

North/West Lower Michigan Synod

2019 Compensation Guidelines for Clergy, Deacons, Synodically Authorized Ministers, and Other Staff



**North/West Lower Michigan Synod
2900 N. Waverly Road
Lansing, MI 48906**

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The ELCA recognizes two categories for Rostered Leaders: ministers of Word and Sacrament and ministers of Word and Service. Each rostered person has been fully approved by their Candidacy Committee and called to serve in their respective ministry fields.

- **Clergy (Pastors)** have received theological and practical training for the **ministry of Word and Sacrament** that is carried out in a variety of settings in congregations and institutions of the ELCA. They have a 4-year Masters of Divinity degree and are ordained by the ELCA.
- **Deacons (Associates in Ministry, Deaconesses, or Diaconal Ministers)** go through the candidacy process of the ELCA before they are commissioned or consecrated for **ministry of Word and Service**. They may be called by a congregation, a synod or the churchwide expression. They serve within congregations as well as outside of congregations in schools, agencies and institutions. They strive to be witnesses to this church and the world. They represent the church in settings and positions other than the traditional role of pastor.

Enclosed are the **2019 North/West Lower Michigan Synod Compensation Guidelines** for these rostered leaders (see Sections I-III). Also included are guidelines for Synodically Authorized Ministers and other congregation staff members (see Section IV). These guidelines are offered as input for congregation councils and other leadership teams to determine just and honorable salary, benefits, allowances, and reimbursements for those in ministry across our synod.

Congregations are expected to use the synod guidelines as a resource – a starting point in establishing compensation for clergy, deacons, and lay staff. However, these are only guidelines. They cannot possibly speak to all congregations with varying financial and personnel resources and expectations. They are also not intended to provide US federal tax advice. Employees and congregations are encouraged to consult with a tax expert as needed to ensure compliance with applicable Internal Revenue Service rules and regulations. If there are any discrepancies in information between what is contained in these guidelines related to housing and social security allowance and what is provided by the IRS, information provided by the IRS is controlling and should be used. Further, if there are any discrepancies between what is contained in these guidelines related to pension and insurance benefits and what is provided by Portico Benefit Services, information provided by Portico Benefit Services and the applicable summary plan descriptions are controlling and should be used.

These annual guidelines include recommended increases to base salaries based on cost of living and other strategic inputs along with changes to general guidelines for reimbursements and time off to ensure consistency with other synods in our region. Merit based increases also continue to be encouraged where appropriate based on an individual congregation’s overall compensation package and a pastor’s role and responsibilities within his or her congregation.

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76 For 2019, these items should be noted:

- 77 • **2019 ELCA Pension and other Benefits:** To maintain the current level of benefits for rostered
78 leaders and “at will” employees, we recommend that the congregations of the North/West
79 Lower Michigan Synod continue to offer the ELCA **Gold+** Pension and other Benefits plan
80 option in 2019 for their employees.
 - 81 ○ The Gold+ plan option most closely resembles the 2013 ELCA Primary health coverage
82 (prior to the presentation of different levels). Having all congregations choose the Gold+
83 plan option will both continue to care for the health and well-being of all who serve under
84 call or terms of employment and eliminate many of the variables facing congregations
85 and employees in the midst of change.
 - 86 ○ The Portico benefit program is designed to align with the ELCA Philosophy of Benefits. As
87 such, it is a bundled (“all or nothing”) benefit program that combines five benefit plans
88 together to align with ELCA values and affirm the importance of benefits for the health
89 and wellness of this church.
 - 90 ○ ELCA congregations and other eligible sponsoring employers can participate in the ELCA
91 Pension and Other Benefits Program, which includes:
 - 92 1. ELCA Health Benefits Plan — Health benefits including medical and mental health,
93 dental, prescription drugs, support services, and wellness programs.
 - 94 2. ELCA Flexible Benefits Plan — Health flexible spending accounts (FSA), dependent
95 (day) care flexible spending accounts (FSA), health savings accounts (HSA), limited-
96 purpose flexible spending accounts (FSA), and personal wellness accounts, which can
97 be used to pay for eligible expenses.
 - 98 3. ELCA Retirement Plan — Sponsoring employers and eligible plan members contribute
99 to save money for plan members’ retirement.
 - 100 4. ELCA Disability Benefits Plan — Provides eligible disabled plan members a monthly
101 income, health benefits, life insurance, and retirement account contributions.
 - 102 5. ELCA Survivor Benefits Plan — Life insurance to help plan members’ beneficiaries with
103 financial obligations in the event of a death.
- 104 • **Increases to Base Salaries for Clergy, Deacons, and Other Staff:** In considering salaries
105 offered by other synods in our region (ELCA Region 6), the current economic climate, and
106 noting economic indicators such as the U.S. Department of Labor Consumer Price Index and
107 the Social Security Administration’s Cost of Living Adjustment (COLA), **an increase of 2**
108 **percent has been added to the 2018 starting base salary model** to set the recommendations
109 for 2019. In addition, each year a staff person has an additional year of experience that adds
110 value to the shared ministry. This added experience needs to be considered in providing fair
111 compensation for employees.

112

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- 113 • **Bringing Compensation up to Guidelines:** If your congregation's pastor or other employees
114 have compensation packages that are below guidelines in terms of applicable base salary,
115 housing, benefits, etc., a strong effort should be made to increase their compensation to
116 meet guidelines. The bishop is available for consultation as a plan to achieve a fair and
117 competitive compensation package is developed.

118 These synod guidelines are maintained and updated annually by the Executive Committee of
119 Synod Council in partnership with the Assistant to the Bishop for Congregational & Leadership
120 Excellence. Changes to the guidelines are forwarded by Synod Council for approval at Synod
121 Assembly and the final document is publicized on the synod website (www.mittensynod.org) for
122 on-going reference.

123

124 The following links to IRS and Portico Benefit Services information are provided for reference:

- 125 • General link to IRS On-Line Publications [<http://www.irs.gov/publications/>]
- 126 • IRS Topic 417 – Earnings for Clergy [<http://www.irs.gov/taxtopics/tc417.html>]
- 127 • IRS Publication 517 - Social Security and Other Information for Members of the Clergy and
128 Religious Workers [<http://www.irs.gov/publications/p517/>]
- 129 • With regard to Cost of Living Allowance (COLA), visit the Social Security website at
130 www.ssa.gov (see Frequently Asked Questions) or contact your local Chamber of Commerce.
131 These are very helpful in finding the actual cost of living variances in your specific county.
- 132 • Since there are many factors in figuring health benefits rates, contact the Portico Benefit
133 Services by phone (800-352-2876) or e-mail (mail@porticobenefits.org) for assistance.
134 Additional information, including on-line calculators and forms are also available:
- 135 o Portico Benefit Services Employer Page: <https://employerlink.porticobenefits.org>
- 136 o Portico Benefits Cost Calculator Tool:
137 <https://employerlink.porticobenefits.org/Resources/Calculators/BenefitsCostCalculator.aspx>
- 138 • The ELCA website (www.elca.org) also contains further compensatory information.

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142 **I. Compensation for Regular Full-Time, Regular Part-Time, and**
143 **Limited Part-Time Clergy (Pastors)**

144
145 These guidelines are applicable to clergy, ministers of Word and Sacrament, who are in positions
146 designated as regular full-time (benefit eligible), regular part-time (benefit eligible; less-than-full-
147 time, but regularly scheduled to work more than 20 hours per week), or limited part-time
148 (generally not eligible to participate in benefits unless specifically indicated otherwise; regularly
149 scheduled to work less than 20 hours per week). Guidelines for pastors in contracted, supply, or
150 interim positions are provided in Section II.

151
152 A pastor assumes many responsibilities – they are preachers, evangelists, administrators,
153 teachers, counselors and leaders. The ELCA requires eight years of study (including a Bachelor’s
154 and Master of Divinity degrees) as a part of the preparation for ordained ministry. Compensation
155 for pastors should be comparable to professional positions of equal responsibility, education, and
156 time commitment.

157
158 Adequate compensation enables a pastor to fulfill responsibilities and obligations, encourages
159 vocational satisfaction, and encourages a pastor’s best efforts and gifts. Congregations and our
160 synod have an obligation to review compensation plans annually. We also expect pastors to take
161 initiatives in seeking annual reviews of compensation.

