

North/West Lower Michigan Synod

2018 Compensation Guidelines for Clergy, Deacons, Synodically Authorized Ministers, and Other Staff



**North/West Lower Michigan Synod
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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 **2018 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 2018, these items should be noted:

- 77 • **2018 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 2018 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 4
108 percent has been added to the 2017 base salary figures to set the recommendations for 2018.
109 In addition, each year a staff person has an additional year of experience that adds value to
110 the shared ministry. This added experience needs to be considered in providing fair
111 compensation for employees.
- 112 • **Bringing Compensation up to Guidelines:** If your congregation’s employees are paid below
113 guidelines, a strong effort should be made to increase their compensation to meet guidelines.
114 This issue is important and is not related to cost of living increases.

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115

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

121

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

123

- General link to IRS On-Line Publications [<http://www.irs.gov/publications/>]

124

- IRS Topic 417 – Earnings for Clergy [<http://www.irs.gov/taxtopics/tc417.html>]

125

- IRS Publication 517 - Social Security and Other Information for Members of the Clergy and
126 Religious Workers [<http://www.irs.gov/publications/p517/>]

127

- With regard to Cost of Living Allowance (COLA), visit the Social Security website at
128 www.ssa.gov (see Frequently Asked Questions) or contact your local Chamber of Commerce.
129 These are very helpful in finding the actual cost of living variances in your specific county.

130

- Since there are many factors in figuring health benefits rates, contact the Portico Benefit
131 Services by phone (800-352-2876) or e-mail (mail@porticobenefits.org) for assistance.
132 Additional information, including on-line calculators and forms are also available:

133

- Portico Benefit Services Employer Page: <https://employerlink.porticobenefits.org>

134

- Portico Benefits Cost Calculator Tool:

135

<https://employerlink.porticobenefits.org/Resources/Calculators/BenefitsCostCalculator.aspx>

136

- The ELCA website (www.elca.org) also contains further compensatory information.

137

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

140
141 These guidelines are applicable to **clergy, ministers of Word and Sacrament**, who are in positions
142 designated as regular full-time (benefit eligible), regular part-time (benefit eligible; less-than-full-
143 time, but regularly scheduled to work more than 20 hours per week), or limited part-time
144 (generally not eligible to participate in benefits unless specifically indicated otherwise; regularly
145 scheduled to work less than 20 hours per week). Guidelines for pastors in contracted, supply, or
146 interim positions are provided in Section II.

147
148 A pastor assumes many responsibilities – they are preachers, evangelists, administrators,
149 teachers, counselors and leaders. The ELCA requires eight years of study (including a Bachelor’s
150 and Master of Divinity degrees) as a part of the preparation for ordained ministry. Compensation
151 for pastors should be comparable to professional positions of equal responsibility, education, and
152 time commitment.

153
154 Adequate compensation enables a pastor to fulfill responsibilities and obligations, encourages
155 vocational satisfaction, and encourages a pastor’s best efforts and gifts. Congregations and our
156 synod have an obligation to review compensation plans annually. We also expect pastors to take
157 initiatives in seeking annual reviews of compensation.

158
159 Inadequate compensation may result in discouragement and dissatisfaction. This sometimes
160 occurs as a pastor’s family cannot maintain financial stability, as negative attitudes toward the
161 congregation and church begin, or as an inability to participate in continuing education programs.
162 Inadequate compensation means low contributions to retirement plans, which leads to
163 inadequate retirement income. All of these realities increase the occurrence of resignations from
164 ordained ministry, make it more challenging to recruit able candidates to our synod, and can
165 create a poor image of the church in our communities.

166
167 Our synod recognizes there are pastors and congregations who, for a variety of reasons, move
168 forward with salaries that are below the synod’s recommended minimum guidelines. We caution
169 these pastors and congregations, however, that they are doing disservice to the congregation,
170 other pastors, and pastoral successors by allowing the compensation package to remain below
171 recommended minimum guidelines. In such situations, the congregation, pastor, and bishop’s
172 office should work together to develop a short-term (2-3 year) plan to move toward minimum
173 guidelines and/or implement other support strategies.

