Supply Ministry Income

A retired priest is encouraged to provide "extra help" throughout the Archdiocese for which he will be compensated according to the supply help scale by the parish benefitting from his ministry. See Supply Help Scales in the appendix.

Pro Tempore Ministry

In certain circumstances, a retired priest may accept a request to serve in an extended capacity as an administrator pro tempore. While each priest's situation may be different, the norm is for the priest to receive his pension plus the salary he would be making as an active priest assignment. This may be a full-time salary or part-time salary depending on the assignment.

If the priest requests an alternative form of compensation the Vicar for Priests will negotiate an equitable arrangement with the retired priest and present that arrangement, after approval by the Archbishop to the parish being served. A copy of that remuneration agreement will be filed with the Archdiocese.

Housing

A retired priest may wish to live in an apartment or house at his own expense. As an alternative a retired priest may wish to live in a rectory with permission of the pastor. If he chooses this arrangement, the parish is responsible for his room and board in exchange for the services he performs at the parish. A copy of any written agreement must be forwarded to the Ordinary.

A retirement home for priests has been developed as an option in cooperation with the Nazareth Home Clifton. Each priest living in the home pays for his own rent and support services provided by Nazareth.

Insurance

At age 70 or earlier, priests' medical insurance should be covered through Medicare. In addition, retired priests are entitled to supplemental insurance and prescription drug insurance (paid for by the Archdiocese). They do not receive dental insurance, however. Those who have coverage when they retire, will have rights to continue coverage for 18 months with the premium billed directly to them.

Benefits

The Archdiocese pays for retired priests' yearly retreat ($900) and continuing education ($1,800) benefits.

BENEFITS IN EXTRAORDINARY CIRCUMSTANCES

Clerical status and ecclesiastical office most commonly affect how priests' benefits are administered. If these are altered in any way, they usually affect remuneration and other benefits. Although not limited to these circumstances, such scenarios include priests who: remain in active ministry after the so-called "age of retirement," undertake a medical leave for treatment, experience unexpected disability, seek permission for the so-called "early retirement," reach the age at which they must resign from ecclesiastical office (commonly called "retirement"), are restricted from ministry for a period of time, have been permanently restricted from ministry, or abandoned their priestly ministry.

Compensation with retention of office beyond age 70 (a retired" parish administrator)

A Priest who retains a full-time ecclesiastical office beyond age 70 will continue to receive full salary (according to the salary scale) and benefits until he retires from office. All compensation is provided by the parish or institution he is serving. This includes: salary, contributions to the employee retirement plan, housing, retreats, continuing education, reimbursement benefits (e.g. mileage), etc. The priest's medical insurance will transition, however, to Medicare and Supplement, with premiums paid by the parish or institution he is serving.

While the yearly percentage reduction from salary remains in effect, the priest's pension will be determined by the percentage of salary he would have received had he retired in the year he was eligible and his current active salary. For the retention of office beyond age 70, the priest will receive a salary bonus distributed at the end of the fiscal year in his last pay period equivalent to 25% of his pension had he retired in the year he was eligible. If, for some reason, he is unable to fulfill the responsibilities of his office, the salary bonus will be pro-rated to his last active salary pay period.

All such arrangements are subject to the approval of the Archbishop and must be reviewed and approved anew each subsequent year.

Restriction of office for treatment (medical leave)

To assist priests in maintaining their health and wellbeing, the diocese may restrict the demands of an ecclesiastical office in accord with the norm of law.

To protect their right to privacy, priests may enter into inpatient or intensive treatment programs at their own initiative and expense. Programs that remove the priest from assigned ministry should be undertaken by time allotted for the priest's personal use. Priests, who would be absent from their assignment for a period longer than their vacation, must inform the Vicar for Priests.

The Archbishop desires to assist priests in maintaining their health and well-being. Provided that the priest signs a release of information so that he may create an aftercare plan, the Archdiocese will also pay for an approved inpatient or intensive treatment program. A priest who is in Archdiocesan funded treatment for more than three months may have his salary reduced because of his lack of availability for ministry and the cost of room, board, and treatment programs. Provided the priest can demonstrate serious cooperation with the aftercare plan, the Archdiocese will also cover a substantial part of the costs that go beyond insurance in regard to any relapse, although a salary adjustment in these circumstances is also possible.

Resignation of office due to disability

A medical examination may be required in individual cases when disability or potential disability is involved.

Disability resulting in a priest's inability to carry out his regular duties shall make the priest eligible for retirement benefits. These benefits begin one month after the determination of disability. For the first month, the parish or institution is to continue his salary as sick pay.

If a priest, due to medical reasons, must expend sums of money beyond his resources, then the sharing of costs between the Archdiocese and the priest will have to be worked out on a case-by-case basis with the Ordinary. The Archdiocese is prepared to advance to him each month sufficient funds to pay remainder of his obligations. After his death, a statement will be presented to the Executor who will restore this amount to the Archdiocesan Priests' Retirement Fund. The family of the priest will not be expected to pay the bill.

