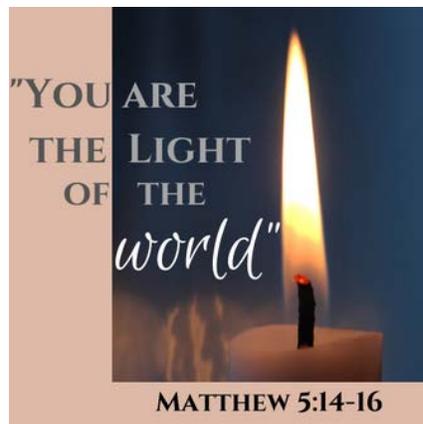


2021 Adopted

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



Northeastern Minnesota Synod, ELCA

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TABLE OF CONTENTS

Letter from the Bishop	5
Purpose, Source & Assistance	6
 SECTION I: ORDAINED PASTORS (Ministers of Word & Sacrament)	
A. Base Salary Guidelines	7
B. Parsonage/Housing Allowance	8
C. FICA Payments	9
D. Other Items	9
E. Vacation, Days Off and Holidays	9
F. Minimum Compensation Table for Pastors	10
G. Clergy Defined Compensation	10
H. Part-Time Staff	10
 SECTION II: DEACONS (Ministers of Word & Service)	
A. Base Salary Guidelines	11-12
B. FICA Payments	13
C. Vacation, Days Off and Holidays	13
D. Part-Time Staff	13
 SECTION III: BENEFITS for ROSTERED LEADERS	
A. Pension, Disability, Survivor, Medical/Dental	14
B. Worker's Compensation	14
C. Disability, New Parenting, Sick and Emergency Leave	14
D. Unemployment Taxes	15
E. Protocol Regarding Severance for Rostered Leaders	15
 SECTION IV: PROFESSIONAL EXPENSE REIMBURSEMENT for PASTORS AND DEACONS	
A. Automobile/Work-Related Travel	15
B. Continuing Education/Sabbaticals (extended study)	15-16
C. Books, cell phones and Other Expenses	16
D. Church and Synod Sponsored Learning Events	16
 SECTION V: INTENTIONAL INTERIM PASTORS & Part-Time Supply/Pulpit Supply	
A. Intentional Interim Pastors/Interim Pastors	17
B. Sunday Pulpit Supply	17
C. Other Services	17
 SECTION VI: GUIDELINES for NON-ROSTERED PROFESSIONAL & SUPPORT STAFF	
A. Salary Guidelines for Non-Rostered Professionals	18
B. Salary Guidelines for Support Staff	18-19

SECTION VII: BENEFITS for NON-ROSTERED PROFESSIONAL & SUPPORT STAFF

A.	Pension and medical	19
B.	Workers Compensation	19
C.	Sabbatical Policy	19
D.	Vacation and Holidays	20
E.	Unemployment Taxes	20

**SECTION VIII: PROFESSIONAL EXPENSE REIMBURSEMENT for
NON-ROSTERED PROFESSIONAL & SUPPORT STAFF**

A.	Automobile	20
B.	Continuing Education	20
C.	Books, cell phones and Publications	20

SECTION IX: OTHER CHURCH EMPLOYEES

A.	Church Musicians	20-21
B.	Parish Nurse	21

SECTION X: ADDITIONAL GUIDELINES for ALL STAFF

A.	Annual Review of Salaries	22
B.	Leave of Absence	22
C.	Job Descriptions	22
D.	Other Items	22

Addendum I:	Compensation Worksheet for Rostered Leaders	23-24
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Addendum II:	Parsonage Guidelines	25
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Addendum III:	Selected Resources	26
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Northeastern Minnesota Synod

Evangelical Lutheran Church in America

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Dear Congregational Leader:

You are held in high esteem by me. You love and care about your congregation and your mission support through this Synod and church. Thank you. Thank you for saying “yes” when asked to serve and to lead with integrity in your congregation by joyfully supporting mission together and paying attention to the benefits for your called Rostered Minister (pastor or deacon) and support staff who serve your congregation.

Part of every Bishop’s job is to ensure that well-educated and prepared leaders serve congregations. And with that goes the parallel assumption: you want your congregation to be educated about compensation fairness and will want to follow these guidelines.

The Compensation guidelines before you reflect salaries and wages like comparable positions of responsibility and education outside of the Church. Ordained Ministers of Word and Sacrament (pastors) and Ordained Ministers of Word and Service (deacons) have faithfully attended years of college, graduate school and other required training such as Internship and Clinical Education. They give significant financial resources to prepare for service in our Church

Most of our Rostered Ministers incur considerable educational debt. Together we want to affirm the value of the Biblical office to which we call qualified persons to serve in the ELCA as well as the sacrifices they have made to serve God and neighbor in these public offices. The guidelines for 2021 reflect these core values, so we see a \$500 increase in base salary for each year in rostered ministry. (This \$500 increase represents a range from 1.3% to 0.8%.)

Aside from salary, other benefits are equally as important to healthy leadership. I encourage you to provide the Gold+ medical/dental plan through the ELCA’s Portico Benefit Services for your leaders. If you have questions concerning the various plans offered, please contact Portico directly at www.porticobenefits.org. They have trained staff to answer your questions and help you make good decisions.