174
175 A Statement of Compensation, Benefits and Responsibilities form (Appendix A) should be
176 completed and submitted to the bishop’s office annually. Links to information from the IRS and
177 Portico Benefits Services are provided in the Preface section of this document for reference.

178
179

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180 **A. Base Compensation**

181

182 **Base Salary (A-1)**

183 The base salary for **ministers of Word and Sacrament (clergy)** is determined using the following
184 factors:

- 185 • The **2018** Yearly Suggested Base Salary Grid for Clergy or Cost of Living Increase based on
186 their current base salary, whichever is greater
- 187 • Other factors **to be considered include items such as:**
 - 188 ○ earned merit or performance
 - 189 ○ education (either advanced or specialized)
 - 190 ○ educational debt
 - 191 ○ prior experience of second career candidates
 - 192 ○ length of time in the parish
 - 193 ○ breadth and complexity of responsibilities
 - 194 ○ financial ability of the congregation
 - 195 ○ other factors identified by the congregation/pastor
 - 196 ○ housing allowance (changes up or down can impact base salary; see below)
- 197 • Base salary does not include:
 - 198 ○ Housing, utilities, or other such items
 - 199 ○ car allowance
 - 200 ○ continuing education allowance
 - 201 ○ pension and insurance benefits
 - 202 ○ honorariums or other fees received for weddings, funerals, and outside speaking
203 engagements
- 204 • Income received by a spouse is not a consideration when establishing base salary
205

206 **Changes to Recommended Base Salaries for Clergy:**

- 207 • A **4% increase to base salaries in 2018** is recommended based on the following:
 - 208 ○ **Cost of Living Allowance (COLA):** The most recent COLA increases of **1.7%** (2015) and
209 **0.3%** (2017) were taken into consideration. Information on COLA can be found at
210 <http://www.socialsecurity.gov/news/cola/> (keyword COLA).
 - 211 • **ELCA Region 6 Assessment:** An assessment of 2017 Compensation Guidelines across all
212 synods in Region 6 was conducted. **For 2018, a 4% increase to base salary guidelines is**
213 **recommended** to ensure continued consistency between our synod's base salaries and
214 those of other synods in our region **to ensure fair compensation for our Clergy and to**
215 **support congregations in attracting new pastors to our synod within competitive Call**
216 **processes.**
- 217 • It is recognized that some congregations may not be able to fully include this strategic
218 increase in their pastor's compensation package in a single calendar year. If this is the case,
219 it is recommended that congregations develop a **multi-year plan** (in consultation with the
220 bishop as needed) to gradually bring a pastor's compensation package in line with the
221 minimum base salary recommendations.

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- 222 • All changes are applied to the recommended base salary for 0-1 years of service which is the
223 starting point for all other “Years of Service” recommendations. For pastors, “Years of
224 Service” equals “Years of Experience” as a **minister of Word and Sacrament**.

225 **2018 Yearly Suggested Base Salary Grid for Clergy**

226 These figures are minimum base salaries based on a regular full-time call and assume the pastor
227 will receive a housing allowance or parsonage in addition to the base salary. Salaries for regular
228 part-time or limited part-time calls should be based on a corresponding percentage of these
229 guidelines.
230

Years of Service	Recommended Base Salary
0-1	37,900
2	38,400
3	38,900
4	39,400
5	39,900
6	40,400
7	40,900
8	41,400
9	41,900
10	42,400
11	42,900
12	43,400
13	43,900
14	44,400
15	44,900
16+*	45,400*

231 *For over 15 years of service, a minimum of \$700 should be added for each additional year of service.
232

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

234 In consideration of pastors whose work meets or exceed expectations and the congregation’s
235 goals for ministry, congregations are encouraged to consider appropriate merit increases
236 (typically 1-3%) in addition to the base salary increase each year.
237

238 **Housing (A-3)**

239 Housing provided for a pastor should be comparable to at least the average home in the
240 congregation and community. The congregation should provide either a suitable parsonage or a
241 housing allowance.
242

- 243 • Parsonage
 - 244 ○ If a parsonage is provided, the congregation should assume all costs for maintenance and
245 utilities (except for personal long distance phone charges).

