Dear Monsignors and Fathers,

During these uncertain times, and after consultation with the Presbytery Council and the Diocesan Finance Council, I have decided to keep the compensation for all priests (active and retired) in our Diocese at the same level in FY2021 as it is in FY2020. I appreciate your selflessness in making this gesture of solidarity with the people of the Church of Southwest Iowa — many of whom have been obliged to make great sacrifices. I authorize the following plan to be implemented July 1, 2020.

**ACTIVE PRIESTS**

It is the responsibility of each priest to bring this information to those responsible for providing his compensation.

<table>
<thead>
<tr>
<th>Years Ordained</th>
<th>2020-2021 Monthly</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 4 years</td>
<td>$3,119</td>
</tr>
<tr>
<td>5 to 9 years</td>
<td>$3,148</td>
</tr>
<tr>
<td>10 to 14 years</td>
<td>$3,178</td>
</tr>
<tr>
<td>15 to 19 years</td>
<td>$3,209</td>
</tr>
<tr>
<td>20 to 24 years</td>
<td>$3,238</td>
</tr>
<tr>
<td>25 to 29 years</td>
<td>$3,267</td>
</tr>
<tr>
<td>30 to 34 years</td>
<td>$3,298</td>
</tr>
<tr>
<td>35+ years</td>
<td>$3,329</td>
</tr>
</tbody>
</table>

**Housing**

Parishes will provide housing to their priests based on the Priest Housing Policy approved on March 1, 2009. This may take the form of providing the living space or providing a housing allowance. The priest and the parish Finance Council should determine the fair market value before the start of each calendar year of this benefit for the priest for use in filing his tax return.
The approval of the allowance by the Finance Council should be documented in the minutes of the meeting and in a separate letter provided to the priest and signed by the Council Chair.

**Household**
The normal household expenses that are covered include laundry needs, kitchen supplies, bathroom supplies, (this does not include personal grooming items), bedding, newspaper, everyday household items (does not include large expenditures such as furniture and appliances). Up to $225 per month can be spent on communication technology, which includes cell phone (available to parishioners in emergencies), high-speed internet and basic cable TV, if applicable. This is not a complete list and it may vary somewhat from parish to parish.

**Continuing Education/Retreat Allowance**
Each priest will be allowed to receive an annual allowance for continuing education and retreats. This amount is to be paid by the parish or institution. Up to $400 of this allowance may be used for books, periodicals, audiovisual, or other resources for priestly formation. For the 2021 fiscal year, the total allowance amount will be $2,800. Receipts and documentation are to be submitted to receive reimbursement for these expenses.

Materials, food, lodging, and travel costs for courses/retreats are permissible expenses, but any international travel needs to be approved in advance by the Bishop. The Bishop’s document of approval should be included with the receipts and documentation for all expenses submitted for reimbursement.

The continuing education allowance is for the benefit and growth of the priest and would not include reimbursement of expenses for teaching others.

**403B Plan**
The 403B Plan continues in accord with IRS regulations. All priests should be enrolled in the diocesan retirement plan through Christian Brothers Retirement Services. No other plans may be used for the payroll deduction and parish matching retirement program. The parish will match 100% of the amount deferred by the priest with a maximum of $125 per month. This arrangement is subject to future change in diocesan policy.

**Example**
If a priest earns $2,800 per month and defers 4% of his salary into the retirement plan, he will contribute $112 per month. The parish would match with a contribution of $112 since this is less than the $125 maximum. If this same priest defers 6%, he would be saving $168 and the parish would contribute the $125 maximum.

**Weekend Assistance**
Retired priests who provide weekend assistance are to be reimbursed at the rate of $90 for the first Mass and $60 for each additional Mass. Mileage is to be paid at the current IRS rate ($ .575 for 2020). If the coverage is provided by a religious community outside the diocese, the stipend is to be negotiated with the respective order. If the coverage is provided by an Active priest, the stipend (if arranged for) should be provided to his parish/employer.
Mass Stipends
The Mass stipend is a free will offering to be retained by the priest who offers the Mass, except when the priest elects to take $100 per month, and give the parish or institution all of the Mass stipends. These stipends are to be included in taxable wages.

Stole Fees
Offerings for weddings, funerals, and baptisms belong to the parish. The exception to this is that retired priests and priests from outside the diocese may retain the stipend.

Car Allowance
There will be no separate car allowance. Any priest who submits monthly mileage in excess of 400 miles per month will be reimbursed for the excess business mileage at the current rate allowed by the IRS of $.575 per mile (2020 IRS rate). Future IRS rate changes will be communicated to the parish/institution by the diocese.

Health Insurance
Health insurance costs for each priest are covered by the diocesan health insurance policy. The average annual cost per priest is currently $7,365. At the present time, fifty percent of the health care premium is paid by the Priest Medical endowment held at the Catholic Foundation of Southwest Iowa. As the costs of health insurance increase substantially each year this is an added expense that each parish/institution does not have to incur for each priest. Thus, through the diocese, this is part of the overall compensation package for the priests of the Diocese of Des Moines.

Good Stewardship
In a spirit of good stewardship, priests should think of themselves as temporary residents within the parish they serve. Each priest follows a previous resident, and a brother priest will follow him in the residence he currently occupies. Thus, care regarding smoking and pets is expected. Cleanup of any residual signs of either smoking or pets or abnormal wear and tear will be the expense of the priest responsible, and not either the parish or the priest succeeding him.

Parish bookkeeping must substantiate the above salary arrangements. If there are special circumstances that require a variance from this schedule, such as additional allowances for food or other needs, please request approval through the office of the Vicar General.

Thank you for your stalwart, dedicated ministry to your people in these most trying times.

Faithfully in Christ,

Most Reverend William M. Joensen, Ph.D.
Bishop of Des Moines