Please take time to read this document carefully and take it seriously. I believe you will find it useful. Thanks for your willingness to partner together so that the Light of Christ shines in its fullness. You are to be commended for your commitment to excellence in ministry!

“Let the elders who rule well be considered worthy of double honor, especially those who labor in preaching and teaching; for the scripture says, ‘You shall not muzzle an ox while it is treading out the grain.’ and ‘the laborer deserves to be paid.’”
1 Timothy 5:17-18

Bishop Thomas M. Aitken

Introduction

Purpose

These guidelines have been thoughtfully prepared to provide a fair and reasonable Compensation benefits expectation for both congregations and rostered leaders. The task force has taken into account compensation levels of peers in other synods, Christian organizations and local communities. The guidelines, of course, cannot address all the concerns for congregations and leaders, but they provide a baseline for compensation and benefits discussions. A core value for the Northeastern Minnesota Synod is that rostered leaders are to be paid on basis of experience, training and capability.

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

- God's mission flourishes.
- Rostered Leaders (Ministers of Word & Sacrament, Ministers of Word & Service) and staff are appreciated and respected as servants of God.
- All areas of the congregation's mission thrive.

Source

The compensation guidelines have been prepared by a task force of volunteers, both lay and rostered. The guidelines are reviewed and adopted by the congregations of the Northeastern Minnesota Synod as they come together at the annual Synod Assembly.

The task force considers many factors in its deliberation for recommendation of the compensation guidelines. The task force gives consideration to economic conditions in the Northeastern MN Synod, the issue of fairness and morale for rostered leaders, the added burden of repaying student debt (average student debt load for seminary trained rostered leaders are approaching \$60,000 or more), statistics regarding Federal COLA (Cost of Living Adjustments), Average Income Increase in Minnesota, as well as guidelines for surrounding synods in Region 3.

Assistance

Task force members include Mrs. Ginny Ahrlin, Pr. Susan Berge, Pr. Rollie Bockbrader, Mr. Dave Johnson, Mrs. Sarah Gunderson, Mr. Mark Melhus and Deacon Brenda Tibbetts. Should the leadership of individual congregation's request assistance in reviewing these guidelines, the task force will provide the guidance requested. Please contact Deacon Brenda Tibbetts, Assistant to the Bishop at 218-724-4424 or Mr. Mark Melhus at 218-720-3712.

SECTION I: ORDAINED PASTORS

**SALARY/COMPENSATION RECOMMENDATIONS FOR
MINISTERS OF WORD AND SACRAMENT**

A. BASE SALARY GUIDELINES

The following salary grid is intended to allow congregations the ability to meet local economic conditions while recognizing and respecting the Office of Pastor (*Minister of Word and Sacrament.*) The salary ranges reflect a higher percentage increase in the early years due to increased seminary expenses. The base salary guidelines assume full-time ordained ministry and are to be pro-rated for calls other than full-time.

Years of Experience	Year Or-dained	Guidelines	Years of Ex-perience	Year Or-dained	Guidelines
Graduate	2021	38,900 – 40,400	18	2003	51,500 – 53,000
1	2020	39,600 – 41,100	19	2002	52,200 – 53,700
2	2019	40,300 – 41,800	20	2001	52,700 – 54,200
3	2018	41,000 – 42,500	21	2000	53,200 – 54,900
4	2017	41,700 – 43,200	22	1999	53,700 – 55,200
5	2016	42,400 – 43,900	23	1998	54,200 – 55,700
6	2015	43,100 – 44,600	24	1997	54,700 – 56,200
7	2014	43,800 – 45,300	25	1996	55,200 – 56,700
8	2013	44,500 – 46,000	26	1995	55,700 – 57,200
9	2012	45,200 – 46,700	27	1994	56,200 – 58,220
10	2011	45,900 – 47,400	28	1993	56,700 – 58,200
11	2010	46,600 – 48,100	29	1992	57,200 – 58,700
12	2009	47,300 – 48,800	30	1991	57,700 – 59,200
13	2008	48,000 – 49,500	31	1990	55,200 – 59,700
14	2007	48,700 – 50,200	32	1989	58,700 – 60,200
15	2006	49,400 – 50,900	33	1988	59,200 – 60,700
16	2005	50,100 – 51,600	34	1987	59,700 – 61,200
17	2004	50,800 – 52,300	35	1986	60,200 – 61,700

IN ADDITION TO BASE SALARY ORDAINED PASTORS RECEIVE:

- Housing Allowance or Parsonage (see pg. 7)
- Employers Share of Social Security Tax (FICA) (see pg. 8)

OTHER CONSIDERATIONS FOR DETERMINING SALARY:

- Career Experience** - if the pastor had a prior calling/career before coming to ordained ministry, the value of those experiences should be considered. An example would be to calculate the years of experience prior to ordination at the rate of ½ year for each year of experience, up to a maximum of 10 years. In this example, a newly ordained clergy with 10 years of other career experience, should be considered at a 5 years guideline level.
- Additional Earned Degrees** - consideration should be given to those pastors with advance degrees: i.e. DMin, PhD, STM, or other degrees the congregation deems germane to their ministry. The recommendation is \$500 - \$1,000 for each additional degree.
- Supervisory Responsibilities** - an additional \$500 to \$1,000 should be considered if the pastor is supervising staff.
- Merit Increase** - based on performance evaluation. It is fine to be generous.
- Seminarian Debt Load** - consideration should be given to an educational debt load reduction for leaders carrying considerable debt from preparing for rostered ministry.
- Cost of Living Adjustment** - for those whose current years of experience or salary is above the guidelines, consider at cost of living adjustment.
- Multi-point Parishes** - If a solo Minister of Word and Sacrament serves two congregations, add \$1,000; if three, add \$2,000; etc.

