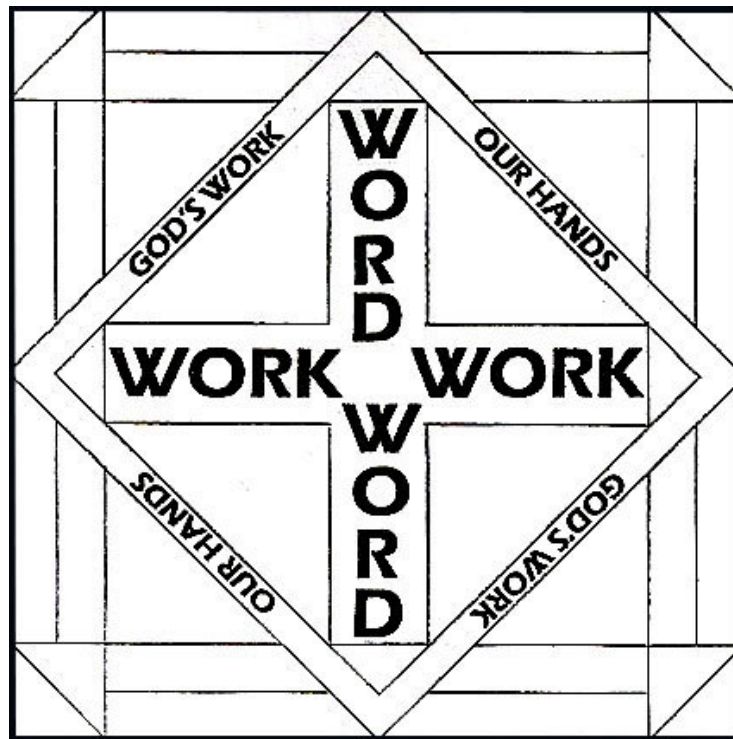


# 2011

Compensation and Professional Expense Guidelines  
for Pastors, Associates in Ministry, Lay Professionals,  
Support Staff, and Church Musicians:  
A Congregational Resource



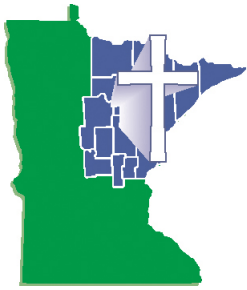
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# Northeastern Minnesota Synod

Evangelical Lutheran Church in America

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Dear partners in the Gospel:

You have before you in this booklet, compensation guidelines for 2011 as adopted by the 2010 Synod Assembly. This resource is vitally important to those who prayerfully and carefully make decisions about compensation for our rostered and lay leaders.

I believe those who will make decisions about fair compensation to church workers are committed to Christ and his church. Saint Paul gave his congregations a two - fold word of admonition: Those who are paid by congregations will want to do the most “excellent” job in their calling as they can, and goes on to instruct folks to make sure fair compensation is made to church workers. So what is fair? One principal that is universally utilized is this: full time compensation should provide for an adequate living appropriate to the culture served.

The intent of this booklet is to suggest guidelines of compensation that reflect salaries and wages similar to comparable positions of responsibilities and training in our region. Ordained pastors have undergone considerable effort, study, sacrifice, training, and outlay of money to make sure they are rightly prepared for service in the church. A college degree, plus four years of seminary (graduate school), plus continuing education thereafter is required. I’m glad it is! We in the ELCA demand excellence and thorough training and education. We wouldn’t have it any other way. As a result, most pastors incur considerable educational debt. Non-ordained ministry such as Associates in Ministry and some musicians also require much training. The church recognizes the high demands placed on those who provide leadership. We want to affirm the value of the Biblical office to which we call qualified persons to serve in the ELCA. That’s why the guidelines are given. They are not meant to be “requirements,” but I urge you to see them as helpful, fair standards, and to recognize that our paid leaders do better when they feel valued by their congregations.

Please take time to read the document carefully. You will find it very useful as you make decision about compensation for your staff.

*“Finally, brethren, whatever is true, whatever is honorable, whatever is right, whatever is pure, whatever is lovely, whatever is of good repute, if there is any excellence and if anything worthy of praise, dwell on these things.”*

Philippians 4:7-9

† Bishop Tom Aitken

Bishop Thomas M. Aitken

## Introduction

### *Purpose*

It is the intent of these guidelines to provide fair and reasonable compensation and benefit measures that enable the individual congregation with the ability to attract and retain qualified and skilled personnel. The traditional “one size fits all” approach is no longer valid as it misses the breadth and depth of the individual congregations needs. These guidelines can not address all the concerns, financial and personnel resources and expectations within the Synod. They are meant to serve as a basis from which individual congregations and their professional and lay staff can make informed decisions in determining compensation and benefit matters that are fair to all parties.