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- 246 ○ It is important that parsonages be sufficiently maintained. An annual walk-through of the
247 parsonage by the council or delegate team is advised to note the general condition of the
248 home and plan for regular maintenance or other improvements.
- 249 ○ Equity Allowance Plan (Housing Equity Allowance)
- 250 ▪ This plan is intended to provide for the needs of pastors who live in parsonages and
251 therefore cannot build equity in a home. Pastors in this situation often come to
252 retirement with limited savings and have difficulty providing housing for themselves
253 and their spouses on limited retirement income once a parsonage is no longer
254 available.
- 255 ▪ When a pastor lives in a parsonage provided by the congregation, the congregation
256 should increase its contribution to the pastor's pension plan by at least **an additional**
257 **3%** of the base salary.
- 258
- 259 • Housing Allowance
- 260 ○ If a parsonage is not provided, a housing allowance is required. If a housing allowance is
261 provided, the congregation council (or equivalent leadership team) must designate it
262 prior to January 1 of the year it is to be received. There must be written documentation
263 and it must be provided in the congregation council (or equivalent) minutes.
- 264 ○ The housing allowance should be **at least 30%** of the minimum base salary to cover
265 expenses including mortgage payments (interest and principal) or rental payments, taxes,
266 and fire and home liability insurance premiums, and utility costs. The only expenses
267 specifically excluded by the regulations are those for food and maid service.
268 Congregations should consider the average median home value found in the local area
269 (i.e., based on zip code, etc.).
- 270 ○ Once the Base Salary and Housing Allowance are set, pastors can choose to adjust
271 (increase or decrease) the Housing Allowance with accompanying increase or decrease to
272 the Base Salary. The total sum of Base Salary + Housing Allowance should remain constant
273 if adjustment to the Housing Allowance is made. It is suggested that congregations keep
274 detailed documentation of any adjustments made to ensure future increases or changes
275 are made with knowledge of the actual Base Salary amount.
- 276

Parsonage vs. Housing Allowance

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

281

- 282
- 283 • Parsonage
- 284 ○ The pastor could be more mobile and would not have to give thought to the direct
285 responsibilities of personal home ownership (e.g., mortgage payments,
286 maintenance, taxes, insurances, etc.)
- 287 ○ The congregation will have housing available immediately for a new pastor and
288 will have the advantage of equity.
- 289

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- 290 • Home Ownership
- 291 ○ Allows the pastor to select a location and build equity, providing a hedge against
- 292 inflation.
- 293 ○ The congregation does not have the responsibility of maintenance, taxes,
- 294 insurance, etc.

295

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

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

303

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

310

311 **Minimum Defined Base Compensation**

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

314

315 Example: For a First Call Pastor with 0-1 years of experience as an ordained pastor, the minimum
316 defined base compensation targeted based on the guidelines would be **\$37,900** (targeted base
317 salary for a first call pastor) + **\$11,370** (targeted housing at 30% base salary) + **\$3,769** (Social
318 Security Allowance at 7.65% of base salary + housing) equaling (=) **\$53,039**.

319

320 As stated previously in the Housing Allowance section, once the Total Base Compensation (Base
321 Salary + Housing + Social Security Reimbursement) is determined, the amount of this total that is
322 designated as Housing Allowance can be adjusted to meet the needs of the pastor as long as the
323 Total Base Compensation remains the same. In other words, the pay designated as salary on the
324 W2 can decrease (or increase) as the part designated as Housing Allowance can increase (or
325 decrease). The overall Total Base Compensation should remain the same. Again, it is suggested
326 that congregations keep detailed documentation of any adjustments made to ensure future
327 increases or changes are made with knowledge of the actual Base Salary amount.

328

329

330 **B. Pension and Insurance Benefits**

331
332 **Pension (B-1)**

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

339
340 Beginning in 1995, members who have medical/dental insurance through another employer-
341 provided plan (i.e., spouse, or former employer) may waive the medical and dental portion of the
342 Portico plan. However, the congregation would still be responsible for Disability and Retiree
343 Support.