IF SALARY IS LESS THAN GUIDELINES:

- Pension should be paid according to the average salary for years of experience.
- Consideration should be given and *in consultation with the rostered leader* as to some options available *but not limited to* i.e. additional vacation time, personal leave, continuing education funding, clergy coaching or spiritual direction, enhanced medical coverage or increased retirement percentage valued at not less than 2% of weekly compensation.
- Two days free of church responsibilities should be provided each week. When holidays or days off are missed, compensation day(s) should be taken at another time. Consideration should be given to granting a pastor quarterly personal leave weekends off in addition to annual vacation. After 15 years of service, consideration should be given to granting the pastor a fifth week of vacation.
- Every effort should be made by congregations below the guidelines to move toward the guidelines.*

B. PARSONAGE/HOUSING ALLOWANCE (see also Addendum II)

1. Parsonage

If a congregation is providing a parsonage, the congregation is to 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 a home which builds equity. 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 should be applied each year to this fund. The 'Housing Equity' funds are to be invested as determined by the church council and the pastor - the Optional Pension Plan of Portico

Benefit Services is a suitable option for housing equity funds. For purposes of FICA, a value is assigned to the parsonage (generally 30% of salary).

2. **Housing Allowance**

If no parsonage is available, the pastor is to be given a housing allowance which is to be designated each year as negotiated by pastor and council. The housing allowance figure to be used is **30% of base salary and is added to base salary**. If a clergy couple, each pastor is entitled to a housing allowance. The pastor declares a housing allowance figure for their tax purposes at the beginning of the year. For example, if Pastor A has a base salary of \$40,000 the amount of housing will be \$12,000 (30% of base salary) for a total of \$52,000. If the pastor wishes to designate an amount for housing other than the 30% (rationale is needed for IRS purposes) it must be voted on by the church council. For example, if Pastor A provides rationale that \$20,000 better reflects his/her housing costs and the council approves, then salary would be listed at \$32,000 and housing at \$20,000 for a total of \$52,000.

C. **FICA PAYMENTS**

Since the IRS classifies pastors as self-employed for Social Security purposes, congregations are expected to reimburse pastors for the employer's share of FICA (current rate for employer's share is 7.65% of base salary and parsonage/housing allowance). For example, if Pastor A has a salary of \$40,000 and a housing allowance of \$12,000 for a total of \$52,000, the congregation should reimburse the pastor \$3,978 for FICA purposes (7.65% of \$52,000). Congregations are to be reminded that they are to file **W2 tax forms** for clergy.

D. **OTHER ITEMS**

Should a pastor desire to have a portion of compensation designated as a **furnishing allowance** that amount is to be determined by the church council. This is not an 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, furnishing, utilities in order for these to be excluded from income for IRS reporting.

E. **VACATION, DAYS OFF AND HOLIDAYS**

Pastors are expected to receive and use four weeks of vacation per year (including Sundays). The cost of pulpit supply is to be paid for and arranged by the congregation. Vacation time is to 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 with conference, synodical or churchwide committees *is not* to be considered vacation time or continuing education leave.

Two days free of church responsibilities should be provided each week. When holidays or days off are missed, compensation day(s) should be taken at another time.

F. **MINIMUM COMPENSATION TABLE FOR PASTORS**

The expectation for minimum compensation for clergy includes **base salary, parsonage or housing allowance and reimbursement for the employer's share of FICA**. Following is an example for figuring compensation.

<u>2021 Annual Range</u>	<u>Factor</u>	
Graduate	38,900 – 40,400	
Housing Allowance	11,670 – 12,120	30%
FICA Reimbursement	3,868 – 4,017	7.65%
Minimum Compensation	54,438 – 56,537	
15 Years of Service	49,400 – 50,900	
Housing Allowance	14,820 – 15,270	30%
FICA Reimbursement	4,912 – 5,062	7.65%
Minimum Compensation	69,132 – 71,232	

REMINDER: **The minimum compensation figure does not include medical/dental/pension benefits (see page 13).**

G. CLERGY DEFINED COMPENSATION

Defined compensation for Rostered Ministers of Word and Sacrament (Pastors/clergy) is:

Pastors with Parsonage

1.3 x (Base Salary + Social Security Allowance) + Furnishings Allowance

Pastors without Parsonage

(Base Salary + Social Security Allowance + Housing Allowance)

The congregation should refer to the Portico Benefits Services website. Each congregational treasurer receives a yearly memorandum from Portico Benefit Services with this information - see www.porticobenefits.org, click on “Employer Link for Treasurers and Benefits Administrators”. Under “Resources”, click on “Calculators” to help you determine the benefit package. Portico requires an annual sign-up for the health package benefits. *The IRS requires your pastor to have Housing Allowance request recorded in the December Council Minutes.*

H. PART-TIME STAFF

Part-time rostered staff should have salary and benefits corresponding to the percentage of a full-time salary and benefits package.

Rostered Ministers of Word and Sacrament are eligible for Portico Benefits at 15 hours per week.

