



Evangelical Lutheran Church in America
God's work. Our hands.

**NORTH/WEST LOWER MICHIGAN SYNOD
YEAR 2009
COMPENSATION GUIDELINES**

ORDAINED MINISTRY

ASSOCIATE IN MINISTRY

DEACONESS

DIACONAL MINISTER

INTENTIONAL INTERIM PASTOR

SYNODICALLY AUTHORIZED MINISTERS

SABBATICAL LEAVE

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PREFACE

Enclosed are the Year 2009 COMPENSATION GUIDELINES for Ordained Ministry, Associates in Ministry, Deaconess, Diaconal Minister Under Call, and Intentional Interim Pastor. These guidelines have been updated in order to more fully assist congregations, agencies and institutions in preparing a fair compensation and benefit program for rostered leaders and Synodically Authorized Ministers.

For pastors, the Ministry Committee (MC) suggests that congregations may need to consider total compensation when evaluating the relationship of an individual pastor to the **Suggested Salary Grid for Clergy** (page 5) because of a wide variation in housing costs and other allowances.

These guidelines focus on the **Definition of Compensation, Benefits, and Responsibilities of the Pastor and Other Leaders Under Call**. The **Definition** document is an excellent resource that the leadership of the congregation, agency, or institution is encouraged to use when reviewing the ministry of the rostered leader and to determine the specifics regarding compensation, benefits, expenses, and other conditions of the call for the new year. Please read through the booklet carefully, following the steps provided for planning in 2009.

We highly recommend that you visit the additional information, including on-line calculators and forms, that are available at <https://www.elcabop.org/> and at <https://www.elcabop.org/calculators.aspx>.

There are also sample calculation worksheets on pages 12 and 13.

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ORDAINED MINISTRY

INTRODUCTION

Note at the beginning of the **Definition** document (Appendix A, page 17) that there are three preliminary items to be completed. They are as follows:

- **“Prepared by...”** The name of the congregation and the name of the community in which the congregation exists.
- **“for the Reverend...”** The full name of the Clergy person is placed here.
- **“for the period...”** This should state the dates that begin and end the period covered by the compensation and benefits recorded in the Definition document. For example, **“for the period: January 1, 2009 to December 31, 2009.”**

A. COMPENSATION

- A-1. The base salary for Ordained Clergy is determined by using the following factors: the **2009 Yearly Suggested Salary Grid for Clergy** (page 5), Merit and/or Cost of Living Increases, and Cash Housing Allowance.

Salary: Using the **2009 Yearly Suggested Salary Grid for Clergy** chart (page 5), locate the line that indicates the number of years of service to the church of the ordained clergy. Then, go across to the column that represents the “minimum recommended base salary.” The resulting figure represents the recommended minimum base salary.

Base salary *does not include* utilities, car allowance, continuing education allowance, pension/major medical payments, housing factor or other such items.

Cost of Living Increase: The Ministry Committee recommends that pastors’ salaries be adjusted annually based on any increases in the cost of living index. The most recent (October 17, 2007) Cost-of-Living Adjustment published by the Social Security Administration is 2.3 percent. The current COLA is published at <http://www.ssa.gov/OACT/COLA/colaseries.html>.

Merit: In consideration of those rostered leaders whose work meets or exceed expectations and the congregation’s goals for ministry, congregations are encouraged to consider merit increases of 2% to 5% in addition to the cost of living increase.

The following criteria may be considered in making such judgments:

1. Attention paid to priorities, focus areas and goals set by the council and/or mutual ministry committee together with the rostered leader.
2. Variety of growth in these areas:
 - a. Nurturing the faith journeys of members
 - b. Worship
 - c. Discipleship
 - d. Pastoral care
 - e. Crisis management
3. Leadership in dealing with these areas:
 - a. Change and transition
 - b. Long-term planning
 - c. Creativity and innovation

Cash Housing Allowance: If a housing allowance is provided, it should be designated as “housing allowance” by the Congregation Council prior to January 1 of the year it is to be received. It should be adequate to cover the expenses including mortgage payments (including interest and principal) or rental payments; various taxes on the house; and fire and home liability insurance premiums. It also includes utility costs.

The only expenses specifically excluded by the regulations are those for food and maid service.

Other Considerations Regarding: Housing/Parsonage: Housing provided for a pastor should be comparable to at least the average home in the congregation and community. The congregation should provide either a suitable parsonage or a housing allowance.