162
163 Inadequate compensation may result in discouragement and dissatisfaction. This sometimes
164 occurs as a pastor’s family cannot maintain financial stability, as negative attitudes toward the
165 congregation and church begin, or as an inability to participate in continuing education programs.
166 Inadequate compensation means low contributions to retirement plans, which leads to
167 inadequate retirement income. All of these realities increase the occurrence of resignations from
168 ordained ministry, make it more challenging to recruit able candidates to our synod, and can
169 create a poor image of the church in our communities.

170
171 Our synod recognizes there are pastors and congregations who, for a variety of reasons, move
172 forward with salaries that are below the synod’s recommended minimum guidelines. We caution
173 these pastors and congregations, however, that they are doing disservice to the congregation,
174 other pastors, and pastoral successors by allowing the compensation package to remain below
175 recommended minimum guidelines. In such situations, the congregation, pastor, and bishop’s
176 office should work together to develop a short-term (2-3 year) plan to move toward minimum
177 guidelines **and implement other ways to compensate and care for the pastor in the interim**
178 **period. Ideas include:**

- 179
- 180 • An extra week of vacation per year.
 - 181 • An extra week of continuing education or study time.
 - 182 • A monthly study day, during which the pastor would be unavailable and would use that
183 time to pray, read scripture, explore a topic that would benefit ministry, etc. This would
NOT be a vacation day, but it would be a valuable time of renewal for the pastor.

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- 184 • Ask your pastor what would be most helpful in her/his ministry and how the congregation
185 can help.

186
187 A Statement of Compensation, Benefits and Responsibilities form (Appendix A) should be
188 completed and submitted to the bishop's office annually. Links to information from the IRS and
189 Portico Benefits Services are provided in the Preface section of this document for reference.

190 191 **A. Base Compensation**

192 193 **Base Salary (A-1)**

194 The base salary for ministers of Word and Sacrament (clergy) is determined using the following
195 factors:

- 196 • The **2019** Yearly Suggested Base Salary Grid for Clergy or Cost of Living Increase based on
197 their current base salary, whichever is greater
- 198 • Other factors to be considered include items such as:
- 199 ○ earned merit or performance
 - 200 ○ education (either advanced or specialized)
 - 201 ○ educational debt
 - 202 ○ prior experience of second career candidates
 - 203 ○ length of time in the parish
 - 204 ○ breadth and complexity of responsibilities
 - 205 ○ financial ability of the congregation
 - 206 ○ other factors identified by the congregation/pastor
 - 207 ○ housing allowance (changes up or down can impact base salary; see below)
- 208 • Base salary does not include:
- 209 ○ Housing, utilities, or other such items
 - 210 ○ car allowance
 - 211 ○ continuing education allowance
 - 212 ○ pension and insurance benefits
 - 213 ○ honorariums or other fees received for weddings, funerals, and outside speaking
214 engagements
- 215 • Income received by a spouse is not a consideration when establishing base salary

216 217 **Changes to Recommended Base Salaries for Clergy:**

- 218 • A **2% increase to starting base salaries in 2019** is recommended based on the following:
- 219 ○ **Cost of Living Allowance (COLA):** The most recent COLA increases of **1.7%** (2015), **0.3%**
220 (2017), and **2.0%** (2018) were taken into consideration. Information on COLA can be
221 found at <http://www.socialsecurity.gov/news/cola/> (keyword COLA).
 - 222 • **ELCA Region 6 Assessment:** An assessment of **2018** Compensation Guidelines across all
223 synods in Region 6 was conducted. For **2019**, a **2% increase to starting base salary**
224 **guidelines** is recommended to ensure consistency between our synod's base salaries and
225 those of other synods in our region to ensure fair compensation for our Clergy and to

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226 support congregations in attracting new pastors to our synod within competitive Call
227 processes.

- 228 • It is recognized that some congregations may not be able to fully include this strategic
229 increase in their pastor's compensation package in a single calendar year. If this is the case,
230 it is recommended that congregations develop a multi-year plan (in consultation with the
231 bishop as needed) to gradually bring a pastor's compensation package in line with the
232 minimum base salary recommendations.
- 233 • All changes are applied to the recommended base salary for 0-1 years of service which is the
234 starting point for all other "Years of Service" recommendations. For pastors, "Years of
235 Service" equals "Years of Experience" as a minister of Word and Sacrament.

236

237 **2019 Yearly Suggested Base Salary Grid for Clergy**

238 These figures are minimum base salaries based on a regular full-time call and assume the pastor
239 will receive a housing allowance or parsonage in addition to the base salary. Salaries for regular
240 part-time or limited part-time calls should be based on a corresponding percentage of these
241 guidelines.

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Years of Service	Recommended Base Salary (\$)
0-1	37,842
2	38,342
3	38,842
4	39,342
5	39,842
6	40,342
7	40,842
8	41,342
9	41,842
10	42,342
11	42,842
12	43,342
13	43,842
14	44,342
15	44,842
16+*	45,342*

243 *For up to 16 years of service, a minimum of \$500 is added for each additional year of service. For over
244 16 years of service, a minimum of \$700 should be added for each additional year of service.

245

246 **Merit Based Raise (A-2)**

247 In consideration of pastors whose work meets or exceed expectations and the congregation's
248 goals for ministry, congregations are encouraged to consider appropriate merit increases
249 (typically 1-3%) in addition to the base salary increase each year.

250

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251 **Housing (A-3)**

252 Housing provided for a pastor should be comparable to at least the average home in the
253 congregation and community. The congregation should provide either a suitable parsonage or a
254 housing allowance.

255

256 • Parsonage

257 ○ If a parsonage is provided, the congregation should assume all costs for maintenance and
258 utilities (except for personal long distance phone charges).

259 ○ It is important that parsonages be sufficiently maintained. An annual walk-through of the
260 parsonage by the council or delegate team is advised to note the general condition of the
261 home and plan for regular maintenance or other improvements.

262 ○ Equity Allowance Plan (Housing Equity Allowance)

263 ■ This plan is intended to provide for the needs of pastors who live in parsonages and
264 therefore cannot build equity in a home. Pastors in this situation often come to
265 retirement with limited savings and have difficulty providing housing for themselves
266 and their spouses on limited retirement income once a parsonage is no longer
267 available.

268 ■ When a pastor lives in a parsonage provided by the congregation, the congregation
269 should increase its contribution to the pastor's pension plan by at least **an additional**
270 **3%** of the base salary.

271

272 • Housing Allowance

273 ○ If a parsonage is not provided, a housing allowance is required. If a housing allowance is
274 provided, the congregation council (or equivalent leadership team) must designate it
275 prior to January 1 of the year it is to be received. There must be written documentation
276 and it must be provided in the congregation council (or equivalent) minutes.

277 ○ The housing allowance should be **at least 30%** of the minimum base salary to cover
278 expenses including mortgage payments (interest and principal) or rental payments, taxes,
279 and fire and home liability insurance premiums, and utility costs. The only expenses
280 specifically excluded by the regulations are those for food and maid service.
281 Congregations should consider the average median home value found in the local area
282 (i.e., based on zip code, etc.).

283 ○ Once the Base Salary and Housing Allowance are set, pastors can choose to adjust
284 (increase or decrease) the Housing Allowance with accompanying increase or decrease to
285 the Base Salary. The total sum of Base Salary + Housing Allowance should remain constant
286 if adjustment to the Housing Allowance is made. It is suggested that congregations keep
287 detailed documentation of any adjustments made to ensure future increases or changes
288 are made with knowledge of the actual Base Salary amount.

289

290 **Parsonage vs. Housing Allowance**

291 Many parishes have defined housing provisions for the pastor. However, some might
292 encounter a change from parsonage to housing allowance, which enables a pastor to
293 purchase his or her own home. There are advantages in either decision, only a few of
294 which are listed here:

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- Parsonage
 - The pastor could be more mobile and would not have to give thought to the direct responsibilities of personal home ownership (e.g., mortgage payments, maintenance, taxes, insurances, etc.)
 - The congregation will have housing available immediately for a new pastor and will have the advantage of equity.
- Home Ownership
 - Allows the pastor to select a location and build equity, providing a hedge against inflation.
 - The congregation does not have the responsibility of maintenance, taxes, insurance, etc.

308 **Social Security Allowance (A-4)**

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Currently, Social Security tax and Medicare is 7.65% (6.2% SS and 1.45% Medicare) for employer and 7.65% for the employee. That means employees pay one half of the total Social Security assessed tax, and the employer pays the other half. Pastors are in a unique situation in that according to the Internal Revenue Service, ordained professionals are classified not as 'employees', but as 'self-employed' meaning clergy are expected to pay the entire 15.3% Social Security tax.