The structure of the part-time call should be carefully negotiated between the rostered leader(s) and the congregation council in consultation with the Bishop’s office in order to meet the needs of the congregational context.

SECTION II: DEACONS

**SALARY/COMPENSATION RECOMMENDATIONS FOR
*MINISTERS OF WORD AND SERVICE***

A. BASE SALARY GUIDELINES

The following grid is intended to assist congregations in determining salary to meet local economic conditions while recognizing and respecting the Roster of Deacon. Deacons are *Ministers of Word and Service*, have a bachelor's degree and a required level of a master's degree. The base salary guidelines assume full-time rostered ministry and are to be pro-rated for calls other than full-time. Per IRS regulations, Deacons are not eligible for compensatory housing benefits.

Years of Experience	Year Commissioned/Consecrated	Guidelines	Years of Experience	Year Commissioned/Consecrated	Guidelines
Graduate	2021	38,900 – 40,400	18	2003	51,500 – 53,000
1	2020	39,600 – 41,100	19	2002	52,200 – 53,700
2	2019	40,300 – 41,800	20	2001	52,700 – 54,200
3	2018	41,000 – 42,500	21	2000	53,200 – 54,900
4	2017	41,700 – 43,200	22	1999	53,700 – 55,200
5	2016	42,400 – 43,900	23	1998	54,200 – 55,700
6	2015	43,100 – 44,600	24	1997	54,700 – 56,200
7	2014	43,800 – 45,300	25	1996	55,200 – 56,700
8	2013	44,500 – 46,000	26	1995	55,700 – 57,200
9	2012	45,200 – 46,700	27	1994	56,200 – 58,220
10	2011	45,900 – 47,400	28	1993	56,700 – 58,200

11	2010	46,600 – 48,100	29	1992	57,200 – 58,700
12	2009	47,300 – 48,800	30	1991	57,700 – 59,200
13	2008	48,000 – 49,500	31	1990	55,200 – 59,700
14	2007	48,700 – 50,200	32	1989	58,700 – 60,200
15	2006	49,400 – 50,900	33	1988	59,200 – 60,700
16	2005	50,100 – 51,600	34	1987	59,700 – 61,200
17	2004	50,800 – 52,300	35	1986	60,200 – 61,700

IN ADDITION TO BASE SALARY, DEACONS RECEIVE:

- Employer’s share of Social Security Tax (FICA) (see pg. 11)

OTHER CONSIDERATION FOR DETERMINING SALARY:

- Career Experience** - If the rostered leader had a prior calling/career before becoming an Deacon, the value of those experiences should be considered.
- Additional Earned Degrees** - consideration should be given to those rostered leaders who have earned master’s or doctorate degrees the congregation deems germane to ministry. The recommendation is \$500 to \$1,000 for additional degrees.
- Supervisory Responsibilities** - an additional \$500 to \$1,000 should be given if the rostered leader is supervising staff.
- Merit Increase** - based on performance evaluation. It is fine to be generous.
- Cost of Living Adjustment** - for those whose current years of experience is above guidelines.

IF SALARY IS LESS THAN GUIDELINES:

- Pension should be paid according to the average salary for years of experience.
- Consideration should be given and *in consultation with the rostered leader* as to some options available *but not limited to* i.e. increased vacation time, personal leave, continuing education funding, clergy coaching or spiritual direction, enhanced medical coverage or retirement percentage valued at not less than 2% of weekly compensation.
- Every effort should be made by congregations below guidelines to move toward guidelines.***

B. FICA PAYMENTS

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

C. VACATION, DAYS OFF AND HOLIDAYS

- 1. Vacation with full pay is to be provided in the following way:
 - a. For service less than one year.....5/6 of a day/month
 - b. Years 1 – 5.....Two work weeks
 - c. Years 6-10Three work weeks
 - d. Years 11 – OverFour work weeks

Determining “service years” is to be based on the number of years the rostered leader has worked in congregations, units of the ELCA and other work experience outside of the Church.

- 2. Deacons (*Ministers of Word and Service*) whose work includes regular Sunday involvement should also be granted quarterly personal leave weekends in addition to the annual vacation.
- 3. Deacons (*Ministers of Word and Service*) should also receive time off with pay on holidays. Those who perform essential service on the holiday may arrange for other time off.
- 4. Some holidays to be considered are as follows:

- | | |
|---------------------------------|-----------------------------|
| New Year’s Day | Labor Day |
| Good Friday | Thanksgiving Day |
| Memorial Day | Christmas Day |
| Fourth of July | Martin Luther King, Jr. Day |
| President’s Day | Easter Sunday |
| One or More Personal Day(s)/Yr. | |

D. PART-TIME STAFF

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

Rostered Ministers of Word and Service are eligible for Portico Benefits at 15 hours per week.

Some optional resource models for part-time ministry can be found at www.nemnsynod.org keeping in mind that each congregation and each rostered leader has a unique context.

SECTION III: BENEFITS FOR ROSTERED LEADERS

A. PENSION, DISABILITY, SURVIVOR, MEDICAL/DENTAL

The congregation shall budget for and participate in the ELCA Pension, Disability, Survivor and Medical/Dental plan for ordained pastors, deacons and their families as needed.

Congregations are to refer to the Portico Benefits Services website at www.porticobenefits.org to access calculators and information. Click on ‘Employer Link for Treasurers and Benefits Administrators’ and under ‘Resources’ for the calculator that can assist in determining the benefits package.