The decision on appropriate housing provisions for the pastor is already defined in many parishes. However, the parish may encounter a change from what was once traditional, the parsonage, to the housing allowance, thus enabling a pastor to purchase one’s own home. There are advantages in either decision, only a few of which are listed here:

Parsonage

1. The pastor may be more mobile and does not have to give thought to the direct responsibilities of personal home ownership (e.g., mortgage payments, maintenance, taxes, etc.)
2. The congregation will have housing available immediately for a new pastor and will have the advantage of equity.

Home Ownership

1. Allows the pastor to select a location and build equity, providing a hedge against inflation.
4. The congregation does not have the responsibility of maintenance, taxes, insurance, etc.

NOTE: Pastors residing in a parsonage are not accumulating equity that could eventually be used for future home ownership. Congregations providing a parsonage should consider contributions to a fund in lieu of this lack of equity opportunity.

2009 YEARLY SUGGESTED SALARY GRID FOR CLERGY

A-1. Base Salary

These figures assume Clergy will receive housing allowance or parsonage in addition to salary.

Years of Service to the Church	Minimum Recommended Salary (based on full-time call)	Years of Service to the Church	Minimum Recommended Salary
0-1	30,500	9	34,500
2	31,000	10	35,000
3	31,500	11	35,500
4	32,000	12	36,000
5	32,500	13	36,500
6	33,000	14	37,000
7	33,500	15	37,500
8	34,000	16*	38,200*

* Over 15 years...a minimum of \$700 (or more) should be added for each additional year of service.

NOTE:

- Salaries for less than full-time calls should be based on a corresponding percentage of these guidelines.

A-2. Social Security Tax Allowance – Self Employed: Social Security tax rates applicable to pastors and other self-employed persons (that is the classification for clergy under Social Security regulation) has been maintained since 1990 at **15.3%**. Further note: congregations do not withhold Social Security taxes for pastors.

It is our recommendation that the congregation provide a Social Security tax allowance (that will become taxable income for clergy). The Board of Pensions has an on-line calculator at <https://www.elcabop.org/Home/Calculators/DefinedCompensation.aspx> which will calculate the Social Security tax allowance for you.

The Board of Pension's formula works out to 6.668% of the Defined Compensation (Base Salary plus Housing Allowance) before adding in the Social Security tax allowance. If a parsonage is provided, the formula works out to 6.668% of Base Salary plus any furnishings or utilities allowance plus the fair rental value of the parsonage.

A-3. Parsonage: If a parsonage is provided, the congregation should assume all costs for maintenance and utilities (except for personal long distance phone charges). Enter amounts for Utilities and Furnishings allowances on lines A-3a and 3b, of the **Definition** document (Appendix A, page 17).

A-3c. Equity Allowance Plan (Housing Equity): This plan is intended to provide for the needs of pastors who live in parsonages and therefore cannot build equity in a home. Pastors in this situation often come to retirement with limited savings and have difficulty providing housing for themselves and their spouses on limited retirement income.

When a pastor lives in a parsonage provided by the congregation, the MC recommends that in addition to the parsonage, the congregation increase its contribution to the pastor's pension plan by at least an additional 3% of the base salary.

If the Housing equity allowance is applicable, enter on line A-3c, of the **Definition** document (Appendix A, pg. 17)

Pretax Contribution Agreement (Optional Pension Payments)

The pastor and the congregation may elect to enter into an agreement whereby additional contributions are made to the pastor's pension plan. The Internal Revenue Service sets annual

limits for retirement plan contributions. Contact the Board of Pensions Service Center for more details at (800) 352-2876.

B. PENSION AND OTHER BENEFITS

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

Beginning in 1995, members who have medical/dental insurance through another employer-provided plan (spouse, or former employer, e.g.), may waive the medical and dental portion of the Board of Pensions plan. However, the congregation would still be responsible for Disability and Retiree Support, as listed in the Monthly Contribution Rates table, below.

B-1. ELCA Pension Plan: Upon election of participation in the program offered by the ELCA Board of Pensions, each congregation's contribution to the program is based on the percentages defined below.

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

Age on December 31, 1987	
65 or older	12%
55-64	11%
All other members	10%

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

Enter the percentage figure on line B-1 of the *Definition* document.

B-2. ELCA Medical-and-Dental Insurance: The Sponsored Member's employer furnishes monthly required contributions for the Member's coverage. The contributions are a percentage of the Member's "monthly defined compensation".

The contribution for the Medical and Dental Benefits Plan is based on family structure. There are four coverage levels – Member only; Member and Spouse; Member and Children; and Member, Spouse and Children – with a minimum and maximum contribution established for each.

Contributions for higher-salaried Members and for Member-only coverage partially subsidize the contributions for lower-salaried Members. This practice is in keeping with the ELCA philosophy of sharing.