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Under current law, congregations are prohibited from directly paying social security tax for their pastors. For this reason, throughout the ELCA, synods strongly recommend that all congregations pay the additional 7.65% as a **Social Security offset/allowance**. This offset/allowance is calculated based on the total of the Base Salary + Housing Allowance. The allowance must be considered as salary (i.e., part of the defined compensation) in reporting to the IRS, and is also considered income when computing pension plan contributions.

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323 **Minimum Defined Base Compensation**

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Minimum defined base compensation is equal to the Base Salary + Housing or Housing Allowance + Social Security Allowance.

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Example: For a First Call Pastor with 0-1 years of experience as an ordained pastor, the minimum defined base compensation targeted based on the guidelines would be \$37,842 (targeted base salary for a first call pastor) + \$11,353 (targeted housing at 30% base salary) + \$3,763 (Social Security Allowance at 7.65% of base salary + housing) equaling (=) \$52,958.

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As stated previously in the Housing Allowance section, once the Total Base Compensation (Base Salary + Housing + Social Security Reimbursement) is determined, the amount of this total that is designated as Housing Allowance can be adjusted to meet the needs of the pastor as long as the Total Base Compensation remains the same. In other words, the pay designated as salary on the W2 can decrease (or increase) as the part designated as Housing Allowance can increase (or decrease). The overall Total Base Compensation should remain the same. Again, it is suggested

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338 that congregations keep detailed documentation of any adjustments made to ensure future
339 increases or changes are made with knowledge of the actual Base Salary amount.

340

341 **B. Pension and Insurance Benefits**

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343 **Pension (B-1)**

344 The Pension and Other Benefits Plan of the Portico Benefit Services, includes the pastor's
345 pension, personal and family health-dental insurance, disability and survivor benefits, and a small
346 administrative cost. The cost to the congregation is based on the age of the pastor **as of**
347 **December 31, 1987**, and the pastor's salary, housing, and Social Security Allowance. In addition,
348 the cost varies if Medical/Dental coverage is for member, member and spouse, member and
349 children or member, spouse and children.

350

351 Beginning in 1995, members who have medical/dental insurance through another employer-
352 provided plan (i.e., spouse, or former employer) may waive the medical and dental portion of the
353 Portico plan. However, the congregation would still be responsible for Disability and Retiree
354 Support.

355

356 Portico Benefit Services Pension Plan

357 Upon election of participation in the program offered by the Portico Benefit Services, each
358 congregation's contribution to the program is based on the percentages defined below.

359

360 Predecessor church (ALC, LCA, AELC) plan members with continuous participation since 1987:

361

362 **Age on December 31, 1987:**

363 65 yrs or older: 12%

364 55-64 yrs: 11%

365 All other members: 10%

366

367 Note: Congregations may choose to remit contributions at a higher level by making additional
368 pension contributions for members.

369

370 **Pretax Contribution Agreement (Optional Pension Payments)**

371 The pastor and the congregation may elect to enter into an agreement whereby additional
372 contributions are made to the pastor's pension plan. The Internal Revenue Service sets annual
373 limits for retirement plan contributions. Contact the Portico Benefit Service Center for more
374 details [(800) 352-2876].

375

376 **Medical and Dental Insurance (B-2)**

377 Medical and Dental insurance is provided through Portico Benefit Services. The sponsored
378 member's employer furnishes the required monthly contributions for the member's coverage to
379 Portico Benefits Services.

380

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381 The Affordable Healthcare Act that was adopted by Congress took effect in 2014. Each year, the
382 congregation and employee will be required to select the level of health care coverage for the
383 following year. This selection must happen even if the employee waives the Portico coverage.
384 Portico follows the national standards and has identified the different levels of cost sharing as
385 platinum, gold, silver and bronze. Both the employer and the insured will need to choose the
386 same level of coverage in order to make certain that healthcare coverage continues to be
387 provided or is provided for the first time.

388
389 This new coverage is different than the former coverage offered by Portico in a number of ways,
390 but much remains the same. Differences include:

- 391 • The choice of the level of coverage (platinum, gold, silver, or bronze)
- 392 • Factoring in the age of the insured
- 393 • The obligation to offer healthcare benefits to all full time employees (clergy, deacons, and
394 other employees)

395
396 What remains the same:

- 397 • ELCA guidelines for historical insurance coverage most closely match the “gold” level in the
398 new Portico plan. Since the “gold” level most closely matches previous years’ standard
399 insurance, congregations are strongly encouraged to maintain this level of insurance.
 - 400 ○ NOTE: If you are concerned about the congregation’s ability to provide coverage at the
401 gold level, please notify the Bishop’s office as soon as possible.
- 402 • Coverage is “portable;” that is, it travels with the insured from call to call and state to state
403 without beginning from zero in the new place.
- 404 • It is still possible to opt out of Portico Health Coverage, provided there is other employer-
405 sponsored healthcare available with the congregation determining appropriate adjustments
406 to the base compensation or other benefits (i.e., pension).
- 407 • Rates are based on the member’s coverage level. There are four coverage levels and each
408 level has an established minimum and maximum contribution: Member Only; Member and
409 Spouse; Member and Children; Member, Spouse, and Children
- 410 • All Portico plans are “bundled” which means coverage is required on an “all or nothing” basis
411 (i.e., a member cannot “opt” out of disability coverage, dental coverage, etc.).

412
413 Contribution rates are aligned to individual synods and geographical areas within synods because
414 medical and dental expenses vary according to area. Contact Portico for your area’s rate
415 (<https://www.porticobenefits.org/>).

416 417 **Sponsored Couples**

418 If both spouses are sponsored in the Portico Benefits Services, contact Portico for more
419 information and guidance.

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422 **Portico Benefit Services**

423 Contact Portico Benefits Services for information about Pension and Insurance. There are forms
424 available online. To report new contact information, change of salary, or end of call, contact a
425 Portico representative directly at <https://porticobenefits.org/>.

426

427 **Disability**

428 Disability benefits are included in the Portico Gold+ In the event of a pastor's disability, it is
429 recommended that the congregation continue to pay the full salary for the first sixty (60) days of
430 disability, until the disability benefits of the ELCA Pension Plan take effect.

- 431 • This plan pays 2/3 percent (66.6%) of "Monthly Defined Compensation" beginning with the
432 third month of disability.
- 433 • It is recommended that the congregation continue to provide housing or housing allowance
434 during temporary disability or until termination of Call.
- 435 • If the disability continues for six (6) months, the congregation council in consultation with the
436 bishop shall recommend a course of action to the congregation and the pastor.

437

438 **C. Expenses**

439

440 **Automobile (C-1)**

441 Congregations should provide an adequate car allowance in one of the following ways:

- 442 • Reimburse the pastor for actual miles driven in service of the congregation (up to an annual
443 designated amount set by the congregation).
 - 444 ○ This can be done on a cents per mile basis. Such reimbursement should be consistent
445 with the current IRS rate (i.e., 53.5 cents/mile in 2017; www.irs.gov)
- 446 • Pay the pastor a fixed amount in equal monthly installments for the year.
 - 447 ○ This is generally the least complicated way to handle the matter, but not the most
448 favorable way when dealing with taxes.
 - 449 ○ If used, income per month needs to be added to salary at year-end.
- 450 • A congregation may also buy or lease a vehicle and assume the total cost of operation.
451 Experience indicates that unless the vehicle is driven more than 30,000 miles annually,
452 ownership is not the most cost efficient option.

453

454 **Continuing Education (C-2; D-2; D-3)**

455 It is recommended that each congregation annually budget a **minimum of \$1000** and **two weeks**
456 **per year** for a pastor's continuing education. This should include a maximum of two Sundays if
457 required for travel or conference time.

458

- 459 • Accumulation of time and funds to permit flexibility may be negotiated between the pastor
460 and congregation council. Accumulation over a 2-year or 3-year period is suggested.
- 461 • Further information about continuing education is provided in Section D (Paid Time Off)

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464 Professional Expenses (C-3)

465 The congregation and the pastor should share professional expenses such as theological books,
466 periodicals, program materials, and other educational materials. Coverage of expenses for official
467 meetings of the synod is required.