The Synod Council of the Northeastern Minnesota Synod recommends that congregations move toward a pension contribution of 12% and not less than 10%. If salary is under guidelines, it is recommended that pension be paid at the ‘Years of Experience’ salary guideline.

B. WORKER’S COMPENSATION

All congregations must provide Worker’s Compensation coverage for employees.

C. DISABILITY, NEW PARENTING, SICK AND EMERGENCY LEAVE

- Temporary and/or Permanent Disability:** It is recommended that each congregation develop explicit written policy relating to temporary and permanent disability. Each congregation shall contribute towards Portico Benefit’s disability policy.

It is expected that a congregation will continue to pay full salary, housing (for clergy), and benefit contributions for the first 60 days of temporary disability (accident, illness, surgery etc.), after which, if needed, the temporary disability of the Portico Benefits plan begins. The congregation should thereafter pay the cost of the medical insurance for up to 10 months.

Any period of disability (beginning date, length and return to service) is to be based on a physician’s recommendation and is subject to the Bishop’s and the Northeastern Minnesota Synod Council’s approval.

- Sick Leave:** One day sick leave for each month of employment cumulative to 30 days.
- Maternity or Adoptive Leave:** The recommendation for women is six weeks leave with full salary, housing (for ordained), and benefits. A 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 as spouse, parents, siblings, children, in-laws, grandparents and grandchildren.

D. UNEMPLOYMENT TAXES

Federal and state tax law generally exempts churches from this requirement for rostered leaders since theirs is a service performed in the employ of a religious organization.

E. PROTOCOL REGARDING SEVERANCE BENEFITS FOR ROSTERED LEADERS

For the mutual health and benefit of a congregation and/or the rostered leader, the congregation's council is required to consult with the Bishop regarding the matter; and, if necessary, request the Memorandum of Understanding for Transitional Support of the Northeastern Minnesota Synod for the rostered leader.

**SECTION IV: PROFESSIONAL EXPENSE REIMBURSEMENT FOR
PASTORS AND DEACONS**

A. AUTOMOBILE/WORK-RELATED TRAVEL

Automobile expense and other work-related travel are a business expense for the congregation and should not be considered as part of the rostered person's salary or benefits if reimbursed under an accountable plan. Automobile allowance should be sufficient to cover all parish related car expenses including depreciation. Currently, there are three methods for handling car expense reimbursement. They are as follows:

- Congregation reimburses for actual miles driven at the IRS allowance rate per mile.
- Congregation pays a determined amount as a car allowance on an annual basis. This rate should reflect actual costs including depreciation.
- Congregation purchases or leases a car and assumes the total automobile expense. If personal use of church owned automobile is allowed, the value of personal use must be considered additional salary and reported as wages on the W2 or the employee may reimburse the church for personal use amount

The IRS requires accurate records to support automobile expenses incurred in connection with parish related travel. Each person is responsible for maintaining adequate records. The method of reimbursement is to be determined at the time of the call and reviewed annually.

B. CONTINUING EDUCATION/SABBATICALS (*Extended Study*)

The Lutheran Church has a history of well-educated and well-trained staff. Congregations should expect their Pastor/Deacon to be involved in continuing education programs which will provide opportunity for personal development, enrichment of devotional life, as well as growth in effectiveness and competency. Continuing education should be regarded as an essential on-going process which assists in maintaining and sharpening the professional skills required in a rapidly changing world.

Continuing Education is to be distinguished from program development, vacation or synod assembly or other synod sponsored learning events. Continuing Education is for the purpose of self-renewal and professional growth. Congregations will indeed benefit from a rostered leader's participation in Continuing Education.

It is therefore suggested that the Continuing Education program be mutually studied and agreed upon by the pastor/deacon and the congregation council. Continuing Education may involve independent study, seminary classes, workshops or educational materials, etc. While Synod Assemblies do have an educational component, they are not to be considered as

Continuing Education for your rostered leader.

Recommendations for Continuing Education are as follows:

- **Yearly Continuing Education:** It is expected that the Pastor/Deacon be granted at least two weeks and \$1,000/yr. cumulative up to three years. It is recommended that at least one week/year is used. The ELCA expects a minimum of 25 contact hours annually (50-minute classroom instructional session or equivalent) in continuing education.
- **Sabbatical (extended study):** The Pastor/Deacon shall be eligible to take a sabbatical after serving seven years in ministry and every seven years thereafter. Years spent in other synods are to be counted. Pastors/Deacons 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 one year after the leave unless there are compelling reasons to do otherwise.

The recommended time for sabbatical is three months away from the parish. Vacation time is not included as sabbatical. It is granted as in any other year. Variations from the three-month recommendation are to be approved by both the congregation and in consultation with the Bishop.

During the sabbatical, at least 75% of the current base salary is to be received by the rostered leader, 100% of the housing allowance (for clergy), 50% of the car allowance and 100% of pension/ medical/ dental benefits. All other benefits remain unaffected. Congregations that make provision to continue salary at 100% are to be commended.

C. CELL PHONES, BOOKS, PERIODICALS AND OTHER EXPENSES

Professional expenses such as cell phones, computers, books, periodicals, educational materials and other business-related expenses should be shared by the congregation and Pastor or Deacon. This should be negotiated between the rostered personnel and the congregation council.