344
345 Portico Benefit Services Pension Plan

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

348
349 Predecessor church (ALC, LCA, AELC) plan members with continuous participation since 1987:

350
351 **Age on December 31, 1987:**

352	65 yrs or older:	12%
353	55-64 yrs:	11%
354	All other members:	10%

355

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

358
359 **Pretax Contribution Agreement (Optional Pension Payments)**

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

364
365 **Medical and Dental Insurance (B-2)**

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

369
370 The Affordable Healthcare Act that was adopted by Congress took effect in 2014. Each year, the
371 congregation and employee will be required to select the level of health care coverage for the
372 following year. This selection must happen even if the employee waives the Portico coverage.
373 Portico follows the national standards and has identified the different levels of cost sharing as

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374 platinum, gold, silver and bronze. Both the employer and the insured will need to choose the
375 same level of coverage in order to make certain that healthcare coverage continues to be
376 provided or is provided for the first time.

377

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

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

384

385 What remains the same:

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

401

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

405

406 **Sponsored Couples**

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

409

410 **Portico Benefit Services**

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

414

415

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416 **Disability**

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

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

426

427 **C. Expenses**

428

429 **Automobile (C-1)**

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

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

442

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

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

447

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

451

452 **Professional Expenses (C-3)**

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

456

457

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458 **Computers and Cell Phones (C-5)**

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

461

462 Computers

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

468

469 Cell Phones

- 470 • A cell phone provided by the congregation for the pastor's use remains the property of the
471 congregation and is a non-taxable business expense if the council minutes state it is primarily
472 provided for non-compensatory business reasons (such as the need to be accessible at all
473 time for work-related emergencies).
- 474 • The pastor may be provided with a non-taxable cell phone reimbursement if council minutes
475 state that the pastor is required to maintain a personal cell phone for non-compensatory
476 business reasons and the reimbursement amount does not exceed reasonable business
477 needs (i.e., reimbursement covers the basic monthly plan, not the family plan for extra
478 minutes).

479

480 **Moving Expenses (C-6)**

- 481 • Moving expenses normally are paid in full by the calling congregation.
- 482 • It is recommended that the pastor submit three estimates to the congregation.

483

484 **D. Paid Time Off**

485

486 **Weekly Time Off**

- 487 • Pastors are responsible for setting their schedules to meet the needs and expectations of
488 their call. Pastors, like anyone else, need time off from work to replenish and re-energize.
489 Congregations should ensure that each pastor has the equivalent of **two full days off** per
490 week. The pastor's weekly schedule (days/hours) may be negotiated as necessary.
- 491 • For the well-being of the pastor and health of the congregation, it is suggested that his or her
492 schedule generally **not exceed 50 hours** in a work week. If longer work weeks are more the
493 "norm" rather than the exception, congregation councils (or equivalent) are encouraged to
494 partner with the pastor to assess alternate resource options, including items such as:
 - 495 ○ determining if sufficient need and capacity (financial and otherwise) is in place to
496 warrant calling **another rostered leader – clergy or deacon** - to serve the congregation
 - 497 ○ identifying possible opportunities for appropriate delegation of responsibility to staff
498 members or lay leaders
 - 499 ○ ensuring effective time management strategies are being utilized

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- 500 ○ identifying responsibilities that are lower priority and could be done at a reduced
- 501 frequency or discontinued
- 502 ○ review, prioritization, and possible adjustment to expectations set forth within the call
- 503 (done in consultation with the synodical bishop)
- 504

505 **Vacation (D-1)**

- 506 ● Vacation time is **four weeks** (including four Sundays)
- 507 ● Attendance at official Synod or Churchwide assemblies, conferences, and continuing
- 508 education are not considered vacation time.
- 509 ● Additional discussion and clarification should be made regarding days off, provision for
- 510 national holidays, other small blocks of “off” time, whether unused time is carried over to the
- 511 next year, and whether unused time is paid out at the end of the call.
- 512

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

514 In order to update skills and thereby strengthen ministries, pastors are encouraged to enroll in

515 courses of advanced study as such activities improve and build ministry. The ELCA expects a

516 minimum of 50 contact hours annually in continuing education. A contact hour is defined as a

517 typical 50-minute classroom instructional session or equivalent. These experiences are to be

518 taken with colleagues and under responsible sponsorship, capable directors, and qualified

519 instructors, and should be pre-approved by the congregation council or equivalent.