468

469 Computer and Cell Phone (C-4)

470 It is recommended that the congregation provide the pastor with a computer (laptop and/or
471 desktop with monitor, keyboard, etc.) and a cell phone to facilitate ministry. Items to note:

472

473 Computers

- 474 • A computer system provided by the congregation for the pastor's use remains the property
475 of the congregation (including all information stored on the computer) and is to be treated
476 as a business expense that is not taxable to the pastor.
- 477 • A computer system purchased by the pastor is NOT a deductible business expense, even
478 when used for business purposes.

479

480 Cell Phones

- 481 • A cell phone provided by the congregation for the pastor's use remains the property of the
482 congregation and is a non-taxable business expense if the council minutes state it is primarily
483 provided for non-compensatory business reasons (such as the need to be accessible at all
484 time for work-related emergencies).
- 485 • The pastor may be provided with a non-taxable cell phone reimbursement if council minutes
486 state that the pastor is required to maintain a personal cell phone for non-compensatory
487 business reasons and the reimbursement amount does not exceed reasonable business
488 needs (i.e., reimbursement covers the basic monthly plan, not the family plan for extra
489 minutes).

490

491 Moving Expenses (C-5)

- 492 • Moving expenses normally are paid in full by the calling congregation. **This one-time cost can
493 be significant - recent experience indicates that costs can range from \$8,000 to \$15,000.
494 Some congregations work to set aside a sufficient amount during the pastoral transition.
495 Others have had a special offering to assist with this expense.**
- 496 • It is recommended that the pastor submit three estimates to the congregation.

497

498 D. Paid Time Off

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500 Weekly Time Off

- 501 • Pastors are responsible for setting their schedules to meet the needs and expectations of
502 their call. Pastors, like anyone else, need time off from work to replenish and re-energize.
503 Congregations should ensure that each pastor has the equivalent of **two full days off** per
504 week. The pastor's weekly schedule (days/hours) may be negotiated as necessary.
- 505 • For the well-being of the pastor and health of the congregation, it is suggested that his or her
506 schedule generally **not exceed 50 hours** in a work week. If longer work weeks are more the

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- 507 “norm” rather than the exception, congregation councils (or equivalent) are encouraged to
508 partner with the pastor to assess alternate resource options, including items such as:
- 509 ○ determining if sufficient need and capacity (financial and otherwise) is in place to warrant
510 calling another rostered leader – clergy or deacon - to serve the congregation
 - 511 ○ identifying possible opportunities for appropriate delegation of responsibility to staff
512 members or lay leaders
 - 513 ○ ensuring effective time management strategies are being utilized
 - 514 ○ identifying responsibilities that are lower priority and could be done at a reduced
515 frequency or discontinued
 - 516 ○ review, prioritization, and possible adjustment to expectations set forth within the call
517 (done in consultation with the synodical bishop)
- 518

519 **Vacation (D-1)**

- 520 • Vacation time is **four weeks** (including four Sundays)
 - 521 • Attendance at official Synod or Churchwide assemblies, conferences, and continuing
522 education are not considered vacation time.
 - 523 • Additional discussion and clarification should be made regarding days off, provision for
524 national holidays, other small blocks of “off” time, whether unused time is carried over to the
525 next year, and whether unused time is paid out at the end of the call.
- 526

527 **Continuing Education (C-2; D-2; D-3)**

- 528 In order to update skills and thereby strengthen ministries, pastors are encouraged to enroll in
529 courses of advanced study as such activities improve and build ministry. The ELCA expects a
530 minimum of 50 contact hours annually in continuing education. A contact hour is defined as a
531 typical 50-minute classroom instructional session or equivalent. These experiences are to be
532 taken with colleagues and under responsible sponsorship, capable directors, and qualified
533 instructors, and should be pre-approved by the congregation council or equivalent.
- 534 • Pastors are encouraged to work with their congregation council annually in planning,
535 reviewing and recording continuing education activities and hours. These continuing
536 education endeavors are also to be reported annually to the Synodical Bishop.
 - 537 • It is recommended that each congregation annually budget **a minimum of \$1000 and two**
538 **weeks per year** for a pastor’s continuing education. This should include a maximum of two
539 Sundays if required for travel or conference time.
 - 540 ○ Accumulation of time and funds to permit flexibility may be negotiated between the
541 pastor and congregation council. Accumulation over a 2-year or 3-year period is
542 suggested.
 - 543 ○ The scheduling of continuing education should be determined by the pastor in
544 consultation with the congregation council. As appropriate, the synodical bishop can also
545 be consulted.
 - 546 ○ Official meetings of the synod such as Synod Assembly, Churchwide Assembly, conference
547 meetings, or other leadership events are not included as continuing education.

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- 548 • **First Call Pastors** are required to participate in First Call Theological Education (FCTE) for the
549 first three years of ministry. FCTE includes but is not limited to a Fall Retreat (2-3 days) and
550 a Spring Retreat (2-3 days).
551 ○ Congregations should work with first call pastors to determine other continuing
552 education experiences for the growth of the pastor and the congregation.
553 ○ A First Call Theological Education Covenant shall be discussed and completed by the
554 Pastor, Council President, and Assistant to the Bishop.
555

556 **Churchwide / Synodical Commitments**

- 557 • There are times when a rostered minister is called upon to serve in ways that take her/him
558 beyond the congregation. Examples may include church-related activities such as serving as
559 chaplain at a church camp; serving on a synodical or ELCA council, committee or task force;
560 or filling a short-term teaching commitment at a college or seminary. Serving beyond one's
561 home congregation in these or other ways is an integral part of public ministry. This
562 "extended ministry" is encouraged at appropriate levels and should be considered in
563 consultation with the rostered leader's Congregation Council. This type of ministry beyond
564 the congregation should not be considered as vacation time for the rostered minister.
565 • All ministers of Word and Sacrament under call on the roster of the NWLM Synod are
566 encouraged to attend the annual Synod Assembly as voting members.
567

568 **Sick Leave (D-4)**

- 569 • Sick Leave should be provided for **up to six weeks per year** with full salary, housing, and
570 benefits.
571 ○ This is not accumulated and should not be abused. This is not an entitlement.
572 ○ Provision may be made for further unpaid time for disability recovery as agreed upon by
573 the congregation, but with a stipulation that unused accumulated sick leave will not be
574 compensated at the end of the Call.
575

576 **Maternity Leave (D-5)**

- 577 • Provisions for maternity leave shall include **up to six consecutive weeks** (including Sundays)
578 with full salary, housing and benefits.
579 • If a longer leave is sought by the pastor but not medically required, additional time may be
580 negotiated by the pastor with the congregation council and provisions should be made for
581 appropriate reduction in salary and other compensation.
582 • If a longer leave is medically required, it should be handled as any other disability.
583

584 **Paternity Leave/Adoptive Parental Leave (D-5)**

- 585 • Provisions for paternity leave and adoptive parental leave shall include up to six consecutive
586 weeks (including Sundays) with full salary, housing and benefits.
587 • If there are special needs, additional time may be negotiated by the pastor with the
588 congregation council and provisions made for appropriate reduction in salary and other
589 compensation, with appropriate documentation and approval by the congregation council.
590

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591 **Parenting Leave (D-6)**

- 592 • Parenting leave is directed towards illness (such as spouse, child, or parent) or other special
593 needs. Such leave should include up to six weeks (including Sundays) full salary, housing, and
594 benefits with appropriate documentation and approval by the congregation council.
- 595 • If there are special needs, additional time may be negotiated by the pastor with the
596 congregation council and provisions made for appropriate reduction in salary and other
597 compensation, with appropriate documentation and approval by the congregation council.

598

599 **Leave of Absence**

- 600 • Congregations and pastors are encouraged to formulate a contingency plan in advance for
601 possible leave of absence. If desired, this may be made with synod staff consultation.

602

603 **Study/Sabbatical Leave (D-7)**

- 604 • A sabbatical leave offers an extended block of time for study, personal growth, and reflection
605 apart from usual congregational responsibilities.
- 606 • A sabbatical is encouraged for full-time pastors who have been in their present setting five
607 years or more.
- 608 • See Appendix C (“Sabbatical Policy - North/West Lower Michigan Synod”) for more details.

609

610

611 **II. Compensation for Contracted, Supply, and Intentional Interim**
612 **Clergy**

613
614 Clergy (pastors) in regular part-time or limited part-time calls should refer to Section I for
615 compensation guidelines.