D. CHURCH AND SYNOD SPONSORED LEARNING EVENTS

Synod Assembly, the Fall Theological Conference, First Call Theological Education events and other Church and Synod sponsored learning events *are not* to be considered vacation time or educational leave. Serving on conference, synod or churchwide committees is not to be considered as vacation time or educational leave. Rostered leaders *are expected* to participate in these activities per the constitution and congregations *are expected* to work supportively with rostered leaders to pay for the reimbursement of these expenses.

**SECTION V: INTENTIONAL INTERIM PASTORS,
PART-TIME and/or PULPIT SUPPLY**

A. INTENTIONAL INTERIM PASTORS/INTERIM PASTORS

Interim clergy serving a congregation should be compensated as agreed upon by the pastor and church council(s) involved. Recommendations are as follows:

Full-time Interim Pastors:

Compensation should be on the basis of the previous pastor's salary.

It should not be less than the guidelines for seminary graduates.

1. Parish supplies housing for pastor and family, if need be.
2. Benefits should be included in the compensation package.
3. 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.
4. Interim calls may be issued by the Synod Council.

Part-time Interim Pastor:

Compensation will be proportionate to the base salary, benefits and automobile allowance of a full-time pastor.

B. SUNDAY PULPIT SUPPLY

A single congregation or multi-point parish should reimburse a pulpit supply person at the rate of \$135 for a single worship service; each additional worship service should be compensated at a rate of \$35. If a class/adult forum is taught on Sunday another \$30 should be added. Mileage should be paid at the IRS approved rate.

In the event the pulpit supply person is asked to preach at two separate congregations on the same day, each congregation shall be responsible for appropriate reimbursement.

C. OTHER SERVICES (Weddings, Funerals, etc.)

The pastor should receive the prevailing rate in the community for such services.

**SECTION VI: GUIDELINES NON-ROSTERED PROFESSIONAL
AND SUPPORT STAFF**

Non-Rostered Professionals are those employees who have a degree, specialized training or certification as a Parish Worker, Ministers of Youth & Family Ministry, Youth Director, Parish Education Director, Volunteer Coordinator, Executive Assistant etc. The following salary guidelines are based on an assumption of 40 hours/week, 52 weeks/year.

A. SALARY GUIDELINES FOR NON-ROSTERED PROFESSIONALS

<u>Yrs. Of Service</u>	<u>Salary Range</u>	<u>Yrs. Of Service</u>	<u>Salary Range</u>
1	35,320 – 36,820	9	41,270 – 42,770
2	36,070 – 37,570	10	42,040 – 43,540
3	36,810 – 38,310	11	42,780 – 44,280
4	37,570 – 39,070	12	43,530 – 45,030
5	38,310 – 39,810	13	44,280 – 45,780
6	39,110 – 40,610	14	45,020 – 46,520
7	39,820 – 41,320	15	45,770 – 47,270
8	40,550 – 42,050	16	46,530 – 48,030

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

Part-time employment should be pro-rated on the basis of the salary guidelines. For example, a beginning employee providing 20 hours of service would be \$35,320 divided by 2080 which equals \$16.98 per hour. The calculation for 20 hours would be \$16.98 multiplied by 20 equaling \$336.60 per week.”

SALARY GUIDELINES FOR SUPPORT STAFF

Support Staff are those who provide necessary services to allow ministry to proceed effectively and efficiently. Support staff includes secretary, custodian, treasurer, financial secretary etc. Compensation should be comparable to local positions with similar duties, education and responsibilities. If special training or certification is required and/or achieved that should be a consideration in determining compensation.

State and Federal Minimum Wage Laws would supersede this guideline.

<u>Yrs. of Service</u>	<u>Per Hour Range</u>	<u>Yrs. of Service</u>	<u>Per Hour Range</u>
1	11.50 – 12.50	13	14.50 – 15.50
2	11.75 – 12.75	14	14.75 – 15.75
3	12.00 – 13.00	15	15.00 – 16.00
4	12.25 – 13.25	16	15.25 – 16.25
5	12.50 – 13.50	17	15.50 – 16.50
6	12.75 – 13.25	18	15.75 – 16.75
7	13.00 – 14.00	19	16.00 – 17.00
8	13.25 – 14.25	20	16.25 – 17.25
9	13.50 – 14.50	21	16.50 – 17.50

10	13.75 – 14.75	22	16.75 – 17.75
11	14.00 – 15.00	23	17.00 – 18.00
12	14.25 – 15.25	24	17.25 – 18.25

Beyond 24 years, congregations should negotiate with the staff member to arrive at a salary commensurate with the nature of the position. Part-time employment should be paid based on the hourly rate. *It is also to be noted that compensation should not be less than the federal minimum wage standard.*

SECTION VII: BENEFITS FOR NON-ROSTERED PROFESSIONAL AND SUPPORT STAFF

A. PENSION AND MEDICAL

Pension and Other Benefits: Pensions and major medical benefits plans of the ELCA (www.porticobenefits.org) are highly recommended for all non-rostered persons employed by congregations, except those who are on a part-time basis (20 hours or less/week) or who work less than six months out of the year.

- Sick Leave:** One day per month, cumulative to 30 days, is recommended for sick leave. In the event of serious illness, and if the employee is covered by Portico Benefits, the congregation shall assume responsibility for providing full salary benefits for the first two months of the illness as which time the Portico disability plan could take effect.
- Parenting Leave:** Maternity or adoptive leave for women employees is recommended with full salary and benefits for six weeks. A one to two-week parenting leave is recommended for fathers.