Sponsored Couples: If both spouses are sponsored in the ELCA Pension and Other Benefits Program, contact the Board of Pensions to learn the major medical required contribution.

NOTE: Medical and dental contribution rates are keyed to individual synods and geographical areas in synods because medical and dental expenses vary according to area. Contact the Board of Pensions for your area's rate (www.elca.bop.org).

The Board of Pensions will give a 2% discount on health plan contributions to ELCA organizations and sponsoring employers within a synod when at least 75% of plan member employees and spouses in that organization or synod take the Mayo Clinic Health Risk Assessment. As of the date of this publication, our synod was at 68.7%. For a current update, visit https://www.elcabop.org/Home/BenefitsAdmin/2_percent_progress.aspx.

YEAR 2009 MONTHLY CONTRIBUTION RATES (AS OF JANUARY 1, 2009)

Medical and Dental Plan	Contribution Rate ¹	Minimum ²	Maximum ²
Member only	13.0%	\$ 504	\$ 681
Member & Spouse	22.7%	\$ 882	\$1,192
Member & Children	22.7%	\$ 882	\$1,192
Member, Spouse & Children	32.4%	\$1,259	\$1568
Disability	2.00%		
Retiree Support	0.70%		

1. Percentage of defined compensation.
2. Amounts subject to annual adjustments. If you are employed concurrently by two or more employers, the minimum and maximum contributions apply to the combined compensation.

YEAR 2009 MONTHLY COVERAGE CONTINUATION RATES

	ELCA primary coverage ¹ under age 60	ELCA primary coverage ages 60-64	Medicare primary coverage ¹
Retirees, spouses and surviving spouses and those on leave from call	\$550 ²	\$685 ³	\$302 ⁴
Children of an on leave, deceased, divorced or retired member, or those who have extended coverage following loss of eligibility	\$385 ²		

1. Less portion paid by ELCA if applicable.
2. Less \$32 for former retired LCA members who declined dental coverage.
3. Less \$32 for former retired LCA members who declined dental coverage.
4. Less \$32 for former retired LCA members who declined dental coverage.

B-2. Check the appropriate box for the Medical/Dental Plan coverage under item B-2 of the **Definition** Document (Appendix A, page 15).

B-3. Other Insurance or Benefits: Under item B-3, enter supplemental medical-and-dental coverage and/or other benefits and enter dollar amount(s) in right-hand column.

NOTE: To calculate the dollar amount from percentages of the Pension, Medical/Dental, and Other Benefits Plans, see the example on page 12 or 13.

Visit <https://www.elcabop.org/UnderstandMyBenefits.aspx> for information about a Health Care Flexible Spending Account or a Dependent Care Flexible Spending Account

ELCA BOARD OF PENSIONS

Timely enrollment is important

It is important to enroll a new employee in the program as soon as she or he is eligible. Timely enrollment means:

- the Application for membership (included in the Enrollment packet) is received by us within 60 days of the date the employee meets the program's eligibility requirements
- the date you begin sponsoring the new employee in the program is within this 60-day period

For ELCA synods, your employee's coverage must be effective the date of hire.

Late enrollment

If we do not receive the Application for membership within 60 days of eligibility, or the membership date is not within this period:

- The employee has a six-month waiting period for ELCA health coverage. The waiting period for the employee (and eligible family members) begins the day the application is received by the Board of Pensions.
You do not pay a contribution for health coverage during this period.
- Health coverage is effective the first day of the month following the end of the waiting period.
You begin paying for health coverage at this time.
- Other benefits are effective the day we receive the application (e.g., retirement, disability and survivor coverage). The pre-existing condition exclusion period for disability and survivor benefits will be extended to 18 months.
You pay the monthly contribution for these benefits at this time.

Annual open enrollment

Eligible employees whose enrollment is not received in a timely manner can enroll during the annual open enrollment period (Nov 1 – 30) without a six-month waiting period for health coverage. Coverage is effective Jan. 1 of the next year.

How to Apply

Application for the supplement may be made by completing an appropriate form and returning it to the Board of Pensions. Checks in the appropriate amount and made payable to "The ELCA Board of Pensions" must accompany the completed application form.

How to Pay

Once coverage has been established, all participants will receive, at their church address, a regular monthly remittance form approximately thirty (30) days **PRIOR** to the beginning of the next quarter. Please keep the Board of Pensions informed of changes in your home address. If you do not receive a remittance form by the tenth of the month in which it is due, send the payment (with a note of explanation) to the Board of Pensions by the due date.

The Board of Pensions has forms available at <https://www.elcabop.org/Forms.aspx>, to report a change of call, change of salary, or end of call.