616
617 **Pastors Under Contract**

618 In those instances where a congregation contracts for services of a pastor on a daily (eight- hour
619 day) basis, the recommended compensation is:

- 620 • \$200 per day plus expenses
621 ○ Meals and mileage at the current IRS rate (i.e., 53.5 cents/mile in 2017).
622 • If a full day is not required, a congregation may contract based on an hourly rate of \$25 per
623 hour, with minimum pay of two hours or \$50.

624
625 **Supply Pastors**

626 Compensation for supply preaching (including sermon preparation, travel time, fellowship and
627 worship time) should be as follows:

- 628 • \$200 for one worship service
629 • \$50 for each additional worship service
630 • Mileage at the current IRS rate (i.e., 53.5 cents/mile in 2017)
631 • When an additional worship service is scheduled for Saturday or Sunday evening, the
632 congregation is also responsible for supplying overnight lodging upon the request of the
633 supply pastor.
634 • The congregation may also compensate the supply pastor for meals while in town.
635 • When services are not held on consecutive days, the supply preacher will be compensated
636 each day as a separate event.

637
638 **Intentional Interim Pastors**

639 An Intentional Interim Pastor is a pastor who has received specialized training and has been called
640 by the Bishop and Synod Council to serve as an interim pastor with the intention of dealing with
641 transitional or healing issues in the congregation. Their interim call may be full-time, part-time
642 or limited part-time in nature.

643
644 • **Base Compensation**

- 645 ○ Whenever possible, the Base Salary will conform to the 2019 Yearly Suggested Base Salary
646 Grid for Clergy (Section I), according to the interim pastor's years of service.
647 ○ A Housing Allowance equal to 30% of the Base Salary or as agreed upon with pastor (the
648 pastor may allocate some salary to housing). Alternatively, housing may be provided by
649 the congregation as negotiated with the interim pastor.
650 ○ A self-employed Social Security payment allowance will be provided.

651

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- 652
- 653 • **Pension and Insurance Benefits**
 - 654 ○ The congregation will sponsor the pastor in the Pension and Other Benefits Program of the ELCA, including health, retirement, disability, and retiree support (see Section I).
 - 655 ○ The pastor may choose to waive health coverage if he or she has coverage from another
 - 656 source.
 - 657
 - 658 • **Expenses**
 - 659 ○ If the pastor will be commuting more than forty miles (one way), the congregation is
 - 660 encouraged to provide additional salary to offset the additional expense of a lengthy
 - 661 commute. Mileage from home to office is not a reimbursable business expense.
 - 662 ○ The congregation will reimburse the pastor for miles driven in service to the congregation
 - 663 in accordance with IRS guidelines (i.e., 53.5 cents/mile in 2017; www.irs.gov) up to an
 - 664 established maximum number of miles.
 - 665 ○ The congregation will pay for the pastor's attendance at official synod meetings.
 - 666 ○ A continuing education allowance shall accrue at the rate of \$83.33 per month. The
 - 667 pastor shall also accrue one day per month paid leave of absence to attend continuing
 - 668 education. Any unused time and funds will move with the pastor to the next appointment.
 - 669 ○ If the pastor will be lodging overnight in the community served, the congregation will
 - 670 provide for suitable lodging.
 - 671
 - 672 • **Paid Time Off**
 - 673 ○ Vacation with pay shall accumulate at the rate of one week (including one Sunday) for
 - 674 every 3 months of service. Some or all of the earned vacation may be taken at the
 - 675 conclusion of the pastor's term of service.
 - 676 ○ Sick leave with pay shall accumulate at the rate of one day for every month served,
 - 677 cumulative to 30 days of sick leave. Unused accumulated sick leave will not be
 - 678 compensated at the end of the Call.
 - 679 ○ Short-term or long-term disability concerns shall be handled according to Portico
 - 680 guidelines.
 - 681
 - 682

683 **III. Compensation for Deacons (Associates in Ministry, Deaconesses,**
684 **and Diaconal Ministers) Under Call**
685

686 Deacons (associates in ministry, diaconal ministers, and deaconesses) come to our synod and
687 congregations with varied skills and experiences and as a result, may assume many different
688 responsibilities as a minister of Word and Service. Job descriptions vary and are developed by
689 the congregation. The ELCA requires specialized training for certification as an associate in
690 ministry, diaconal minister or deaconess (hereafter referred to as deacon). Compensation for
691 deacons should be comparable to professional positions of equal responsibility and training
692 within a congregation's region or within the synod. Adequate compensation enables deacons to
693 fulfill responsibilities and obligations, encourages vocational satisfaction, and encourages a
694 deacon's best effort. Congregations and our synod have an obligation to review compensation
695 plans annually. We also expect deacons to take initiatives in seeking an annual review of
696 compensation.

697
698 Inadequate compensation may result in discouragement and dissatisfaction. This sometimes
699 occurs as a deacon's family cannot maintain financial stability, as negative attitudes toward the
700 congregation and church begin, or as an inability to participate in continuing education programs.
701 Inadequate compensation means low contributions to retirement plans, which leads to
702 inadequate retirement income. All of these realities increase the occurrence of resignations from
703 ministry, make it more challenging to recruit able candidates to our synod, and can create a poor
704 image of the church in our communities.

705
706 Our synod recognizes there are deacons and congregations who, for a variety of reasons, choose
707 to be content with salaries that are below the synod's recommended minimum guidelines. We
708 caution these deacons and congregations, however, that they are doing disservice to the
709 congregation, other deacons, and successors by allowing the compensation package to remain
710 below recommended minimum guidelines. In such situations, the congregation, deacon, and
711 bishop's office should work together **to develop a short-term (2-3 year) plan to move toward**
712 **minimum guidelines and implement other ways to compensate and care for the deacon in the**
713 **interim period. Ideas include:**

- 714 • **An extra week of vacation per year.**
- 715 • **An extra week of continuing education or study time.**
- 716 • **A monthly study day, during which the deacon would be unavailable and would use that**
717 **time to pray, read scripture, explore a topic that would benefit ministry, etc. This would**
718 **NOT be a vacation day, but it would be a valuable time of renewal for the deacon.**
- 719 • **Ask your deacon what would be most helpful in her/his ministry and how the congregation**
720 **can help.**

721
722

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723 A Statement of Compensation, Benefits and Responsibilities form for Deacons (Appendix B)
724 should be completed and submitted to the bishop's office annually. Letters and numbers in this
725 document correspond to that form. Links to information from the IRS and Portico Benefits
726 Services are provided in the Preface section of this document for reference.

727

728 **A. Base Compensation**

729

730 In establishing the salary package for the deacon, the following criteria are to be considered:

- 731 • Education (degree or non-degree)
- 732 • Length & breadth of experience*
- 733 • Full-time/Part-time
- 734 • Certification by ELCA or predecessor church bodies
- 735 • Quality of performance
- 736 • Job description / complexity of responsibilities
- 737 • Involvement in continuing education
- 738 • Cost of living in a particular geographical area
- 739 • Educational debt
- 740 • Compensation for comparable level positions in the community or geographical area

741

742 *Appropriate credit should be given for prior employment experience, volunteer ministry
743 experience, ministry experience in non-Lutheran settings, church agency employment or
744 volunteer work, and non-ministry experience, particularly of second career candidates.

745

746 **Changes to the Recommended Base Salaries for Deacons:**

- 747 • A **2% increase to starting base salaries in 2019** is recommended based on the following:
 - 748 ○ **Cost of Living Allowance (COLA):** The most recent COLA increases of **1.7%** (2015), **0.3%**
749 (2017), and **2.0%** (2018) were taken into consideration. Information on COLA can be
750 found at <http://www.socialsecurity.gov/news/cola/> (keyword COLA).
 - 751 • **ELCA Region 6 Assessment:** An assessment of **2018** Compensation Guidelines across all
752 synods in Region 6 was conducted. For **2019**, a **2% increase to starting base salary**
753 **guidelines** is recommended to ensure continued consistency between our synod's base
754 salaries and those of other synods in our region to ensure fair compensation for deacons
755 across our synod.
- 756 • It is recognized that some congregations may not be able to fully include this strategic
757 increase in their deacon's compensation package in a single calendar year. If this is the case,
758 it is recommended that congregations develop a multi-year plan (in consultation with the
759 bishop as needed) to bring compensation packages for full-time or part-time deacons in line
760 with the minimum base salary recommendations.
- 761 • All changes are applied to the recommended base salary for 0-5 years of service which is the
762 starting point for all other "Years of Service" recommendations. For deacons, "Years of
763 Service" equals "Years of Experience" as a minister of Word and Service (with appropriate
764 credit given for prior employment experience as noted above).