- 520 ● Pastors are encouraged to work with their congregation council annually in planning,
- 521 reviewing and recording continuing education activities and hours. These continuing
- 522 education endeavors are also to be reported annually to the Synodical Bishop.
- 523 ● It is recommended that each congregation annually budget a **minimum of \$1000** and **two**
- 524 **weeks per year** for a pastor’s continuing education. This should include a maximum of two
- 525 Sundays if required for travel or conference time.
 - 526 ○ Accumulation of time and funds to permit flexibility may be negotiated between the
 - 527 pastor and congregation council. Accumulation over a 2-year or 3-year period is
 - 528 suggested.
 - 529 ○ The scheduling of continuing education should be determined by the pastor in
 - 530 consultation with the congregation council. As appropriate, the synodical bishop can also
 - 531 be consulted.
 - 532 ○ Official meetings of the synod such as Synod Assembly, Churchwide Assembly, conference
 - 533 meetings, or other leadership events are not included as continuing education.
- 534 ● **First Call Pastors** are required to participate in First Call Theological Education (FCTE) for the
- 535 first three years of ministry. FCTE includes but is not limited to a Fall Retreat (2-3 days) and
- 536 a Spring Retreat (2-3 days).
 - 537 ○ Congregations should work with first call pastors to determine other continuing
 - 538 education experiences for the growth of the pastor and the congregation.
 - 539 ○ A First Call Theological Education Covenant shall be discussed and completed by the
 - 540 Pastor, Council President, and Assistant to the Bishop.
 - 541
 - 542

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543 Sick Leave (D-4)

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

550

551 Maternity Leave (D-5)

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

558

559 Paternity Leave/Adoptive Parental Leave (D-5)

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

565

566 Parenting Leave (D-6)

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

574

575 Leave of Absence

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

578

579 Study/Sabbatical Leave (D-7)

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

585

586 **II. Compensation for Contracted, Supply, and Intentional Interim**
587 **Clergy**

588
589 **Clergy (pastors)** in regular part-time or limited part-time calls should refer to Section I for
590 compensation guidelines.

591
592 **Pastors Under Contract**

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

- 595 • \$200 per day plus expenses
596 ○ Meals and mileage at the current IRS rate (i.e., **53.5 cents/mile in 2017**).
- 597 • If a full day is not required, a congregation may contract based on an hourly rate of \$25 per
598 hour, with minimum pay of two hours or \$50.

599
600 **Supply Pastors**

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

- 603 • **\$200** for one worship service
604 • **\$50** for each additional worship service
605 • Mileage at the current IRS rate (i.e., **53.5 cents/mile in 2017**)
606 • When an additional worship service is scheduled for Saturday or Sunday evening, the
607 congregation is also responsible for supplying overnight lodging upon the request of the
608 supply pastor.
609 • The congregation may also compensate the supply pastor for meals while in town.
610 • When services are not held on consecutive days, the supply preacher will be compensated
611 each day as a separate event.

612
613 **Intentional Interim Pastors**

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

618
619 • **Base Compensation**

- 620 ○ Whenever possible, the Base Salary will conform to the 2017 Yearly Suggested Base Salary
621 Grid for Pastors (Section I), according to the interim pastor's years of service.
622 ○ A Housing Allowance equal to 30% of the Base Salary or as agreed upon with pastor (the
623 pastor may allocate some salary to housing). Alternatively, housing may be provided by
624 the congregation as negotiated with the interim pastor.
625 ○ A self-employed Social Security payment allowance will be provided.