In the Compensation Planning Guidebook, Manfred Holck, Jr. states *“The primary consideration for compensation is not what the congregations can afford to pay, but what a pastor should be paid considering his/her experience, ability and training.”*

In the Bishop’s introductory letter, he states *“We want to be fair by the standards of our economy and ability to compensate, we want to affirm the value of the calling.”*

Compensation issues result in a partnership between the congregation, clergy and staff, and it is important for all parties to recognize the spirit in which compensation matters are addressed. Compensation decisions should be made in such a way that:

- ◆ *God’s mission flourishes.*
- ◆ *Clergy and staff members are cherished as servants of God.*
- ◆ *All areas of the congregation’s mission thrive.*

The task force prepared these guidelines to help this process by presenting fair and equitable guidelines comparable to compensation levels of our peers in other synods, Christian organizations and the local communities. Congregations need to ensure that their compensation levels are comparable to local positions with similar duties and responsibilities.

### *Source*

These synod guidelines have been prepared by a task force of volunteers, both lay and rostered. These guidelines are then reviewed and adopted by the congregations at the annual synod assembly.

The base salary matrix historically has not kept pace with inflation. At the time for discussion of these guidelines, the task force gave much consideration to the economic conditions that we face in our synod. The Task Force considered 2008 statistics regarding Cost of Living Adjustments, Consumer Price Index and Average 2008 Income Increase in Minnesota 3.3% as guides.

### ***Local Consideration***

It is important to remember that the task force recognizes that “one size” does not fit all congregations, as each congregation is unique and serves its own community. Each congregation needs to interpret these guidelines in a manner that is fair and reasonable in their community, and in a way that reaffirms the value of the individual serving that congregation. However, as the task force reviewed these guidelines and compared them to other synods, the task force firmly believes that these guidelines provide each congregation with a range of salaries that are well within the local and regional economic conditions for other professional and support personnel with comparable education and responsibilities.

### ***Assistance***

Should individual congregations request assistance in reviewing these guidelines with their leadership, the task force is more than willing to provide any guidance requested. Please contact Pastor Vicki Taylor, assistant to the bishop; 218.724.4424, ext. 122 or Mr. Mark Melhus; 218.720.3712.

## Part I - Pastors and Rostered Lay Persons

### Pastors

The following salary grid allows congregations the ability to meet local economic conditions and reward for job performance. These salary ranges reflect a higher percentage increase in the early years to reflect the beginning pastors increased expenses for training. The base salary guidelines listed below assume full time ordained ministry since the year of ordination.

#### **A. Base Salary Guidelines**

Years of Experience	Year Ordained	Guidelines
Graduate	2011	30,691 – 32,191
1	2010	31,322 – 32,822
2	2009	31,964 – 33,464
3	2008	32,606 – 34,106
4	2007	33,248 – 34,742
5	2006	33,880 – 35,380
6	2005	34,535 – 36,035
7	2004	35,166 – 36,666
8	2003	35,808 – 37,308
9	2002	36,427 – 37,927
10	2001	37,081 – 38,581
11	2000	37,723 – 39,223
12	1999	38,355 – 39,855
13	1998	38,996 – 40,496
14	1997	39,640 – 41,140
15	1996	40,281 – 41,781

Years of Experience	Year Ordained	Guidelines
16	1995	40,913 – 42,413
17	1994	41,544 – 43,044
18	1993	42,199 – 43,699
19	1992	42,829 – 44,329
20	1991	43,460 – 44,960
21	1990	44,103 – 45,603
22	1989	44,756 – 46,256
23	1988	45,387 – 46,887
24	1987	46,029 – 47,529
25	1986	46,660 – 48,160
26	1985	47,258 – 48,758
27	1984	47,889 – 49,389
28	1983	48,520 – 50,020
29	1982	49,151 – 50,651
30	1981	49,770 – 51,270

The average base salary is figured by starting with \$30,691 – \$32,191 not counting housing, and adding the following amounts:

1. In the event that a pastor comes to the ordained ministry with other career experience, which enhances a person's gifts for ministry, the value of those experiences should be strongly considered in setting salary. An example would be to calculate the experience prior to ordination at the rate of ½ year for each year of experience, up to maximum of ten years. In this example, a newly ordained clergy with ten years of other career enhancing experience, should start at the five year guideline level.
2. \$500-\$1,000 for each additional earned degree,
3. for supervisory responsibilities
  - a. \$500 for supervision of 1 full time paid staff or equivalent,
  - b. \$750 for supervision of 2-3 full time paid staff or equivalent,
  - c. \$1,000 for supervision of 4 plus full time paid staff or equivalent,
4. A merit increase based on an evaluation of performance.

If the pastor's current years of experience or salary is above these guidelines, the current salary should be used to which the following would be added:

1. Cost of living adjustment
2. A merit increase based on an evaluation of performance

If compensation is less than guidelines,

1. The pension should be paid according to the average salary as figured above.
2. Every effort should be made by congregations below the guidelines to move towards these average guidelines.

If the congregation uses an alternative method to calculate a pastor's base salary, this should be calculated based upon the 1) experience level of the clergy, 2) education and other training of the clergy, 3) merit, or "spiritual nurturing" ability of the clergy, 4) supervisory responsibilities, 5) planning and vision of the clergy, and 6) other factors unique to that congregation

Pension contributions are figured using the contribution calculators found on the ELCA Board of Pensions Web site: [www.elcabop.org](http://www.elcabop.org).