765

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766 **2019 Base Salary Chart for Deacons**

767 The salaries below are the minimum recommended annual salaries based on a full-time position.
768 Salaries for less-than-full-time (includes long term part-time) positions should be based on a
769 corresponding percentage of these guidelines.
770

Years of Service	Recommended Salary (\$)
0-5	35,000-37,130
6-10	37,130-39,250
11-15	39,250-41,370
16-20	41,370-43,500
20+	43,500-48,800+

771

772 **Social Security**

773 Federal Tax Code requires congregations to pay for the employer's portion of the Social Security
774 for deacons.

775

776 **Housing**

777 Federal Tax Code does not permit a tax-deductible housing allowance for deacons.
778

778

779 **B. Pension and Insurance Benefits**

780

781 **Pension and Health Insurance**

782 Pension and insurance plans are to be provided for all deacons employed by congregations who
783 are regularly scheduled to work at least 20 hours per week or for at least 6 months per year.
784

784

785 Medical and Dental insurance is provided through Portico Benefit Services. The sponsored
786 member's employer furnishes the required monthly contributions for the member's coverage to
787 Portico Benefits Services.
788

788

789 The Affordable Healthcare Act that was adopted by Congress took effect in 2014. Each year, the
790 congregation and deacon will be required to select the level of health care coverage for the
791 following year. This selection must happen even if the deacon waives the Portico coverage.
792 Portico follows the national standards and has identified the different levels of cost sharing as
793 platinum, gold, silver and bronze. Both the employer and the insured will need to choose the
794 same level of coverage in order to make certain that healthcare coverage continues to be
795 provided or is provided for the first time.
796

796

797 This new coverage is different than the former coverage offered by Portico in a number of ways,
798 but much remains the same. Differences include:

799

- The choice of the level of coverage (platinum, gold, silver, or bronze)

800

- Factoring in the age of the insured

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- 801 • The obligation to offer healthcare benefits to all full time employees (clergy, deacons, and
802 other employees)

803

804 What remains the same:

- 805 • ELCA guidelines for historical insurance coverage most closely match the “gold” level in the
806 new Portico plan. Since the “gold” level most closely matches previous years’ standard
807 insurance, congregations are strongly encouraged to maintain this level of insurance.
808 ○ NOTE: If there is concern about the congregation’s ability to provide coverage at the gold
809 level, please notify the Bishop’s office as soon as possible.
- 810 • Coverage is “portable;” that is, it travels with the insured from call to call, job to job (within
811 the ELCA), and state to state without beginning from zero in the new place.
- 812 • It is still possible to opt out of Portico Health Coverage, provided there is other employer-
813 sponsored healthcare available with the congregation determining appropriate adjustments
814 to the base compensation or other benefits (i.e., pension).
- 815 • Rates are based on the member’s coverage level. There are four coverage levels and each
816 level has an established minimum and maximum contribution: Member Only; Member and
817 Spouse; Member and Children; Member, Spouse, and Children
- 818 • All Portico plans are “bundled” which means coverage is required on an “all or nothing” basis
819 (i.e., a member cannot “opt” out of disability coverage, dental coverage, etc.).

820

821 Contact Portico Benefits Services for information about Pension and Insurance. There are forms
822 available online at <https://porticobenefits.org/>. To report new contact information, change of
823 salary, or end of call, contact Portico directly.

824

825 **C. Expenses**

826

827 **Automobile and Travel (C-1)**

828 It is recommended that the congregation reimburse deacons for miles driven in service of the
829 congregation.

- 830 • This can be done on a cents per mile basis. Such reimbursement should be consistent with
831 the current IRS rate (i.e., 53.5 cents/mile in 2017; www.irs.gov).
- 832 • This can also be done on the basis of specific reimbursement costs. In order to claim the IRS
833 rate the employee must own his or her automobile.

834

835 **Continuing Education (C-2; D-2; D-3)**

836 It is recommended that each congregation annually budget **a minimum of \$700** for deacons along
837 with two weeks per year (including Sundays) for travel and/or conference time.

- 838 • Accumulation of time and funds to permit flexibility may be negotiated between the pastor
839 and congregation council. Accumulation over a 2-year or 3-year period is suggested.
- 840 • Further information about continuing education is provided in Section D (Paid Time Off)

841

842

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843 Professional Expenses (C-3)

844 The congregation and the deacon should share professional expenses such as theological books,
845 periodicals, program materials, and other educational materials. Coverage of expenses for official
846 meetings of the synod is required.

847

848 Computer and Cell Phone (C-4)

849 It is recommended that the congregation provide the deacon with a computer (laptop and/or
850 desktop with monitor, keyboard, etc.) and a cell phone (as appropriate) to facilitate ministry.
851 Items to note:

852

853 Computer

- 854 • A computer system provided by the congregation for the deacon's use remains the property
855 of the congregation (including all information stored on the computer) and is to be treated
856 as a business expense that is not taxable to the deacon.
- 857 • A computer system purchased by the deacon is NOT a deductible business expense, even
858 when used for business purposes.

859

860 Cell Phone

- 861 • A cell phone provided by the congregation for the deacon's use remains the property of the
862 congregation and is a non-taxable business expense if the council minutes state it is primarily
863 provided for non-compensatory business reasons (such as the need to be accessible at all
864 time for work-related emergencies).
- 865 • The deacon may be provided with a non-taxable cell phone reimbursement if council minutes
866 state that the deacon is required to maintain a personal cell phone for non-compensatory
867 business reasons and the reimbursement amount does not exceed reasonable business
868 needs (i.e., reimbursement covers the basic monthly plan, not the family plan for extra
869 minutes).

870

871 Moving Expenses (C-5)

- 872 • Moving expenses normally are paid in full by the calling congregation. This one-time cost can
873 be significant - recent experience indicates that costs can range from \$8,000 to \$15,000.
874 Some congregations work to set aside a sufficient amount during the pastoral transition.
875 Others have had a special offering to assist with this expense.
- 876 • It is recommended that the employee submit three estimates to the congregation.

877

878 D. Paid Time Off

879

880 Weekly Time Off

- 881 • Deacons are responsible for setting their schedules to meet the needs and expectations of
882 their position. They, like anyone else, need time off from work to replenish and re-energize.
883 Congregations should ensure that each deacon has the equivalent of **two full days off** per
884 week. The deacon's weekly schedule (days/hours) may be negotiated as necessary.

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- 885 • For the well-being of the deacon and health of the congregation, it is suggested that his or
886 her schedule generally **not exceed 50 hours** in a work week. If longer work weeks are more
887 the “norm” rather than the exception, congregation councils (or equivalent) are encouraged
888 to partner with the deacon to assess alternate resource options, including items such as:
889 ○ determining if sufficient need and capacity (financial and otherwise) is in place to warrant
890 additional staffing
891 ○ identifying possible opportunities for appropriate delegation of responsibility to other
892 staff members or congregational lay leaders
893 ○ ensuring effective time management strategies are being utilized
894 ○ identifying responsibilities that are lower priority and could be done at a reduced
895 frequency or discontinued
896 ○ review, prioritization, and possible adjustment to expectations set forth within the job
897 description (done in consultation with the senior pastor)
898

899 **Vacation (D-1)**

- 900 • Vacation time is **four weeks** (including four Sundays)
901 • Attendance at official Synod or Churchwide assemblies, conferences, and continuing
902 education are not considered vacation time.
903 • Additional discussion and clarification should be made regarding days off, provision for
904 national holidays, other small blocks of “off” time, whether unused time is carried over to the
905 next year, etc.
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907 **Continuing Education (C-2; D-2; D-3)**

908 In order to update skills and thereby strengthen ministries, full-time deacons are encouraged to
909 enroll in courses of advanced study. Such activities improve and build ministry. The ELCA expects
910 a minimum of 50 contact hours annually in continuing education. A contact hour is defined as a
911 typical 50-minute classroom instructional session or the equivalent. These experiences are to be
912 taken with colleagues and under responsible sponsorship, capable directors, and qualified
913 instructors, and should be pre-approved by the congregation council.
914

- 915 • Deacons are encouraged to work annually with their congregation council in planning,
916 reviewing and recording their continuing education activities and hours. These continuing
917 education endeavors are also to be reported annually to the synodical bishop.
918 • It is also recommended that each congregation annually budget **a minimum of \$700** for
919 deacons along with two weeks per year (including Sundays) for travel and/or conference
920 time.
921 • Accumulation of time and funds to permit flexibility may be negotiated between the deacon,
922 the pastor, and congregation council. Accumulation over a 2- or 3-year period is suggested.
923 • Official meetings of the synod such as Synod Assembly, Churchwide Assembly, conference
924 meetings, or other leadership events are not included as continuing education.
925 • **First Call Deacons** are required to participate in First Call Theological Education (FCTE) for the
926 first three years of ministry. FCTE includes but is not limited to a Fall Retreat (2-3 days) and a
927 Spring Retreat (2-3 days).