C. EXPENSES

C-1. Auto Allowance: Congregations should provide an adequate car allowance in one of the following ways:

1. Reimburse the pastor for miles driven in service of the congregation. This can be done on a cents per mile basis. Such reimbursement should be consistent with the maximum allowable IRS deduction for use of personal car for business purposes. This can also be done on the basis of specific reimbursement costs. In order to claim the IRS rate you must own your auto.

2. A less desirable arrangement is to pay the minister a fixed amount in equal monthly installments for the year. That is generally the least complicated way to handle the matter, but not necessarily the most favorable way, when dealing with taxes. Income per month needs to be added to salary at year-end if this is your choice.

For 2008: Standard mileage rate is \$.585 for 2008 and applies to all business miles

2009 standard mileage reimbursement rates have not been published. Please visit www.irs.org for updated mileage reimbursement rates.

A congregation may buy or lease a car and assume the total cost of operation. Experience indicates that unless a car is driven more than 30,000 miles annually, ownership is not advantageous for the congregation.

Enter figure on line **C-1** of the **Definition** document (Appendix A, page 17). Other travel allowance provisions would be noted here as well.

- C-2. Other Professional Expenses:** Indicate amount (if any) to be provided for other Professional Expenses such as theological books and periodicals allowance. Enter amount on line C-2.
- C-3. Expenses for Official Meetings of the Synod:** Coverage of expenses for official meetings of the synod is required. Enter amount on line C-3.
- C-4. Continuing Education:** In order to update skills and thereby strengthen ministries, rostered leaders and other paid personnel should be urged to enroll in courses of advanced study. Such activities improve and build ministry.

The Ministry Committee:

- A. Supports continuing education for rostered leaders with the expectation of 25 contact hours each year.

25 Continuing Education Hours: Continuing Education in the Evangelical Lutheran Church in America is intended to equip those in leadership roles so that the whole body of Christ may better carry out God's mission.

The ELCA expects a minimum of twenty-five (25) contact hours annually in continuing education. A contact hour is defined as a typical fifty-minute classroom instructional session or the equivalent.

Rostered leaders are to work with their mutual ministry committee/executive committee annually in planning, reviewing and recording their continuing education activities and hours. These continuing education endeavors are also to be reported annually to the synodical Bishop. (Division for Ministry Board, October 13, 1989)

- B. Strongly recommends the development of an annual covenant between the rostered leader and their calling body with defined areas of ministry growth and measurable objectives. Such covenant is to be submitted to the Synod Office at its completion.
- C. Encourages a Sabbatical opportunity for those rostered leaders who have been in their present setting 5 years or more and in the ordained or commissioned ministry 7 years. We have enclosed one example for you (Appendix B); others are available in the Synod Office.

We further suggest that each congregation annually budget a minimum of \$1000 for rostered leaders and two (2) weeks per year for all full time paid staff. This should include a maximum of two Sundays if required for travel or conference time. A provision for accumulation of time and funds to permit flexibility in taking advantage of available programs may be helpful. The time used to engage in continuing education should not be considered vacation time.

- C-5. Other:** List other items and amount to be provided for them. Enter on line C-5, of the **Definition** document (Appendix A, page 15).
- C-6. Moving Expenses:** Define arrangements and reimbursements for moving expenses. Moving expenses normally are paid in full by the calling congregation. If applicable, enter arrangements and amount on line C-6, of the **Definition** document (Appendix A, page 17).

D. AGREEMENT

- D-1. Vacation Time:** In the first year of ministry following ordination the MC recommends that the minimum vacation time be three (3) weeks (including three [3] Sundays) during the first year in the ministry and four (4) weeks (including four [4] Sundays) thereafter. Attendance at official assemblies, conferences, and continuing study **should not** be considered as vacation time.

Additional discussion and clarification should be made regarding days off, provision for national holidays, and other small blocks of “off” time.

- D-5. Sick Leave and Disability:** Congregations should agree with pastor(s) on a specific plan to provide salary in the event of *short-term* illness. Recommendation: One day for every month worked cumulative to 30 days of sick leave.

Disability – (Long Term):

In the event of the pastor’s disability, it is recommended that the congregation continue to pay the full salary for the first sixty (60) days of disability, until the disability benefits of the Evangelical Lutheran Church in America Pension Plan take effect.

This plan pays 2/3 per cent (66.6%) of “Monthly Defined Compensation” beginning with the third month of disability. It is recommended that the congregation continue to provide housing or housing allowance during temporary disability or until termination of Call.

If the disability continues for six (6) months, the congregation council in consultation with the bishop shall recommend a course of action to the congregation and the pastor.