## **B. *Parsonage/Housing Allowance*** (see also Addendum II)

### **1. Parsonage**

Where a congregation provides a parsonage, the congregation should assume all costs for maintenance and utilities. The congregation should pay these costs directly.

In a parish with a parsonage, the pastor does not have the option of owning her/his own home and thereby building equity for retirement housing. It is recommended that those congregations providing a parsonage contribute toward a special "Housing Equity" program. It is recommended that 3% of the pastor's (defined compensation see Addendum I for ELCA Board of Pension definition) should be applied each year to this fund. The "Housing Equity" funds should be invested as determined by the church council and the pastor. The Optional Pension Plan of the ELCA Board of Pension is a suitable option for housing equity funds.

### **2. Housing**

If the pastor is given a housing allowance in lieu of a parsonage, this must be designated prior to the beginning of the year. The housing allowance figure is 30% of base salary. The total of base salary plus housing (30% of base salary) is used to figure a social security allowance. (Base salary plus housing allowance times .0765 equals total) The pastor then declares a housing allowance figure for their tax purposes at the beginning of the year. For example: If pastor A has a salary guideline of \$30,000. The amount for housing would be \$9,000 (30% of salary), the amount you should reimburse for social security would be \$2,983.50 (7.65% of \$39,000). The total package you are dealing with is \$41,983.50. Pensions and medical are not included in this calculation. Of the \$41,983.50 the pastor can designate an amount for housing (other than the \$9,000) which must be voted on by the Church Council. For example, Pastor A decides that of the \$41,983.50, \$18,000 should be considered housing allowance. The salary amount would be \$23,983.50 and housing \$18,000).

### **3. Other Items**

Should a pastor desire to have a portion of his/her compensation designated as furnishing allowance, that amount should be designated by the church council. This is no added expense to the congregation, but a tax benefit to the pastor.

Congregations must approve, prior to the start of the fiscal year, allowances for housing, furnishings, and utilities in order for these to be excluded from income for IRS reporting.

If a clergy couple, each pastor is entitled to either a housing allowance or a parsonage.

### C. *Social Security Payments*

1. Since the IRS classifies pastors as self-employed for Social Security purposes, congregations are expected to reimburse pastors for what the employer's share of social security tax would normally be. (Information on these rates can be obtained from the IRS office at 800.829.1040. The current employer's portion of the social security tax is 7.65%.) For compensation guideline purposes the task force considers this reimbursement to be based on the clergy's base salary plus any parsonage/housing allowance.
2. Congregations are to file W2 tax forms for clergy.

### D. *Vacation, Days Off and Holidays*

Pastors are expected to receive and use four weeks (including Sundays) of vacation per year. The cost of pulpit supply is to be paid and arranged by the congregation. Vacation time should be used within the calendar year and not accumulated, except by special agreement with the church council.

Time spent in outdoor ministries and retreats with congregational youth and family groups, or work on conference, synod, or church-wide committees should not be considered vacation time or education leave when it is part of the congregation's local program/ministry or ministry through conference, synodical, or church-wide structures.

At least one full day and preferably two days free of church responsibilities should be provided each week.

When holidays or days off are missed these should be taken at another time.

Consideration should be given to granting the pastor quarterly personal leave weekends off in addition to the annual vacation.

After 15 years of ordained service, consideration should be given to granting the Pastor a fifth week of vacation.

### E. *Minimum Compensation*

The task force defines minimum compensation for clergy to include 1) base salary, 2) parsonage or housing allowance, and 3) Reimbursement for the employers' share of the Social Security taxes. Congregations are strongly encouraged to pay the minimum compensation level for their clergy based upon training and years of experience.

#### **Pastor Minimum Compensation Example**

	<u><b>2011 Annual Range</b></u>	<u><b>Factor</b></u>
Graduate	30,691 – 32,191	
Housing Allowance	9,207 – 9,657	30.00%
Social Security Reimbursement	<u>3,052 – 3,201</u>	7.65%
<b>Minimum Compensation</b>	<b>42,950 – 45,049</b>	
14 Years of Service	39,646 – 41,140	
Housing Allowance	11,892 – 12,342	30.00%
Social Security Reimbursement	<u>3,942 – 4,091</u>	7.65%
<b>Minimum Compensation</b>	<b>55,480 – 57,573</b>	

### F. *Part Time Staff*

Part time rostered staff persons should have consideration for salary and benefits corresponding to a percentage of a full time salary and benefits package.

## Associates in Ministry (AIMS), Deaconesses and Diaconal Ministers

### A. *Base Salary Guidelines*

The recommendation is to use the pastor's guidelines (see page 6) with no housing allowance. AIMS, Deaconesses and Diaconal Ministers are defined as individuals who have a bachelors degree and required level of certification or experience as required by the ELCA.

### B. *Social Security Payments*

Congregations are required to pay employer's portion of the Social Security taxes and file W2 tax forms for lay employees.

### C. *Part Time Staff*

Part time rostered staff persons should have consideration for salary and benefits corresponding to a percentage of a full time salary and benefits package.