626

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- 627
- 628 • **Pension and Insurance Benefits**
 - 629 ○ The congregation will sponsor the pastor in the Pension and Other Benefits Program of
 - 630 the ELCA, including health, retirement, disability, and retiree support (see Section I).
 - 631 ○ The pastor may choose to waive health coverage if he or she has coverage from another
 - 632 source.
 - 633 • **Expenses**
 - 634 ○ If the pastor will be commuting more than forty miles (one way), the congregation is
 - 635 encouraged to provide additional salary to offset the additional expense of a lengthy
 - 636 commute. Mileage from home to office is not a reimbursable business expense.
 - 637 ○ The congregation will reimburse the pastor for miles driven in service to the congregation
 - 638 in accordance with IRS guidelines (i.e., 53.5 cents/mile in 2017; www.irs.gov) up to an
 - 639 established maximum number of miles.
 - 640 ○ The congregation will pay for the pastor's attendance at official synod meetings.
 - 641 ○ A continuing education allowance shall accrue at the rate of \$83.33 per month. The
 - 642 pastor shall also accrue one day per month paid leave of absence to attend continuing
 - 643 education. Any unused time and funds will move with the pastor to the next appointment.
 - 644 ○ If the pastor will be lodging overnight in the community served, the congregation will
 - 645 provide for suitable lodging.
 - 646 • **Paid Time Off**
 - 647 ○ Vacation with pay shall accumulate at the rate of one week (including one Sunday) for
 - 648 every 3 months of service. Some or all of the earned vacation may be taken at the
 - 649 conclusion of the pastor's term of service.
 - 650 ○ Sick leave with pay shall accumulate at the rate of one day for every month served,
 - 651 cumulative to 30 days of sick leave. Unused accumulated sick leave will not be
 - 652 compensated at the end of the Call.
 - 653 ○ Short-term or long-term disability concerns shall be handled according to Portico
 - 654 guidelines.
 - 655
 - 656

657 **III. Compensation for Deacons (Associates in Ministry, Deaconesses,**
658 **and Diaconal Ministers) Under Call**

659
660 **Deacons** (associates in ministry, diaconal ministers, and deaconesses) come to our synod and
661 congregations with varied skills and experiences and as a result, may assume many different
662 responsibilities **as a minister of Word and Service**. Job descriptions vary and are developed by
663 the congregation. The ELCA requires specialized training for certification as an associate in
664 ministry, diaconal minister or deaconess (hereafter referred to as **deacon**). Compensation for
665 **deacons** should be comparable to professional positions of equal responsibility and training
666 within a congregation's region or within the synod. Adequate compensation enables **deacons** to
667 fulfill responsibilities and obligations, encourages vocational satisfaction, and encourages a
668 **deacon's** best effort. Congregations and our synod have an obligation to review compensation
669 plans annually. We also expect **deacons** to take initiatives in seeking an annual review of
670 compensation.

671
672 Inadequate compensation may result in discouragement and dissatisfaction. This sometimes
673 occurs as a **deacon's** family cannot maintain financial stability, as negative attitudes toward the
674 congregation and church begin, or as an inability to participate in continuing education programs.
675 Inadequate compensation means low contributions to retirement plans, which leads to
676 inadequate retirement income. All of these realities increase the occurrence of resignations from
677 ministry, make it more challenging to recruit able candidates to our synod, and can create a poor
678 image of the church in our communities.

679
680 Our synod recognizes there are **deacons** and congregations who, for a variety of reasons, choose
681 to be content with salaries that are below the synod's recommended minimum guidelines. We
682 caution these **deacons** and congregations, however, that they are doing disservice to the
683 congregation, other **deacons**, and successors by allowing the compensation package to remain
684 below recommended minimum guidelines. In such situations, the congregation, **deacon**, and
685 bishop's office should work together to implement other support strategies.

686
687 A Statement of Compensation, Benefits and Responsibilities form for **Deacons** (Appendix B)
688 should be completed and submitted to the bishop's office annually. Letters and numbers in this
689 document correspond to that form. Links to information from the IRS and Portico Benefits
690 Services are provided in the Preface section of this document for reference.