- D-6. Maternity/Paternity Leave:** The Call of a woman as pastor to a congregation includes provisions for maternity leave while that pastor remains under Call. Such provisions include up to six (6) weeks full salary, housing and benefits. If a longer leave is desirable but not medically required, provisions should be made for appropriate reduction in salary and other compensation. If a longer leave is medically required, it should be handled as any other disability.

Paternity needs should be agreed upon by congregation and pastor(s).

Other Leave – Leave of Absence: The Ministry Committee recommends that congregations and pastors formulate a contingency plan in advance for possible leave of absence. If desired, this may be made with synod staff consultation.

E. OTHER PROVISIONS

A description of the particular responsibilities of the position may be attached or a list may be included here indicating the areas to which the ordained clergy will give special attention and the ways in which the congregation will offer encouragement. Enter on lines E-1 and E-2 or provide a listing.

F. OTHER MATTERS

A description of any particular matters may be included or attached. Enter on lines of Section F.

SIGNATURE BLOCK

If an annual agreement between the rostered leader and the congregation:

1. The mutually agreed upon **Definition of Compensation, Benefits, and Responsibilities** document is then signed by the congregation president (or vice president) and the rostered leader.
2. Retain original in the records of the congregation.
3. Make a copy for the rostered leader's personal file.
4. As a matter of information, send a copy to the synod office.

If a new call:

1. The **Definition** document is then signed by the congregation president.
2. Original **Definition** document along with the **Letter of Call** document forwarded to the Synod Office for the Bishop's signature.
3. Synod Office forwards the **Letter of Call** and **Definition** documents to the candidate, returns a photocopy for the congregation's file, and retains another copy for synodical files.
4. The candidate, upon accepting the call signs the agreement; retaining the original documents, forwards copies to the congregation and synod office along with an acceptance letter of the call indicating planned arrival date and starting date of the call.

**CALCULATION SAMPLE AND WORKSHEET OF AN ANNUAL SALARY PACKAGE
(WITH HOUSING ALLOWANCE, PENSION, MEDICAL/DENTAL AND OTHER BENEFITS)**

(NOTE: This example uses the base salary for 0-1 years of service, with member, spouse and children insured. See salary grid on page 5 for all others).

HOUSING ALLOWANCE PACKAGE

		Sample	Worksheet	
1	Base Salary	\$30,500		From Grid, Page 5
2	Optional Cost of Living Adjustment	\$ 701		2.3% of Base Salary
3	Optional Merit Increase			2 - 5% of Base Salary
4	Salary	\$31,201		Add lines 1, 2, and 3
5	Housing Allowance	\$12,000		Suggested Range of \$12,000-20,000
6	Social Security Tax Allowance	\$ 2,885		Add lines 4 and 5. Multiply the sum by 6.668%
7	Total Annual Defined Compensation	\$46,086		Add lines 4, 5, and 6
8	Optional Professional Expenses			
9	Continuing Education	\$ 1,000		
10	Auto Allowance and/or Reimbursement			(\$.585 mileage 2009 figure. Visit www.irs.org for updates on mileage reimbursement rates).
11	Retirement Contribution	\$ 4,608		Line 7 times 10%
12	Health Insurance	\$14,931		Line 7 times 32.40%
13	Disability Insurance	\$ 921		Line 7 times 2%
14	Retiree Support	\$ 322		Line 7 times 0.70%
14	TOTAL	\$67,868		Annual Compensation Package Add lines 7-14

**CALCULATION SAMPLE AND WORKSHEET OF AN ANNUAL SALARY PACKAGE
(WITH PARSONAGE, PENSION, MEDICAL/DENTAL AND OTHER BENEFITS)**

(NOTE: This example uses the base salary for 0-1 years of service, with member, spouse and children insured. See salary grid on page 5 for all others).

PARSONAGE PACKAGE

		Sample	Worksheet	
1	Base Salary	\$30,500		From Grid, Page 5
2	Optional Cost of Living Adjustment	\$ 701		2.3% of Base Salary
3	Optional Merit Increase	\$		2 - 5% of Base Salary
4	Salary	\$31,201		Add lines 1, 2, and 3
5	Furnishings or Utility Allowance			
6	Parsonage Factor	\$ 9,360		Add lines 4 and 5. Multiply the sum by 30%
7	Social Security Tax Allowance	\$ 2,709		Add lines 4, 5, and 6. Multiply the sum by 6.668%
8	Total Annual Defined Compensation	\$43,270		Add lines 4, 5, 6, and 7. This is for the purpose of calculating benefits.
9	Optional Professional Expenses			
10	Optional Housing Equity Allowance	\$ 915		Recommended 3% of Line 1
11	Continuing Education	\$ 1,000		
12	Auto Allowance and/or Reimbursement			(\$.585 mileage 2009 figure. Visit www.irs.org for updates on mileage reimbursement rates).
13	Retirement Contribution	\$ 4,327		Line 8 times 10%
14	Health Insurance	\$14,019		Line 8 times 32.40%
15	Disability Insurance	\$ 865		Line 8 times 2%
16	Retiree Support	\$ 302		Line 8 times 0.70%
17	TOTAL	\$55,338		Annual Compensation Package Add lines 4, 5, 7, 9-16