Emergency Leave: Three-day absence due to death in the immediate family is normally permitted. Immediate family includes spouse, parents, children, siblings, in-laws, grandparents and grandchildren.

B. WORKERS COMPENSATION

All congregations must provide Workers Compensation coverage for employees.

C. SABBATICAL POLICY FOR NON-ROSTERED PROFESSIONALS

After every seven years of service in a qualified position, the Northeastern Minnesota Synod recommends that full-time staff be granted a sabbatical of up to two months with full pay in lieu of the recommended continuing education time for the year. *The staff member would be expected to return to their present position for at least one year following the sabbatical.*

D. VACATION AND HOLIDAYS

1. Recommendations for vacation for full-time non-rostered professionals and support staff are:

- For service less than one year: 5/6 of a day/month
- Years 1-5: Two work weeks
- Years 6-10: Three work weeks
- Year 11 and 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/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 in closely related fields.

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

- | | |
|--------------------------------------|-----------------------------|
| New Year's Day | Labor Day |
| Good Friday | Thanksgiving Day |
| Memorial Day | Christmas |
| Fourth of July | Martin Luther King, Jr. Day |
| President's Day | Easter Sunday |
| One or more personal day(s) per year | |

3. Personal leave of one to three days may be given depending upon circumstances.

E. UNEMPLOYMENT TAXES

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

**SECTION VIII: PROFESSIONAL EXPENSE REIMBURSEMENT FOR
NON-ROSTERED PROFESSIONAL AND SUPPORT STAFF**

A. CONTINUING EDUCATION

Retreat, workshop or continuing education time is to be regarded as professional growth time and not vacation. It is recommended for full-time staff that up to \$350 and one week per year be provided for continuing education as appropriate to the job function i.e. a computer class for an office secretary etc.

B. CELL PHONES, BOOKS AND PUBLICATIONS

Congregations are encouraged to provide non-rostered staff with funds to purchase books and professional publications related to their area of responsibility as a way of enriching the congregation's ministry. Consideration and compensation should also be available to professional staff who rely on cell phones for work related duties i.e. Ministers of Youth and Family Ministry.

SECTION X: ADDITIONAL GUIDELINES FOR ALL STAFF

A. ANNUAL REVIEW OF SALARIES

- All salaries/compensation shall be reviewed annually. This shall be done by the personnel committee, mutual ministry team or church council. Each staff member shall participate in his/her salary review. See www.nemnsynod.org for resources.
- Salary adjustments are to be made based on current year synod guidelines, job performance review in relationship to job descriptions/ministry goals and COLA (cost of living adjustment).
- The church council shall be responsible for presenting appropriate rationale for salary/compensation package presented at the annual congregational meeting.

B. LEAVE OF ABSENCE

A Leave of Absence, after having exhausted personal sick leave, with or without pay may be granted for up to six months for a variety of circumstances i.e. health issues, marriage or parenting issues, primary caregiver, etc. This will not be considered time of employment for salary increment and benefits.

C. JOB DESCRIPTIONS

Well-defined job descriptions should be provided to all staff (*rostered and non-rostered*) and should be reviewed on a regular basis.

D. OTHER ITEMS

- Congregations and staff may encounter other areas not included in these guidelines. Synod staff may be of assistance as council/rostered and non-rostered leaders seek resolution.
- It is recommended that congregations review their professional liability insurance policy with their insurance agent. Other important items to be reviewed with the insurance agent include liability regarding but not limited to: Cyber Security, Armed Intruder and Safety Guidelines, Sexual Misconduct and Harassment.
- Changing passwords when staff changes occur is critical.***

ADDENDUM I

COMPENSATION WORKSHEET FOR ROSTERED LEADERS

This worksheet is designed to assist congregations build a compensation package for pastors and other rostered leaders using the synod guidelines. Page numbers of the Compensation and Professional Expense Guidelines are referenced.

‘Defined Compensation’ is the figure that Portico (www.porticobenefits.org) uses to calculate pension, medical/dental, disability and administration. Defined compensation for pastors includes salary, housing, FICA allowance - please access the Portico website for calculating defined compensation for pastors with parsonages. Per IRS, Deacons are not eligible for housing benefits.

The compensation package includes Defined Compensation + Benefits (does not include professional expenses)

Name of pastor/other rostered

Year

	This Year	Guidelines	Proposed
<u>Taxable Income</u>			
Base Salary (pg. 6)	\$ _____	\$ _____	\$ _____
Housing Allowance (pg.7) (if parsonage is NOT provided)	\$ _____	\$ _____	\$ _____
FICA Reimbursement (pg. 7 & 9)	\$ _____	\$ _____	\$ _____
Furnishing Allowance (pg. 7) (if parsonage IS provided)	\$ _____	\$ _____	\$ _____
Utility Allowance (if not paid by congregation)	\$ _____	\$ _____	\$ _____
TOTAL SALARY	\$ _____	\$ _____	\$ _____

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Benefits

Housing Equity (pg. 6) (when parsonage is provided)	\$ _____	\$ _____	\$ _____
Pension (pg. 9)	\$ _____	\$ _____	\$ _____
Medical/Dental (pg.9)	\$ _____	\$ _____	\$ _____