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- 928 ○ Congregations should work with first call deacons to determine other continuing
929 education experiences for the growth of the deacon and the congregation.
930 ○ A First Call Theological Education Covenant shall be discussed and completed by the
931 Deacon, Council President, and Assistant to the Bishop.
932

Churchwide / Synodical Commitments

- 934 ● There are times when a deacon is called upon to serve in ways that take her/him beyond the
935 congregation. Examples may include church-related activities such as serving as chaplain at
936 a church camp; serving on a synodical or ELCA council, committee or task force; or filling a
937 short-term teaching commitment at a college or seminary. Serving beyond one's home
938 congregation in these or other ways is an integral part of public ministry. This "extended
939 ministry" is encouraged at appropriate levels and should be considered in consultation with
940 the rostered leader's Congregation Council. This type of ministry beyond the congregation
941 should not be considered as vacation time for the deacon.
942 ● All ministers of Word and Service under call on the roster of the NWLM Synod are encouraged
943 to attend the annual Synod Assembly as voting members.
944

Sick Leave (D-4)

- 946 ● Sick Leave should be provided for up to six weeks per year with full salary, housing, and
947 benefits.
948 ○ This is not accumulated and should not be abused. This is not an entitlement.
949 ○ Provision may be made for further unpaid time for disability recovery as agreed upon by
950 the congregation, but with a stipulation that unused accumulated sick leave will not be
951 compensated at the end of the call.
952

Maternity Leave (D-5)

- 954 ● Provisions for maternity leave shall include up to six consecutive weeks (including Sundays)
955 with full salary, housing and benefits.
956 ● If a longer leave is sought by the pastor but not medically required, additional time may be
957 negotiated by the deacon with the pastor and congregation council and provisions should be
958 made for appropriate reduction in salary and other compensation.
959 ● If a longer leave is medically required, it should be handled as any other disability.
960

Paternity Leave/Adoptive Parental Leave (D-5)

- 962 ● Provisions for paternity leave and adoptive parental leave shall include up to six consecutive
963 weeks (including Sundays) with full salary, housing and benefits.
964 ● If there are special needs, additional time may be negotiated by the deacon with the pastor
965 and congregation council and provisions should be made for appropriate reduction in salary
966 and other compensation, with appropriate documentation and approval by the council.
967
968

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969 **Parenting Leave (D-6)**

- 970 • Parenting leave is directed towards illness (such as spouse, child, or parent) or other special
971 needs. Such leave should include up to six weeks (including Sundays) full salary, housing, and
972 benefits with appropriate documentation and approval by the congregation council.
- 973 • If there are special needs, additional time may be negotiated by the deacon with the pastor
974 and the congregation council and provisions should be made for appropriate reduction in
975 salary and other compensation, with appropriate documentation and approval by the
976 congregation council.

977

978 **Leave of Absence**

- 979 • Congregations and deacons are encouraged to formulate a contingency plan in advance for
980 possible leave of absence. If desired, this may be made with synod staff consultation.

981

982 **Study/Sabbatical Leave (D-7)**

- 983 • A sabbatical leave offers an extended block of time for study, personal growth, and reflection
984 apart from usual congregational responsibilities.
- 985 • A sabbatical is encouraged for full-time deacons who have been in their present setting seven
986 years or more.
- 987 • See Appendix C (“Sabbatical Policy - North/West Lower Michigan Synod”) for more details.

988

989 **IV. Compensation for Synodically Authorized Ministers and Other**
990 **Non-Rostered “At Will” Employees**

991
992 **Synodically Authorized Ministers**

993 Synodically Authorized Ministers (SAMs) are non-rostered lay leaders who have successfully
994 completed the synod’s SAM training program.

- 995
- 996 • From a salary perspective, SAMs should be compensated using the deacon guidelines or other
997 equivalent employee guidelines used by a congregation.
 - 998 • Consideration should be given to education, degree, life and/or parish experience, and the
999 distance between the SAM’s home and the congregational site(s).
 - 1000 • Note: Synodically Authorized Ministers do not receive a Definition of Compensation. If a SAM
1001 is contracted to serve, a sample contract may be provided by the Bishop’s Office.
 - 1002 ○ See “Guidelines Related to Synodically Authorized or Licensed Ministries” at
1003 <http://www.elca.org/About/Churchwide/Office-of-the-Secretary>.
- 1004

1005 **Other Non-Rostered (“At Will”) Employees**

- 1006 • Congregations may have other non-rostered (“at will”) employees to consider in terms of
1007 compensation packages, including youth leaders, Christian education leaders, choir directors,
1008 administrative staff, financial administrators, musicians, custodians, etc.
- 1009 • Employee guidelines (including compensation, benefits, time off, etc.) should be established
1010 by the congregation for their “at-will” employees. Compensation for these employees will be
1011 based on many factors, including:
 - 1012 ○ Job responsibilities
 - 1013 ○ Employee status (full time; part time)
 - 1014 ○ Compensation for comparable jobs in the local area
 - 1015 ▪ The minimum hourly wage as set by the State of Michigan (\$9.25/hr in 2018)
- 1016 • Specific recommendations for compensation of non-rostered employees are beyond the
1017 scope of this document. Congregations having questions regarding appropriate remuneration
1018 for youth leaders, Christian education leaders, choir directors, administrative staff, financial
1019 administrators, musicians, custodians, etc., can consult relevant resources such as:
 - 1020 ○ American Guild of Organists (AGO)
 - 1021 ○ Association of Lutheran Church Musicians (ALCM)
 - 1022 ○ International Association of Administrative Professionals (IAAP)
 - 1023 ○ Human resources professionals in local congregations or community organizations

Appendix A.

Statement of Compensation, Benefits, and Responsibilities - Clergy

North/West Lower Michigan Synod

Prepared by _____

For the Reverend _____

For the period: _____ to _____

A. Base Compensation

The congregation will provide the following annual compensation:

- 1. Base Salary \$ _____
- 2. Merit based increase \$ _____
- 3. Housing (complete a or b)
 - a. Parsonage or other housing:
 - i. Utilities allowance \$ _____
 - ii. Furnishings allowance \$ _____
 - iii. Housing equity allowance \$ _____
 - b. Housing Allowance \$ _____
- 4. Social Security Allowance \$ _____

B. Pension and Insurance Benefits

The congregation will sponsor the pastor in the Pension and Other Benefits Program of the ELCA, which provides retirement, disability, survivor, and medical-dental coverage.

- 1. Portico Pension at _____% of defined compensation
- 2. Portico Medical and Dental Insurance:
 - Plan Level: _____ (Note: The Gold+ Plan is recommended)
 - Plan Member Coverage (select one)
 - Member Only
 - Member, Spouse, and Children
 - Member and Spouse
 - Coverage Waived
 - Member and Children
- 3. Other insurance or benefits:
 - _____ \$ _____
 - _____ \$ _____

North/West Lower Michigan Synod - 2019 Compensation Guidelines

C. Expenses

The congregation will provide for the following expenses related to this pastor's ministry:

- 1. Automobile and Travel Allowance \$ _____
- 2. Continuing Education Expenses \$ _____
- 3. Professional Expenses \$ _____
- 4. **Computer & Cell Phone** \$ _____
- 5. Moving Expenses \$ _____
- 6. Other (_____) \$ _____

D. Paid Time Off

- 1. Vacation time of _____ weeks per year, including _____ Sundays
- 2. Continuing education time of _____ weeks per year
- 3. Participation in a First-Call Theological Education Program, where applicable
- 4. Sick leave of up to ___ weeks with full salary, housing, and benefits.
- 5. Where applicable, maternity/paternity/adoptive parental leave up to _____ weeks with full salary, housing, and benefits.
- 6. Where applicable, parenting leave up to _____ weeks with full salary, housing, and benefits.
- 7. An extended study/sabbatical period of up to _____ months with full salary, housing, and benefits (after being in ordained ministry for 7 yrs and serving in the present setting 5+ yrs).