ASSOCIATE IN MINISTRY, DEACONESS, AND DIACONAL MINISTER

INTRODUCTION

Note at the beginning of the **“Definition”** document for Associates in Ministry, etc., (Use Appendix C as a working draft copy) there are three preliminary items to be completed. They are as follows:

- **“Prepared by...”** The name of the congregation and the name of the community in which the congregation exists is indicated.
- **“for...”** The full name of the Associates in Ministry, Deaconess or Diaconal Minister is placed here.
- **“for the period...”** This should state the dates that begin and end the period covered by the compensation and benefits recorded in the **“Definition”** document. For example, **“for the period: January 1, 2009 to December 31, 2009”**

In establishing the salary package for the rostered Associates in Ministry, Deaconess or Diaconal Minister the following criteria are to be considered:

1. Education (degree or non-degree)
2. Length & Variety of Experience
3. Involvement in Continuing Education
4. Quality of Performance
5. Job Description
6. Part-time/Full-time

2009 SUGGESTED YEARLY BASE SALARY GUIDELINES FOR AIM YEARS OF FULL-TIME EXPERIENCE

0-5	29,000 – 31,000
6-10	31,000 – 33,000
11-15	33,000 – 35,000
16-20	35,000 – 37,000
20+	37,000 – 39,000

* Please note that housing allowances for AIMS, deaconesses, and diaconal ministers are not tax free under IRS rulings.

See Appendix C as a working draft copy of the **Definition of Compensation** document.

OTHER PAID PERSONNEL

Many congregations have other employees to be considered. The Ministry Committee (MC) reminds congregations that the minimum hourly wage as set by the State of Michigan is **\$7.40 per hour**. The MC suggests that congregations having questions regarding appropriate remuneration for organists, choir directors, church secretaries, custodians, etc., poll their neighboring congregations for guidance

PAYMENT FOR PART-TIME WORK

In those instances where a congregation contracts for services of a pastor on a daily (eight-hour day) basis, the recommended compensation is \$200 per day plus expenses (meals and \$.585 per mile. Visit www.irs.org for updates on mileage reimbursement rates).

SUPPLY PREACHING GUIDELINES

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

\$150 for one worship service, and \$50 for each additional worship service plus mileage at \$.585 per mile. Visit www.irs.org for updates on mileage reimbursement rates).

When an additional worship service is scheduled for Saturday or Sunday evening, the congregation is also responsible for supplying overnight lodging upon the request of the supply pastor. The congregation may also compensate the supply pastor for meals while in town.

INTENTIONAL INTERIM PASTOR GUIDELINES

An Intentional Interim Pastor is a pastor who has received specialized training and has been called by the Synod Council to serve as an interim pastor with the intention of dealing with transitional or healing issues in the congregation. This may be either full-time or part-time.

A. Compensation

1. Whenever possible, the Base Salary will conform to the Suggested Salary Grid, according to the interim pastor's Years of Service to the Church.
2. A Housing Allowance equal to 30% of the Base Salary.
3. A Self-employed Social Security payment allowance will be provided.

B. Pension and Other Benefits

1. The congregation will sponsor the pastor in the Pension and Other Benefits Program of the ELCA, including health, retirement, disability, and retiree support.
2. The pastor may choose to waive health coverage if the pastor has coverage from another source.

C. Expenses

1. If the pastor will be commuting more than forty miles (one way), the congregation is encouraged to provide additional salary to offset the additional expense of a lengthy commute.
2. The congregation will reimburse the pastor for miles driven in service to the congregation, in accordance with Internal Revenue Service guidelines.
2. The congregation will pay for the pastor's attendance at official meetings of the synod.
3. A continuing education allowance shall accrue at the rate of \$83.33 per month. The pastor shall also accrue one day per month paid leave of absence, to attend continuing education. Any unused time and funds will move with the pastor to the next appointment.
5. If the pastor will be lodging overnight in the community served, the congregation will provide for suitable lodging.