Supplemental Medical/ Dental	\$ _____ \$ _____	\$ _____ \$ _____	\$ _____ \$ _____
Disability/Survivor Plan	\$ _____	\$ _____	\$ _____
Administration	\$ _____	\$ _____	\$ _____
Other	\$ _____	\$ _____	\$ _____
TOTAL BENEFITS	\$ _____	\$ _____	\$ _____

PACKAGE TOTAL (salary & benefits)	\$ _____	\$ _____	\$ _____
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Professional Expenses

Automobile (pg. 12)	\$ _____	\$ _____	\$ _____
Continuing Education (pg. 13)	\$ _____	\$ _____	\$ _____
Books, Periodicals and Other expenses (pg. 14)	\$ _____	\$ _____	\$ _____
TOTAL FEES	\$ _____	\$ _____	\$ _____

Non-financial Items

Vacation Time (pg. 7 & 10)	_____ weeks	_____ weeks	_____ weeks
Additional Sundays Off (pg. 8)	_____ days	_____ days	_____ days
Continuing Education (pg. 13)	_____ weeks	_____ weeks	_____ weeks
Other	_____ weeks	_____ weeks	_____ weeks

ADDENDUM II

PARSONAGE GUIDELINES

A parsonage is a home provided by the congregation for its pastor(s). The parsonage is an expression of the hospitality of the congregation and therefore needs regular care and attention. The pastor and family may appreciate the parsonage as part of the compensation; however, the pastor forfeits the building of equity in a home and therefore providing an equity allowance is important.

IN PROVIDING A PARSONAGE, THE CONGREGATION AGREES TO:

- Provide the parsonage without cost to the pastor - utilities are to be paid by the congregation including electricity, fuel, soft water service, telephone, cell phone and internet service.
- Provide for regular oversight and repair of the parsonage by designating members who will meet with the pastor/family regarding needed repairs, remodeling, maintenance and redecorating. The pastor/family should not be expected to come to the church council to make appeals for regular repair and maintenance.
- Not expect the pastor to do major repairs or capital improvements.
- Provide stove, refrigerator, dishwasher, cable/satellite TV, window coverings, light fixtures, flooring, paint, wallpaper, soft water system (*if needed*), humidifier/ dehumidifier (*if needed*)
- Provide for the care of grounds. The upkeep of the yard is the congregation's responsibility unless negotiated otherwise.
- Respect the privacy of the pastor/family.
- Provide suitable garage space for cars - normally this would be space for two vehicles.

NOTE: Before a pastor moves into a parsonage it should be thoroughly cleaned and there should be an expectation that some redecoration may be necessary. In addition, parsonage maintenance should be listed as a separate line item in the annual budget with a clear understanding of who has the authority to make budgeted purchases.

IN ACCEPTING A PARSONAGE, A PASTOR WILL:

- Respect and care for the parsonage, exercising good stewardship.
- Report emergency concerns regarding the parsonage to property committee.
- Pay for any damage done to the property resulting from negligence.
- Leave the parsonage clean when moving.

NOTE: The pastor and congregation council should reach agreement on these items prior to the call being finalized by congregational vote.

ADDENDUM III - SELECTED RESOURCES

Bolsinger, Tod Canoeing the Mountains: Christian Leadership in Uncharted Territory
IVP, 2015

Bouman, Stephen P. The Mission Table: Renewing Congregation & Community
Augsburg Fortress, 2013

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

Clergy Financial Resources: <https://www.clergytaxnet.com/>
Maple Grove, MN: Copyright 2018

Congregational LEADER Series: Pastor and People - Making Mutual Ministry Work
Minneapolis: Augsburg Fortress 2003

Foss, Michael W. Power Surge: Six Marks of Discipleship for a Changing Church
Fortress Press, 2000

Hammar, Richard R. Church & Clergy Tax Guide
Matthew, NC: Christian Ministry Resources
(order on-line for appropriate year - www.CLTStore.com)

Keck, David Healthy, Faithful Churches: Covenant Expectations for Thriving Together
Alban Institute

Malotky, Catherine - Editor How Much is Enough? A Deeper Look at Stewardship in an Age of Abundance; Region 9, 2011, Contributors: Charles R. Lane, Craig L. Nessian, William O. Avery, Jim Mauney, Stephen Bouman, Marty E. Stevens

Meed, Loren: A Change of Pastors: and How It Affects Change in the Congregation
Alban Institute, 2012

Portico Benefits, www.porticobenefits.org

Powell, Mark Allan: Giving to God: The Bible's Good News about Living a Generous Life
Wm B Eerdmans Publishing Co., 2006

Scazzero, Peter: The Emotionally Healthy Church
Zondervan, 2003

LUTHERAN VOICES SERIES: Devotions for Leaders, Councils and Committees

Burtness, Eric: Leading on Purpose: Intentionality and Teaming in Congregational Life
Augsburg Fortress, 2004

Burtness, Eric: A Life Worth Leading
Augsburg Fortress, 2006

Fryer, Kelly A., Reclaiming the 'L' Word: Renewing the Church from Its Lutheran Core

Augsburg Fortress, 2003
Holley, Robert F. & Walters, Paul E. Called by God to Serve: Reflections for Church Leaders
Augsburg Fortress, 2004

LINKS: www.nemnsynod.org for alcm, Mutual Ministry Manual