### D. *Vacation, Days Off and Holidays*

1. Vacation with full pay should be provided.

For service less than one year: 5/6 of a day per month

Years 1-5: Two work weeks

Years 6-10: Three work weeks

Years 11 - over: Four work weeks

Service years are cumulative including employment in previous congregations or units of the ELCA. (Consideration should also be given for non-church employment which closely relates to the AIM's, Deaconesses', Diaconal Minister's current parish work.)

2. AIMS, Deaconesses and Diaconal Ministers whose work includes regular Sunday involvement should also be granted quarterly personal leave weekends off in addition to the annual vacation.
3. AIMS, Deaconesses and Diaconal Ministers should also receive time off with pay on holidays. Those who perform essential service on the holiday may arrange for other time off. Following are some holidays to be considered:

New Year's Day

Good Friday

Memorial Day

Fourth of July

President's Day

One personal day per year

Labor Day

Thanksgiving Day

Christmas Day

Martin Luther King Jr. Day

Easter Sunday

## **Benefits for Pastors and Rostered Lay Persons**

### **A. *Pension, Disability, Survivor, Medical/Dental***

The congregation shall budget for and participate in the ELCA Pension, Disability, Survivor, and Medical/Dental plan for pastors, rostered lay persons, and families as needed. The contribution is figured by multiplying the appropriate Board of Pensions insurance rate times what is called defined compensation. Defined compensation is 1.3 x (Base Salary + Social Security Allowance) + Furnishings Allowance, for pastors with parsonage or (Base Salary + Social Security Allowance + Housing Allowance) for pastors with housing allowance. The congregation should refer to the ELCA Board of Pensions Web site. Each congregational treasurer receives a yearly memorandum from the ELCA Board of Pensions with this information. The internet address for Board of Pension Information is [www.elcabop.org](http://www.elcabop.org).

The ELCA Church Council recommends a minimum pension contribution of 10%. The Synod Council of Northeastern Minnesota recommends that congregations move towards a pension contribution of 12%.

PLEASE NOTE: If compensation is under guidelines, we recommend the pension be paid at the Year of Experience salary guideline figure.

### **B. *Worker's Compensation***

All congregations must provide Workers' Compensation coverage for employees.

### **C. *Disability, New Parenting, Sick and Emergency Leave***

It is recommended that each congregation develop explicit written policy relating to permanent disability. In addition, in the case of temporary disability due to accident, illness, surgery, etc., it is expected that the congregation continue to pay full salary, housing, and benefit contributions for the first 60 days of disability, until the temporary disability benefits of the ELCA Pension Plan go into effect. The congregation should thereafter pay the cost of the ELCA health insurance for 10 months. Any period of disability (beginning date, length, and return to active duty) should be based on a physician's recommendation.

*Sick leave:* One day sick leave for each month of employment cumulative to 30 days.

*Maternity or adoptive leave* for women employees with full salary, housing, and benefits for six weeks and a one to two week parenting leave for fathers is recommended.

*Emergency Leave:* Absence of three days due to a death in the immediate family is normally permitted. ("Immediate family" is defined to include spouse, parents, siblings, children, in-laws, grandparents and grandchildren).

### **D. *Unemployment Taxes***

Federal and state tax law generally exempts churches from this requirement as service performed in the employ of a religious organization.

## **Professional Expense Reimbursements for Pastors and Rostered Lay Persons**

### **A. *Automobile***

Automobile expense and other work-related travel are a business expense for the congregation and should not be considered by the congregation as part of the pastor's or rostered layperson's salary or benefits if reimbursed under an accountable plan. Automobile allowance should be sufficient to cover all parish related car expenses including depreciation. The expense of maintaining and operating a reliable vehicle has become quite substantial and should therefore be compensated in a just manner. Currently there are three methods for handling car expense reimbursement. Those preparing congregational budgets should discuss with their pastor or rostered lay worker which method is most desirable for them personally.

If personal use of the church owned automobile is allowed, the value of the personal use must be considered additional salary (and reported as wages on a W2) or the employee may reimburse the church for the personal use amount.

The Internal Revenue service requires accurate records to support automobile expenses incurred in the connection with parish related travel. Each person is responsible for maintaining adequate records for vehicles used for work related travel.

The methods for handling car expense reimbursement are:

1. The congregation reimburse for actual miles driven at the IRS mileage allowance rate per mile. If reimbursement is under accountable plan, no further reporting is necessary.
2. The congregation pay a determined amount as a car allowance on an annual basis. This rate should reflect actual costs including depreciation. If the pastor is paid under a car allowance, the amount should be added to wages on the W2.
3. The congregation purchase or lease a car and assume the total automobile expense, (this method will insure total compensation for professional use).

NOTE: The method of reimbursement needs to be determined at the time of call and reviewed during the annual salary review.

### **B. *Continuing Education/Sabbaticals* (Extended Study)**

The Lutheran Church has a history of an educated and well-trained staff. The congregation should expect their pastor/rostered lay persons to be involved in continuing education programs which will provide opportunity for personal development, enrichment of devotional life, and growth in effectiveness and competency. Continuing education should be regarded as an essential ongoing process which assists in maintaining and sharpening the professional skills required in a rapidly changing world. Congregations should give consideration to a continuing education record when granting salary increases and when in the call and appointment process.