D. Agreement

1. Vacation with pay shall accumulate at the rate of one week (including one Sunday) for every three months of service. Some or all of the earned vacation may be taken at the conclusion of the pastor's term of service to the congregation.
2. Sick leave with pay shall accumulate at the rate of one day for every month served, cumulative to 30 days of sick leave.
3. Short-term or long-term disability concerns shall be handled according to Board of Pensions guidelines.

SYNODICALLY AUTHORIZED MINISTERS

A Synodically Authorized Minister is a non-rostered leader who has participated in the Lay Ministry Training Program and another two years in the SAM training program.

The Ministry Committee recommends that SAMs be compensated the same as AIMs, only without ELCA Board of Pension Benefits; with consideration being given to education, degree, life and/or parish experience, and the distance between the SAM's home and the congregational site(s).

DEFINITION OF COMPENSATION, BENEFITS, AND RESPONSIBILITIES OF THE PASTOR

Prepared by _____

for the Reverend _____

for the period _____ to _____

A. COMPENSATION

The congregation will provide the following annual compensation:

1. Base Salary (*including cash housing allowance, if any*) \$ _____
2. Self-employed Social Security payment allowance (*if provided*) \$ _____
3. If parsonage is provided:
 - a. Utilities allowance \$ _____
 - b. Furnishings allowance \$ _____
 - c. Housing equity allowance \$ _____

B. PENSION AND OTHER BENEFITS

The congregation will sponsor the pastor in the Pension and Other Benefits Program of the Evangelical Lutheran Church in America, which provides retirement, disability, survivor, and medical-dental coverage. (Sponsorship will include medical-dental coverage for the pastor's spouse and children unless they have other employer-provided group medical insurance coverage and the pastor consents to waiving medical-dental coverage for them under the ELCA Pension and Other Benefits Program.)

1. ELCA Pension at _____ %
2. ELCA Medical-and-Dental Insurance (check one):

<input type="checkbox"/> a. Member only	<input type="checkbox"/> c. Member and children	<input type="checkbox"/> e. Coverage waived
<input type="checkbox"/> b. Member and spouse	<input type="checkbox"/> d. Member, spouse, and children	
3. Other insurance or benefits: _____ \$ _____
 _____ \$ _____

C. EXPENSES

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

1. Automobile and travel allowance \$ _____
2. Other professional expenses \$ _____
3. Expenses for official meetings of the synod \$ _____
4. Continuing education
 (\$1,000 recommended; minimum \$700 from calling source) \$ _____
5. Other (_____) \$ _____
6. Pay the moving expenses to this field of service as follows:

D. AGREEMENT

1. Vacation time of _____ per year, including _____ Sundays;
2. Continuing education time of _____ weeks per year (recommended minimum of two weeks per year that may be accumulated up to three years) as reflected in a continuing-education agreement developed by the pastor and congregation council;
3. Participation in a First-Call Theological Education Program where applicable;
4. On-going care through a Mutual Ministry Committee;
5. Up to two months of continued salary and contributions to the ELCA Pension and Other Benefits Program in a 12-month period in the event that the pastor is physically or mentally disabled*; and
6. Where applicable, parental leave up to six weeks with full salary and benefits.

**Provision may be made for further unpaid time for disability recovery as agreed by the congregation, but with the stipulation that unused accumulated sick leave will not be compensated at the end of this call.*

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) _____

2. The congregation will encourage and support this pastor in the following ways:
 - (a) _____
 - (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 congregation and congregational council have been granted for the provisions set forth above.

Pastor

Congregation President

Date

Date

NOTE: *Retain original in records of the congregations. Make a copy for the rostered person's file. As a matter of information, send a copy to the synod office.*



SABBATICAL LEAVE

A leave for extended study (sabbatical) is understood to be a time of release from normal duties in order that a person may devote time to study and renewal. Such a leave may be offered for:

4. Personal spiritual renewal (directed using a spiritual director or self-directed)
5. Planned study (formal academic program or under a tutor)

The distinct benefits of extended study (sabbatical) leave are twofold:

1. The mission of the congregation benefits from the presence of pastors whose skills and creativity have been renewed or enhanced through a planned program of study.
2. The ministry of the pastor benefits from the personal renewal that comes from participation in a planned program of study.