If residence in a nursing home is required, the priests' 401k plan will pay nursing home costs from his income; that is from retirement, social security, and other sources. If that income is insufficient, he may draw upon his capital assets. If he prefers, however, the Archdiocese will provide additional funds with the understanding that the Archdiocese should, in justice, make a claim against his estate for repayment of the additional outlays.

Resignation of office with permission (early retirement)

Priests who are less than seventy (70) years old and not medically disabled may seek permission from the Archbishop to permanently resign from office. This can be referred to as "early retirement."

They shall receive annuities and/or 401k disbursements, plus Social Security payments, plus retirement salary for years ordained less 3% each year for the first five years and less 4% for years over five years of early retirement.

A priest may possibly draw reduced Social Security at age 62. Based on the average life expectancy tables, he would have to live beyond age 83 to lose Social Security benefits because of taking the early reduced benefits.

However, until age 70, earned income in excess of an annual limit may cause a forfeiture of all or part of the Social Security payments received. Retirement pay is not counted as earned income for this purpose. A priest should seek professional advice when considering Social Security benefits.

Loss of Office Due to Other Causes (Restricted Ministry)

In cases where the priest is not recommended for an ecclesiastical office for other reasons (e.g., mental health), the diocese will strive to provide the priest with an appropriate ministerial opportunity.

As the priest is not assigned to an office, remuneration will be determined by the Ordinary after consultation. The assessment will focus on the individual priest's efforts to resolve the problem and on his ability to resume active ministry.

Permanently Restricted from Ecclesiastical Ministry

In some cases, the priest may not hold an ecclesiastical office and has been permanently restricted from priestly ministry in accord with the norm of law (e.g., due to substantiated accusations of sexual abuse and/or incarceration) but not removed from the clerical state.

In accord with the norm of law, the Archbishop will ensure that the priest has an adequate means of livelihood and social welfare (c. 384). Other remuneration will be determined by the Ordinary after consultation.

Loss of the Clerical State of Abandoned Ministry

The following are guidelines for determining the retirement benefits, if any, that a priest who left priestly ministry may be entitled to:

Eligibility

Years of Service **-** To be eligible for a retirement benefit the minimum length of service before resignation is 15 years.

Age – A priest who has resigned may be eligible for a retirement benefit at age 70, the normal retirement age of priests. There are no provisions for a benefit before age 70.

Restrictions - Any benefit cannot be taken in any other form but monthly payments. There is no "lump sum" payment. Any benefit does not have a survivor benefit.

A priest who has resigned will not normally be eligible for health insurance benefits.

To be eligible and receive benefits a priest who has resigned must apply to the Ordinary. Failure to apply will relieve the Archdiocese of any obligation to the priest who has resigned for benefits under these guidelines.

Any money due through the 401k Plan or Prudential Annuity Program is the responsibility of the resigned priest and should be handled directly by the priest who has resigned.

Factual Information

Several factual pieces of information are necessary to calculate the lifetime monthly benefit commencing at age 70. These include:

- the year of the person's birth
- the year in which the person was ordained to the priesthood
- the year in which the person left active ministry
- the year in which the person reached the age accepted as the "retirement age" of priests in the diocese (currently age 70)
- the monthly salary of the person at the time of resignation

For purposes of calculation formulas, these are simplified as:

- Birth Year
- Ordination Year
- Resignation Year
- Retirement (70) Year
- Last Monthly Salary

From the factual information it is possible to determine other information, which will be necessary to calculate the lifetime monthly benefit commencing at age 70. These include:

- the possible years of priestly ministry
- the actual years of priestly ministry
- a percentage representation of active ministry

For purposes of calculation formulas, these are simplified as:

- Possible Years
- Actual Years
- % of Active Ministry

Benefit Calculation

The lifetime monthly benefit commencing at age 70 can be calculated by multiplying the percentage of active ministry by the monthly salary of the person at the time of resignation.

[% of active ministry] × [last monthly salary]

Or, in a more expanded version, the lifetime monthly benefit is:

$$\frac{\text{actual years}}{\text{possible years}} \text{ x [last monthly salary]}$$

Or, in a fully expanded version, the lifetime monthly benefit is:

$$\frac{\text{[resignation year] - [ordination year]}}{\text{[retirement (70) year] - [ordination year]}} \text{ x [last monthly salary]}$$

Religious Order Priests and Extern Priests

Each instance of a religious community priest or international priest serving in the Archdiocese of Louisville may be unique. While the details of each arrangement may be different, in principle the benefits accorded in this policy should be the standard to determine remuneration in each circumstance. A written remuneration agreement after approval by the Archbishop will be kept on file at the Archdiocese.

Other unforeseen scenarios could develop that might affect how a priest's benefits would be administered.