Continuing education is understood to be "professional growth" and "self-renewal" as distinguished from program development, vacation, or synod sponsored learning events. Both the pastor/rostered lay persons and the congregation will benefit from involvement in continuing education. It is therefore suggested that the continuing education program be mutually studied and agreed upon by the pastor/rostered lay persons and the congregation. Continuing education may include courses (CHARIS, etc.), seminary classes, workshops, or independent study, when directed toward a goal.

Time for Growth-Continuing Education: It is expected that the pastor/rostered lay persons be granted at least two weeks and \$800 per year, cumulative up to three years. It is recommended that they use at least one week per year. The ELCA expects a minimum of 25 contact hours annually in continuing education. A contact hour is defined as a 50 minute classroom instructional session or the equivalent.

Time for Renewal-Sabbatical (extended study): The pastor/rostered lay persons shall be eligible to take a sabbatical leave after serving seven years in ministry, and every seven years thereafter. Years spent in other synods are to be counted. Pastors/rostered lay persons shall not be eligible for a sabbatical until they have served in their present call at least two years even if they have been in ministry seven years or longer.

Participants granted sabbatical leave are expected to return to their parishes for at least a year after the leave unless there are compelling reasons to do otherwise.

The recommended time for a sabbatical is three months away from the parish. Vacation time is not included as sabbatical but is granted as in any other year. Variations from the three months recommendation are to be approved by both the congregation and the Synod Board of Ministry.

During the sabbatical the pastor/rostered lay persons shall receive at least 75% of the current base salary, 100% of the housing allowance, 50% of the car allowance and 100% of the pension and medical-dental benefits; all other benefits remain unaffected.

Congregations that make provision to continue salary at 100% are to be commended.

#### ***C. Books, Periodicals and Other Expenses***

Professional expenses such as books, periodicals, educational materials, and other business related expenses should be shared by the congregation and the pastor/rostered lay persons. This should be negotiated between the pastor/other rostered personnel and the congregation.

#### ***D. Church and Synod Sponsored Learning Events***

Church and Synod sponsored learning events, such as the Synod Assembly, the Fall Theological Conference for Rostered Leaders and Spouses, and the First Call Theological Education; and work on conference, synod, or churchwide committees should not be considered vacation time or educational leave. Congregations are reminded that certain of these expenses are requirements for the clergy and other expenses are incurred to participate in these activities. Congregations are encouraged to work with the clergy to pay for these expenses as well as those of their spouse.

## Part II - Interim and Temporary Ministers

### A. *Compensation, Benefits and Expense Reimbursements*

Temporary staff compensation and benefits should be based on the duties and the amount of time required for each specific ministry.

Interim clergy serving a congregation should be compensated as agreed upon by the pastor and all church councils involved, taking into account the following:

1. Full-time Interim
  - a. Compensation should be on the basis of the previous pastor's salary. It should not be less than the guidelines for seminary graduates.
  - b. Parish supplies housing for pastor, spouse, and family.
  - c. Benefits should be included in the compensation package.
  - d. Auto allowance should be paid by the parish. Congregations are encouraged to cover the cost of at least one round trip weekly from home for the pastor serving them during the interim period.
  - e. Interim calls may be issued by the synod council.
  - f. Congregations are encouraged to cover the cost of at least one round trip weekly from home for the pastor serving them during the interim period.
2. Part-time Interim  
Compensation will be proportionate to the base salary, benefits and auto allowance of a full-time pastor.
3. Weekend Supply - Sunday Worship  
Single Service - \$100; Each additional service - \$25  
If a class is taught on Sunday - \$30 additional  
Mileage should be paid at the IRS approved rate for the year in which the car is being driven.
4. Other Services (weddings, funerals, etc.)  
The pastor should receive the prevailing rate in the community. If the pastor does not receive this amount from the family, the congregation should pay it to the pastor.

## Part III - Lay Professional and Support Staff

### Lay Professionals

Lay professionals are those who usually have a degree, specialized training, or certification as Parish Worker, Youth Director, Parish Education Director, Volunteer Coordinator, Executive Assistant, etc.

Compensation should be comparable to local positions with similar duties, education and responsibilities.

#### A. Salary Guidelines

These figures are based on an assumption of 40 hours per week, 52 weeks per year.

<u>Years of Service</u>	<u>Salary</u>	<u>Years of Service</u>	<u>Salary</u>
0	28,568 – 30,068	8	33,695 – 35,195
1	29,210 – 30,710	9	34,327 – 35,827
2	29,842 – 31,342	10	34,969 – 36,469
3	30,494 – 31,994	11	35,612 – 37,112
4	31,126 – 32,626	12	36,255 – 37,755
5	31,816 – 33,316	13	36,886 – 38,386
6	32,422 – 33,922	14	37,528 – 39,028
7	33,054 – 34,554	15	38,186 - 39,686

Beyond 15 years, congregations should negotiate with the staff member and arrive at a salary commensurate with the nature of the position.