EXTENDED STUDY (SABBATICAL) LEAVE GUIDELINES

1. The pastor shall have been in the ordained ministry for seven (7) years and five (5) years in the current call. A pastor shall be eligible for an extended study leave every five years.
2. The pastor is expected to stay in the current call for at least one (1) year following the extended study leave.
3. The normal extended study leave is not to be less than one (1) month and not more than three (3) months.
4. The extended study leave plan is to be developed in cooperation with and/or reviewed by the Pastor's Parish Support Committee of the congregation and presented to the Church Council for approval six (6) months to one (1) year before the leave is to begin. The study leave is to be a mutually negotiated agreement between the pastor, associate pastor, or associate in ministry and the congregation. Planning for how the study leave time will be used will be done by the pastor, associate pastor, or associate in ministry, in consultation with the church council. The pastor and the Church Council shall seek the counsel of the Bishop before finalizing the agreement.
5. The congregation shall assume the responsibility for the arrangements for pastoral coverage, including pulpit supply, during the pastor's absence. Pastors will not be granted simultaneous/concurrent sabbatical leave.
6. The congregation shall continue all compensation, allowances, and benefits during the extended study leave. Car allowances may be a negotiated item. Accrued continuing education funds may be used by the pastor, associate pastor, or associate in ministry.
7. Within six (6) weeks of the completion of the extended study (sabbatical) leave the pastor shall present the congregation a written reflection on the experience and the implications for the ministry of the congregation and their ministry in the parish. This written reflection shall be appended to the pastor's Annual Continuing Education Report to the Bishop.
8. Is there a biblical basis for taking an extended study (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 aftergrowth 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)

9. What is the purpose of an extended study leave?

There are several objectives to be considered by the Pastor, Associate Pastor, or Associate in Ministry and the Church as they plan the study leave together.

- a. 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?
- b. What are they learning that can be shared upon their return? How will this benefit the congregation?
- c. How will this help the church professional grow as a person and as a professional? How will it enhance her/his ministry skills?

DEFINITION OF COMPENSATION, BENEFITS, AND RESPONSIBILITIES FOR ASSOCIATE IN MINISTRY, DEACONESS, OR DIACONAL MINISTER UNDER CALL

Prepared by _____

for the Reverend _____

for the period _____ to _____

A. COMPENSATION

The congregation will provide the following annual compensation:

- 1. Base Salary \$ _____
- 2. If housing is provided:
 - a. Utilities allowance \$ _____
 - b. Furnishings allowance \$ _____
 - c. Housing equity allowance \$ _____

B. PENSION AND OTHER BENEFITS

The congregation will sponsor the rostered lay person in the Pension and Other Benefits Program of the Evangelical Lutheran Church in America, which provides retirement, disability, survivor, and medical-dental coverage. (*Sponsorship will include medical-dental coverage for the individual's spouse and children unless they have other employer-provided group medical insurance coverage and the individual consents to waiving medical-dental coverage for them under the ELCA Pension and Other Benefits Program.*)

- 1. ELCA Pension at _____ %
- 2. ELCA Medical-and-Dental Insurance (check one):
 - a. Member only
 - b. Member and spouse
 - c. Member and children
 - d. Member, spouse, and children
 - e. Coverage waived
- 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. Other professional expenses \$ _____
- 3. Expenses for official meetings of the synod
 \$ _____
- 4. Continuing education
 (\$1,000 recommended; minimum \$700 from calling source) \$ _____
- 5. Other (_____) \$ _____
- 6. Pay the moving expenses to this field of service as follows:

D. AGREEMENT

1. Vacation time of _____ per year, including _____ Sundays;
2. Continuing education time of _____ weeks per year (recommended minimum of two weeks per year that may be accumulated up to three years) as reflected in a continuing-education agreement developed by the rostered lay person and congregation council;
3. Participation in a First-Call Theological Education Program where applicable;
4. On-going care through a Mutual Ministry Committee;
5. Up to two months of continued salary and contributions to the ELCA Pension and Other Benefits Program in a 12-month period in the event that the associate in ministry is physically or mentally disabled*; and
6. Where applicable, parental leave up to six weeks with full salary and benefits.

**Provision may be made for further unpaid time for disability recovery as agreed by the congregation, but with the stipulation that unused accumulated sick leave will not be compensated at the end of this call.*

E. OTHER PROVISIONS

Special emphases of the associate in ministry, deaconess, or diaconal minister under call and special encouragement by the congregation:

1. During this time period, the rostered lay person under call will give special attention in ministry to the following:
 - (a) _____
 - (b) _____
 - (c) _____
 - (d) _____
 - (e) _____
2. The congregation will encourage and support this rostered lay person in the following ways:
 - (a) _____
 - (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 congregation and congregational council have been granted for the provisions set forth above.

Rostered Lay Person

Congregation President

Date

Date

NOTE: *Retain original in records of the congregations. Make a copy for the rostered person's file. As a matter of information, send a copy to the synod office. A description of the particular responsibilities of this position may be attached to this **Definition of Compensation, Benefits, and Responsibilities.***