In accord with law, the Archbishop will ensure that every priest has an adequate means of livelihood and social welfare (c. 384) and that priests will receive just remuneration for their ministry (c. 281 §1). Other scenarios, unforeseen by the remuneration policy, would be determined by the Archbishop in consultation with those he deems helpful and appropriate to the conditions and circumstances of the priest and the diocese, taking into consideration that the salvation of souls is the supreme law of the Church.

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THE "GENERAL BENEFITS FORM"

The "General Benefits Form" itemizes those reasonable costs associated with residing in the parish house (c.f., "Room and Board" on page 10), which are to be borne by the parish/institution of the priests' primary assignment. The Vicar for Priests can assist any priest or parish with this section.

- Food [useful descriptors: (a) typical estimates, if groceries only, $400 per month; (b) typical estimates, if restaurant meals only, $1,800 per month]
- Laundry / Dry Cleaning
- Housekeeper / Cook (part-time)
- Utilities: electrical, water, trash
- Internet service (*but the computer is the priest's responsibility*)
- Cell phone service, the expected norm being $100 (*but the cell phone is the priest's responsibility*)
- Newspaper
- Cable or streamed service for television: the basic package offered by company (*or comparable satellite alternative*)
- 401k
- Health Insurance
- Property Insurance (up to $25,000)
- Parish office set-up
- Rectory furnishings
- Rectory garage / car port
- Mileage: business related
- Continuing Education
- Retreat

Supply Ministry Remuneration

Supply Ministry Form

Submitted to: ______________________________

name of parish requiring supply Ministry

Submitted by: ______________________________

Name

____

Address

____

City *State* *Zip Code*

Date:	Priestly Ministry:	No. x Remuneration		Total
______	Sunday/Holy Day Mass[1]	x $75.00 =	$	
	Mass stipend if applicable[2]	x $10.00 =	$	
______	Weekday Mass	x $50.00 =	$	
	Mass stipend if applicable[2]	x $10.00 =	$	
______	School Mass	x $75.00 =	$	
	Mass stipend if applicable[2]	x $10.00 =	$	
______	Baptism	x $50.00 =	$	
______	Penance (Confession, Reconciliation)	x $50.00 =	$	
______	Anointing of the sick	x $50.00 =	$	
______	Wedding[3]	x $75.00 =	$	
______	Funeral Mass and Burial[3]	x $75.00 =	$	
______	Funeral Service outside of Mass			
	(funeral home)	x $75.00 =	$	
______	Graveside Service	x $50.00 =	$	
______	Claimed Mileage[4]	x IRS rate	$	
		TOTAL	$	

NB, Comments of "special" requests may be submitted on the reverse

____

Signature of Priest Providing Supply Ministry *Date*

[1]For each Sunday or Vigil Mass with or without homily $75.00

[2]If priest is from outside the diocese and has opted to retain stipends - it is given

[3]For a wedding or funeral, with or without homily $75.00

[4]Priests should be familiar with IRS standards regarding claimed work mileage

Medical Expense Reimbursement Worksheet

Request for Reimbursement for Medical Expenses

*Send all materials to the **Office of Priest Personnel**

Name: ____

Years of Services Rendered: ____

To request compensation, you **must submit** this form and include original copies of all receipts. Please note that reimbursement is for the calendar year and only considered after you have paid the first $1,00 out of pocket.

Date of Service	Provider	Total	Description
Example: March 5, 2026	*Walgreens*	*$25.00*	*Medications*
Total Requested:			

END NOTES

[i]*Cf. Mt 10:10; 1 Cor 9:7; 1 Tim 5:18.*
[ii] *The Decree On the Ministry and Life of Priests PRESBYTERORUM ORDINIS: C.4.*
[iii]*TheDecreeOntheMinistryandLifeofPriests(PresbyterorumOrdinis) 21* [iv]*The Decree On the Ministry and Life of Priests (PresbyterorumOrdinis) 17* [v]*The DecreeOntheMinistryandLifeofPriests(PresbyterorumOrdinis) 20*

[vi] *Synod of Bishops (Nov. 30, 1971), "The Ministerial Priesthood," De Sacerdotioministeriali, reprinted in James I. O'Connor, editor, The Canon Law Digest, Vol. VII: Officially Published Documents AffectingtheCodeofCanonLaw1968-1972(Chicago:ChicagoProvinceoftheSocietyof Jesus, 1975)*

[vii] *Synod of Bishops (Nov. 30, 1971), "The Ministerial Priesthood,"* De Sacerdotioministeriali*, reprinted in James I. O'Connor, editor, The Canon Law Digest, Vol. VII: Officially Published Documents AffectingtheCodeofCanonLaw1968-1972(Chicago:ChicagoProvinceoftheSocietyof Jesus, 1975)*

[viii]*1983 CIC • Codex IurisCanoniciauctoritateIoannisPauli PP. II promulgatus,ActaApostolicaeSedis 75/2 (1983) 1-320; English trans., Canon Law Society of America, CODE OF CANON LAW, LATIN- ENGLISH EDITION, NEW ENGLISH TRANSLATION (Canon Law Society of America, 1999).*