Part-time employment should be pro-rated on the basis of the above figures. This can be done by dividing the above salary by 2080 hours and then multiplying that hourly rate by the number of hours worked. For example: a beginning employee providing 20 hours of services would be \$28,568 divided by 2080 hours equals \$13.73 per hour. For 20 hours, 20 hours times \$13.73 equals \$274.60 per week.

## Support Staff

What We Ask Of Our Church Support Staff . . .

The support staff provides necessary services to allow ministry to proceed effectively. The support staff has major responsibilities in public relations. The ministry of the congregation is greatly enhanced by the ability of its staff in dealing with people. Support Staff includes secretary, custodian, treasurer, financial secretary, etc.

### A. *Salary Guidelines* (for either hourly or annual compensation rates)

Compensation should be comparable to local positions with similar duties, education and responsibilities. The annual figure is based on an assumption of 40 hours per week, 52 weeks per year.

<u>Years of Service</u>	<u>Per Hour Range</u>	<u>Years of Service</u>	<u>Per Hour Range</u>
0	8.82 – 9.57	12	11.57 – 12.32
1	9.03 – 9.78	13	11.85 – 12.60
2	9.25 – 10.00	14	12.12 – 12.87
3	9.47 – 10.22	15	12.40 – 13.15
4	9.70 – 10.45	16	12.67 – 13.42
5	9.92 – 10.67	17	12.95 – 13.70
6	10.13 – 10.78	18	13.22 – 13.97
7	10.36 – 11.11	19	13.50 – 14.25
8	10.57 – 11.32	20	13.79 – 14.54
9	10.80 – 11.55	21	14.06 – 14.81
10	11.02 – 11.77	22	14.34 – 15.09
11	11.30 – 12.05	23	14.60 – 15.35
		24	14.89 – 15.64

Beyond 24 years, congregations should negotiate with the staff member and arrive at a salary commensurate with the nature of the position.

Work responsibilities, special training required or achieved, certification, related work experience and abilities should all be considerations in determining compensation.

Part-time employment should be paid based on the hourly rate.

NOTE: Compensation should not be below federal minimum wage.

## **Benefits for Lay Professional and Support Staff**

### **A. *Pension and Medical***

1. Pension and Other Benefits

Pension and major medical benefits plans of the ELCA are highly recommended for all lay persons employed by congregations, except those who are on a part-time basis, 20 hours or less per week, or who work less than 6 months out of the year.

2. Sick Leave

Sick leave recommendation is one day a month, cumulative to 30 days. In the event of serious illness, and if the employee is covered by the ELCA pension plan, the congregation shall assume responsibility for providing full salary benefits for the first two months of the illness at which time the ELCA disability plan will take effect.

3. Parenting Leave

Guidelines for parenting leave for lay church workers are the same as for clergy.

4. Emergency Leave

Absence of three days due to a death in the immediate family is normally permitted. ("Immediate family" is defined to include spouse, parents, siblings, children, in-laws, grandparents and grandchildren).

### **B. *Workers' Compensation***

All congregations must provide Workers' Compensation coverage for employees.

### **C. *Vacation and Holidays***

1. Recommendations for vacation for full-time and part-time lay professional and support staff are:

For service less than one year: 5/6 of a day per month

Years 1-5: Two work weeks

Years 6-10: Three work weeks

Years 11-over: Four work weeks

The work week is based on the number of days worked per week, i.e. if a person works two days per week, then two work weeks of vacation would be four days.

Service years are cumulative including employment in previous congregations or units of the ELCA. Consideration should also be given for employment done in closely related fields.

2. Staff workers whose services are not essential on holiday work days shall receive time off with pay. Those who perform essential service may arrange for other time off. Following are some holidays to be considered:

New Year's Day

Good Friday

Memorial Day

Fourth of July

Labor Day

Thanksgiving Day

Christmas

Martin Luther King Jr. Day

President's Day                      Easter Sunday  
One personal day per year

**D. *Unemployment Taxes***

Federal and state tax law generally exempts churches from this requirement as service performed in the employ of a religious organization.

**Professional Expense Reimbursement for  
Lay Professional and Support Staff**

**A. *Automobile***

Lay church staff who are expected to drive their cars for job functions should be reimbursed in the same manner as recommended for pastors/AIMs on page 11.

**B. *Continuing Education***

Retreat, workshop, or continuing education time and tuition allowance is to be regarded as professional growth time, and expense, without reference to vacation.

It is recommended that up to \$350 and one week per year of continuing education time be provided, as appropriate, for each full-time Support Ministry, i.e. an accounting class for a treasurer or a computer class for an office secretary.

**C. *Books and Publications***

Congregations are encouraged to provide lay workers with funds to purchase books and professional publications as a way of enriching the congregation's ministry.

**Part IV - Church Musicians**

**A. *Salary Guidelines***

Compensation should be comparable to local positions with similar duties, education and responsibilities. The Association of Lutheran Church Musicians provides guidelines for compensation of church musicians. These guidelines can be found on their Web site at [www.alcm.org](http://www.alcm.org).