E. Other Provisions

Special emphases of the pastor and special encouragement by the congregation:

- 1. During this time period, the pastor will give special attention in ministry to the following:
 - a. _____
 - b. _____
 - c. _____
 - d. _____
 - e. _____

North/West Lower Michigan Synod - 2019 Compensation Guidelines

2. The congregation will encourage this pastor's ministry in the following ways:
- a. Ongoing care through a Mutual Ministry Committee or alternate upon request
 - b. _____
 - c. _____
 - d. _____
 - e. _____

F. Other Matters

(Such as accountabilities, service on synodical or churchwide boards and committees, work in church-camp programs, or other such details)

We, the undersigned, certify that the necessary approvals of the congregations and congregational council have been granted for the provisions set forth above.

Congregation President

Council Secretary

Date: _____

Date: _____

I certify that I accept the above statement:

The Reverend _____

Date: _____

Note: Retain original in records of congregation. Make a copy for the pastor. As a matter of information, send a copy to the synodical office.

Appendix B.

Statement of Compensation, Benefits, and Responsibilities - Deacon

North/West Lower Michigan Synod

Prepared by _____

For _____

For the period: _____ to _____

A. Base Compensation

The congregation will provide the following annual base compensation: \$ _____

B. Pension and Insurance Benefits

The congregation will sponsor the deacon in the ELCA "Pension and Other Benefits" program, which provides retirement, disability, survivor, and medical-dental coverage.

1. Portico Pension at _____% of defined compensation

2. Portico Medical and Dental Insurance:

• Plan Level: _____ (Note: The Gold+ Plan is recommended)

• Plan Member Coverage (select one)

Member Only

Member, Spouse, and Children

Member and Spouse

Coverage Waived

Member and Children

3. Other insurance or benefits:

_____ \$ _____

_____ \$ _____

C. Expenses

The congregation will provide for the following expenses related to this position:

1. Automobile and Travel Allowance \$ _____

2. Continuing Education Expenses \$ _____

3. Professional Expenses \$ _____

4. Computer & Cell Phone \$ _____

5. Moving Expenses \$ _____

6. Other (_____) \$ _____

North/West Lower Michigan Synod - 2019 Compensation Guidelines

D. Paid Time Off

1. Vacation time of _____ weeks per year, including _____ Sundays
2. Continuing education time of _____ weeks per year
3. Participation in a First-Call Theological Education Program, where applicable
4. Sick leave of up to ___ weeks with full salary, housing, and benefits.
5. Where applicable, maternity/paternity/adoptive parental leave up to _____ weeks with full salary and benefits.
6. Where applicable, parenting leave up to ___ weeks with full salary and benefits.
7. An extended study/sabbatical period of up to _____ months with full salary and benefits (after serving in present setting seven years or more).

E. Other Provisions

Special emphases of the deacon and special encouragement by the congregation will include:

1. During this time period, the deacon will give special attention in ministry to the following:
 - a. _____
 - b. _____
 - c. _____
 - d. _____
 - e. _____

2. The congregation will encourage the deacon in the following ways:
 - a. _____
 - b. _____
 - c. _____
 - d. _____
 - e. _____

North/West Lower Michigan Synod - 2019 Compensation Guidelines

F. Other Matters

(Such as accountabilities, service on synodical or churchwide boards and committees, work in church-camp programs, or other such details)

We, the undersigned, certify that the necessary approvals of the congregations and congregational council have been granted for the provisions set forth above.

Deacon

Congregation President

Date: _____

Date: _____

Note: Retain original in records of congregation. Make a copy for the deacon. As a matter of information, send a copy to the synodical office.

Appendix C.

Sabbatical Policy - North/West Lower Michigan Synod

Introduction

It is important for congregations (or synod organizations), clergy (pastors), and deacons to realize the importance of life-long continuing education through workshops, seminary courses and personal study to maintain and improve their skills. From time to time, however, it is very beneficial to the pastor or deacon, as well as the congregation or synod organization, for there to be an extended period of time, a sabbatical, for planned study (via a formal academic program or under a tutor) and/or personal growth and renewal (self-directed or using a spiritual director) without the demands of daily responsibilities. Experience has shown that a congregation's or synod organization's ministry directly benefits from such study, growth, and renewal as long-term ministry is revitalized and stimulated.

Biblical Basis for a Sabbatical Leave

- EZEKIEL 20:12: "Moreover I gave them my Sabbaths, as a sign between me and them, so that they might know that I the Lord sanctify them." (NRSV)
- LEVITICUS 25:1-7: "The Lord said to Moses on Mount Sinai saying: Speak to the people of Israel and say to them: When you enter the land that I am giving you, the land shall observe a Sabbath for the Lord. Six years you shall sow your field, and six years you shall prune your vineyard, and gather in their yield; but in the seventh year there shall be a sabbath of complete rest for the land, a sabbath for the Lord: you shall not sow your field or prune your vineyard. You shall not reap the after growth of your harvest or gather the grapes of your unpruned vine: it shall be a year of completed rest for the land. You may eat what the land yields during its sabbath – you, your male and female slaves, your hired and your beloved laborers also, and for the wild animals in your land all its yield shall be for food." (NRSV)

Recommendation

- A sabbatical leave is recommended to provide an opportunity for a full-time pastor or full-time deacon to take an extended period of time on sabbatical for renewal, enrichment, study, spiritual growth, travel, skill development and research.
- **Clergy:** A full-time pastor shall be eligible for a sabbatical once he or she has been in ordained ministry for seven (7) years and has completed five (5) years in the current call. The pastor is eligible for a sabbatical every five (5) years after that.
- **Deacons:** A full-time deacon shall be eligible for a sabbatical once he or she has completed seven (7) years in the current call. The deacon is eligible for a sabbatical every five (5) years after that.

Duration

- A sabbatical should be planned for up to three months (including the two continuing education weeks normally granted each year).
- Vacation is not to be included as sabbatical time.

North/West Lower Michigan Synod - 2019 Compensation Guidelines

- As appropriate, the sabbatical leave may be continuous or split into multiple blocks of time. If split, all blocks of time should be taken within a 12-month period.

Cost to the Congregation or Synod Organization

- The congregation or synod organization will continue to pay full salary and benefits (includes housing for pastors).
- Car allowance will not be paid during the sabbatical period.
- Accrued continuing education dollars can be used for the educational costs of the sabbatical – suggest limiting to an accrual of three years maximum.
- The congregation or synod organization is responsible for providing additional leadership support and service during the sabbatical time. This includes Sunday worship, teaching, leading the liturgy, confirmation camp, new member classes, visitation, funerals, weddings, etc., as applicable.
- The congregation or synod organization is not responsible to fund the sabbatical in any other way. However, the congregation or synod organization may consider gifting as a means of providing additional financial assistance.

Planning

- There are several objectives to be considered by the pastor or deacon and the congregation or synod organization during planning of a sabbatical:
 - Will this be a time of renewal that will help “recharge” the church professional spiritually and professionally so that he/she will return with new energy for ministry?
 - What are they learning that can be shared upon their return? How will this benefit the congregation?
 - How will this help the church professional grow as a person and as a professional? How will it enhance her/his ministry skills?
- Planning should begin the calendar year before the sabbatical so the congregation or synod organization and pastors / deacons can plan for financial and ministry adjustments.
- The sabbatical leave plan is to be developed in cooperation with the congregation council or synod council as applicable. The parties shall seek the counsel of the bishop before finalizing an agreement.

Commitments Following the Sabbatical

- Within six weeks of the completion of the sabbatical leave, the pastor or deacon shall present the congregation or synod organization with a written reflection on the experience and the implications for the ministry of the congregation or synod organization and ministry across the synod, as applicable.
- A copy of this written reflection shall be added to the pastor’s or deacon’s file in the bishop’s office.
- The pastor or deacon is expected to remain at least one additional year within their position in the congregation or synod organization following the sabbatical.
- The congregation council or synod council shall evaluate the benefits and costs of the sabbatical as a basis for planning future sabbaticals.