691
692

North/West Lower Michigan Synod - 2018 Compensation Guidelines

693 **A. Base Compensation**

694

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

- 696 • Education (degree or non-degree)
- 697 • Length & breadth of experience*
- 698 • Full-time/Part-time
- 699 • Certification by ELCA or predecessor church bodies
- 700 • Quality of performance
- 701 • Job description / complexity of responsibilities
- 702 • Involvement in continuing education
- 703 • Cost of living in a particular geographical area
- 704 • Educational debt
- 705 • Compensation for comparable level positions in the community or geographical area

706

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

710

711 **Changes for 2018 for Recommended Base Salaries for Deacons:**

- 712 • A **4% increase to base salaries in 2018** is recommended based on the following:
 - 713 ○ **Cost of Living Allowance (COLA):** The most recent COLA increases of **1.7%** (2015) and
714 **0.3%** (2017) were taken into consideration. Information on COLA can be found at
715 <http://www.socialsecurity.gov/news/cola/> (keyword COLA).
 - 716 • **ELCA Region 6 Assessment:** An assessment of 2017 Compensation Guidelines across all
717 synods in Region 6 was conducted. **For 2018, a 4% increase to base salary guidelines is**
718 **recommended** to ensure continued consistency between our synod's base salaries and
719 those of other synods in our region **to ensure fair compensation for deacons across our**
720 **synod.**
- 721 • It is recognized that some congregations may not be able to fully include this strategic
722 increase in their **deacon's** compensation package in a single calendar year. If this is the case,
723 it is recommended that congregations develop a multi-year plan (in consultation with the
724 bishop as needed) to bring compensation packages for full-time or part-time **deacons** in line
725 with the minimum base salary recommendations.
- 726 • All changes are applied to the recommended base salary for 0-5 years of service which is the
727 starting point for all other "Years of Service" recommendations. For **deacons**, "Years of
728 Service" equals "Years of Experience" as a **minister of Word and Service** (with appropriate
729 credit given for prior employment experience as noted above).

730

731

North/West Lower Michigan Synod - 2018 Compensation Guidelines

732 **2017 Base Salary Chart for Deacons**

733 The salaries below are the minimum recommended annual salaries based on a full-time position.
734 Salaries for less-than-full-time (includes long term part-time) positions should be based on a
735 corresponding percentage of these guidelines.
736

Years of Service	Recommended Salary
0-5	34,320-36,400
6-10	36,400-38,480
11-15	38,480-40,560
16-20	40,560-42,640
20+	42,640-47,840+

737

738 **Social Security**

739 Federal Tax Code requires congregations to pay for the employer's portion of the Social Security
740 for **deacons**.

741

742 **Housing**

743 Federal Tax Code does not permit a tax-deductible housing allowance for **deacons**.

744

745 **B. Pension and Insurance Benefits**

746

747 **Pension and Health Insurance**

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

750

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

754

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

762

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

765

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

766

- Factoring in the age of the insured

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

769

770 What remains the same:

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

786

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

790

791 C. Expenses

792

793 Automobile and Travel (C-1)

794 It is recommended that the congregation reimburse deacons for miles driven in service of the
795 congregation.

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

800

801 Continuing Education (C-2; D-2; D-3)

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

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

807

808

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809 Professional Expenses (C-3)

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

813

814 Moving Expenses (C-6)

- 815 • Moving expenses normally are paid in full by the calling congregation.
- 816 • It is recommended that the employee submit three estimates to the congregation.

817

818 D. Paid Time Off

819

820 Weekly Time Off

- 821 • **Deacons** are responsible for setting their schedules to meet the needs and expectations of
822 their position. They, like anyone else, need time off from work to replenish and re-energize.
823 Congregations should ensure that each **deacon** has the equivalent of **two full days off** per
824 week. The **deacon's** weekly schedule (days/hours) may be negotiated as necessary.
- 825 • For the well-being of the **deacon** and health of the congregation, it is suggested that his or
826 her schedule generally **not exceed 50 hours** in a work week. If longer work weeks are more
827 the "norm" rather than the exception, congregation councils (or equivalent) are encouraged
828 to partner with the **deacon** to assess alternate resource options, including items such as:
 - 829 ○ determining if sufficient need and capacity (financial and otherwise) is in place to warrant
830 additional staffing
 - 831 ○ identifying possible opportunities for appropriate delegation of responsibility to other
832 staff members or congregational lay leaders
 - 833 ○ ensuring effective time management strategies are being utilized
 - 834 ○ identifying responsibilities that are lower priority and could be done at a reduced
835 frequency or discontinued
 - 836 ○ review, prioritization, and possible adjustment to expectations set forth within the job
837 description (done in consultation with the senior pastor)

838

839 Vacation (D-1)

- 840 • Vacation time is **four weeks** (including four Sundays)
- 841 • Attendance at official Synod or Churchwide assemblies, conferences, and continuing
842 education are not considered vacation time.
- 843 • Additional discussion and clarification should be made regarding days off, provision for
844 national holidays, other small blocks of "off" time, whether unused time is carried over to the
845 next year, etc.