**B. *Vacation***

Recommendations for vacation for full-time and part-time church musicians are:

For service less than one year:	5/6 of a day per month
Years 1-5:	Two work weeks
Years 6-10:	Three work weeks
Years 11-over:	Four work weeks

The work week is based on the number of days worked per week, i.e. if a person works two days per week, then two work weeks of vacation would be four days.

Service years are cumulative including employment in previous congregations or units of the ELCA. Consideration should also be given for employment done in closely related fields.

**C. *Expense Reimbursements***

Congregations should also consider compensation for worship conferences, music/books/subscriptions, and continuing education.

## **Part V - Parish Nurse**

### **A. Introduction**

Congregations are expanding their outreach programs to include Parish Nurses. This is a new and exciting opportunity for the individual church. A parish nurse is a professional nurse who is called and committed to the healing ministry of the congregation. Parish nursing is a unique, specialized practice of professional nursing that focuses on the promotion of health within the context of the values, beliefs and practices of the faith community of the individual church.

When establishing a Parish Nursing program, congregations are encouraged and recommended to review and establish appropriate program criteria that meet their needs, the recommendations of the American Nurses Association, and other state and industry requirements. Parish Nurse training may be obtained from such agencies as the Parish Nursing Center, Concordia College, Moorhead, Minnesota the International Parish Nurse Resource Center, Park Ridge, Illinois, or other such agencies.

### **B. Salary and Benefits Guidelines**

1. **Salary.** Compensation should be comparable to local positions with similar duties, education and responsibilities. Sources to help the congregation and staff person in establishing compensation would be local hospitals or medical professionals within the community.
2. **Benefits.** Benefits should be provided to the Parish Nurse in the same manner as those provided to other Lay Professional and Support Staff personnel as described on page 11.

### **C. Business and Professional Expenses**

1. **Business Expenses.** Professional expenses for such items as workshops, books and subscriptions and continuing education should be negotiated between the congregation and the parish nurse.
2. **Automobile Expenses.** Business mileage for the parish nurse should be reimbursed at the standard IRS mileage allowance rate.

## **Part VI - Additional Guidelines Applying to all Staff**

### **A. Annual Review of Salaries**

1. All salaries shall be reviewed annually. This shall be done by the mutual ministry committee or church council. Each staff member shall participate in his/her salary review.
2. Salary adjustments are made in relationship to:
  - a. Synod guidelines
  - b. Review of performance in relationship to job descriptions and mutually agreed upon ministry goals.
  - c. Cost of living increases.
3. The church council shall carry the responsibility of presenting the salary budget with appropriate rationale to the annual meeting of the congregation.

### **B. Leaves of Absence**

Leaves of absence without pay for a period of up to six months may be granted for such things as illness, marriage, new parent, etc. This will not be considered time of employment for salary increment and benefits.

**C. *Job Descriptions***

Well defined job descriptions should be provided. They are especially important for support staff and all part time paid ministries whether lay or clergy.

**D. *Other Items***

Congregations and their clergy and staff may encounter other areas that are not contained in these Guidelines, an example would be Jury Duty. When an individual has been selected for Jury Duty, congregations are encouraged to provide that individual fair and reasonable time and normal compensation and benefits during that time.

**Professional Liability Insurance.** The task force recommends that congregations review their needs for this type of insurance with a professional insurance agent in their community.

**Other Aids.** The synod has the following aids available to assist congregations in their planning for compensation and benefits issues:

- Planning Form - Directions and Expectations
- Evaluation Form - Ministry and Clergy
- Sabbatical Guidelines
- Creative Ways to Support Your Clergy

*Addendum I*

**Compensation Worksheet for Pastors and Rostered Lay Persons**

This worksheet is designed to help congregations build a compensation package for pastors and/or rostered lay persons using the synod's guidelines. Each item below is described within this document on the pages indicated. Use only items which apply.

“Defined Compensation” is the figure the ELCA Board of Pensions uses to calculate pension, medical/dental, disability, and administration. For pastors with parsonage: 1.3 times Base Salary plus Social Security allowance plus Furnishings Allowance. For pastors with housing allowance: 1.3 times Base Salary plus Housing Allowance plus Social Security allowance. See [www.elcabop.org/calculators.aspx](http://www.elcabop.org/calculators.aspx) for additional help. Package = Defined Compensation + Benefits (does not include professional expenses)

Name \_\_\_\_\_ Year \_\_\_\_\_

	This year	Guidelines	Proposed
<b><u>Taxable Income</u></b>			
Base Salary (see pages 6 & 7)	\$ _____	\$ _____	\$ _____
Housing Allowance (see page 7) <i>When parsonage is not provided</i>	_____	_____	_____
Social Security Reimbursement (see pages 7 & 9)	_____	_____	_____
Furnishing Allowance (see page 7) <i>When parsonage is provided</i>	_____	_____	_____
Utility Allowance (see page 7) <i>If not paid by congregation</i>	_____	_____	_____
<b>Total Salary</b>	\$ _____	\$ _____	\$ _____
<b><u>Benefits</u></b>			
Housing Equity (see page 7) <i>When parsonage is provided</i>	\$ _____	\$ _____	\$ _____
ELCA Pension (see page 10)	_____	_____	_____
Medical/Dental (see page 10)	_____	_____	_____
Supplemental Medical/Dental	_____	_____	_____
Disability and Survivor Plan (see page 10)	_____	_____	_____
Administration	_____	_____	_____
Other	_____	_____	_____
<b>Total Benefits</b>	\$ _____	\$ _____	\$ _____
<b>Package Total</b>	\$ _____	\$ _____	\$ _____

**Professional Expenses**

Automobile (see page 11)                    \$\_\_\_\_\_                    \$\_\_\_\_\_                    \$\_\_\_\_\_

Continuing Education (pages 11)                    \_\_\_\_\_                    \_\_\_\_\_                    \_\_\_\_\_

Books, Periodicals, and  
other expenses (see page 11)                    \_\_\_\_\_                    \_\_\_\_\_                    \_\_\_\_\_

**Total Professional Fees**                    \$\_\_\_\_\_                    \$\_\_\_\_\_                    \$\_\_\_\_\_

**Nonfinancial Items**

Vacation time (see pages 8 & 9)                    \_\_\_\_\_weeks                    \_\_\_\_\_weeks                    \_\_\_\_\_weeks

Additional Sundays Off (see pages 8 & 9)                    \_\_\_\_\_days                    \_\_\_\_\_days                    \_\_\_\_\_days

Continuing Education (see page 11)                    \_\_\_\_\_weeks                    \_\_\_\_\_weeks                    \_\_\_\_\_weeks

Other                    \_\_\_\_\_weeks                    \_\_\_\_\_weeks                    \_\_\_\_\_weeks

## *Addendum II*

### **Parsonage Guidelines Northeastern Minnesota Synod, ELCA**

A parsonage is a home provided by the congregation for its pastor(s). The pastor does not choose the house but rather accepts it as a part of the calling to the congregation.

The congregation needs to provide the parsonage in a spirit of hospitality. This hospitality needs to be expressed over and over again by regular attention to the home.

The pastor and family may appreciate the parsonage as part of compensation. The pastor, however, is forfeiting the possibility of building equity, so providing an equity allowance becomes important.

#### **IN PROVIDING A PARSONAGE THE CONGREGATION AGREES TO:**

1. Provide the parsonage without financial cost to the pastor. Utilities to be paid by the congregation include electricity, gas/fuel oil, soft water service, telephone( except personal long distance calls).
2. Provide for regular oversight of the parsonage by designating lay members who will meet with the pastor and family regularly in regards to repairs, remodeling, maintenance and decorating concerns. The congregation should not expect the pastor or family to come to the church council and make appeals. This needs to be done by those designated with parsonage oversight.
3. Not expect the pastor to do major repairs or capital improvements.
4. Provide the following: stove, dishwasher, soft water system (if needed), humidifier/dehumidifier (if needed), refrigerator, TV antenna (if needed), window coverings, light fixtures, flooring, paint and wallpaper.
5. Provide for the care of the grounds around the parsonage. The upkeep of the yard is not the pastor's responsibility unless that has been agreed upon between the pastor and the congregation.
6. Consult with the pastor and family in regards to any redecorating.
7. Respect the privacy of the pastor and family.
8. The congregation should provide suitable garage space for the pastor's automobile(s). Normally this would be space for two vehicles.

**NOTE:** Parsonage maintenance should be listed as a separate line item in the annual budget, with a clear understanding of who has the authority to spend these budgeted items.

**NOTE:** When a pastor moves into a parsonage the congregation(s) should see that it is thoroughly clean and should plan to redecorate.

#### **IN ACCEPTING THE PARSONAGE THE PASTOR(S) WILL:**

1. Respect and care for the parsonage, exercising good stewardship.
2. Immediately report to the designated congregational representatives any concerns regarding the parsonage which are of an emergency nature.
3. Pay for any damage done to the home as a result of negligence.
4. Exercise good judgment in keeping the yard and home in a presentable condition.
5. Leave the parsonage clean when time comes to move.

**NOTE:** The pastor and congregation should reach agreement on these items as the call is finalized.

*Addendum III*

**Selected Other Resources Available**

Abdon, Donald A. Training and Equipping the Saints  
Indianapolis: Parish Leadership Seminars, Inc., 1977

Callahan, Kennon L. Twelve Keys to an Effective Church  
San Francisco: Harper, 1983

Callahan, Kennon L. Twelve Keys to an Effective Church - The Leader's Guide  
San Francisco: Harper & Row publishers, 1987

Callahan, Kennon L. Giving and Stewardship in an Effective Church -  
A Guide for Every Member. San Francisco: Harper, 1992

Deloitte & Touche. Abingdon Clergy Income Tax Guide  
Nashville: Abingdon Press, (current annual edition)

Hammar, Richard R. Church & Clergy Tax Guide  
Matthews, NC: Christian Ministry Resources, (published bimonthly)

Hammar, Richard R., editor Church Treasurers Alert Matthews, NC: Christian Ministry  
Resources, (published monthly).