846

847

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

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

- 855
- 856 • **Deacons** are encouraged to work annually with their congregation council in planning,
857 reviewing and recording their continuing education activities and hours. These continuing
858 education endeavors are also to be reported annually to the synodical bishop.
- 859 • It is also recommended that each congregation annually budget a **minimum of \$700** for
860 **deacons** along with two weeks per year (including Sundays) for travel and/or conference
861 time.
- 862 • Accumulation of time and funds to permit flexibility may be negotiated between the **deacon**,
863 the pastor, and congregation council. Accumulation over a 2- or 3-year period is suggested.
- 864 • Official meetings of the synod such as Synod Assembly, Churchwide Assembly, conference
865 meetings, or other leadership events are not included as continuing education.
- 866 • **First Call Deacons** are required to participate in First Call Theological Education (FCTE) for the
867 first three years of ministry. FCTE includes but is not limited to a Fall Retreat (2-3 days) and a
868 Spring Retreat (2-3 days).
 - 869 ○ Congregations should work with first call **deacons** to determine other continuing
870 education experiences for the growth of the **deacon** and the congregation.
 - 871 ○ A First Call Theological Education Covenant shall be discussed and completed by the
872 **Deacon**, Council President, and Assistant to the Bishop.

873

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

- 875 • Sick Leave should be provided for up to six weeks per year with full salary, housing, and
876 benefits.
 - 877 ○ This is not accumulated and should not be abused. This is not an entitlement.
 - 878 ○ Provision may be made for further unpaid time for disability recovery as agreed upon by
879 the congregation, but with a stipulation that unused accumulated sick leave will not be
880 compensated at the end of the call.

881

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

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

889
890

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

- 892 • Provisions for paternity leave and adoptive parental leave shall include up to six consecutive
893 weeks (including Sundays) with full salary, housing and benefits.
- 894 • If there are special needs, additional time may be negotiated by the **deacon with the pastor**
895 and congregation council and provisions should be made for appropriate reduction in salary
896 and other compensation, with appropriate documentation and approval by the council.

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

- 899 • Parenting leave is directed towards illness (such as spouse, child, or parent) or other special
900 needs. Such leave should include up to six weeks (including Sundays) full salary, housing, and
901 benefits with appropriate documentation and approval by the congregation council.
- 902 • If there are special needs, additional time may be negotiated by the **deacon with the pastor**
903 and the congregation council and provisions should be made for appropriate reduction in
904 salary and other compensation, with appropriate documentation and approval by the
905 congregation council.

906 **Leave of Absence**

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

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

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

917

918

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

921
922 **Synodically Authorized Ministers**

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

- 925
- 926 • From a salary perspective, SAMs should be compensated using the **deacon** guidelines or other
927 equivalent employee guidelines used by a congregation.
 - 928 • Consideration should be given to education, degree, life and/or parish experience, and the
929 distance between the SAM’s home and the congregational site(s).
 - 930 • Note: Synodically Authorized Ministers do not receive a Definition of Compensation. If a SAM
931 is contracted to serve, a sample contract may be provided by the Bishop’s Office.
 - 932 ○ See “Guidelines Related to Synodically Authorized or Licensed Ministries” at
933 <http://www.elca.org/About/Churchwide/Office-of-the-Secretary>.
- 934

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

- 936 • Congregations may have other non-rostered (“at will”) employees to consider in terms of
937 compensation packages, including youth leaders, Christian education leaders, choir directors,
938 administrative staff, financial administrators, musicians, custodians, etc.
- 939 • Employee guidelines (including compensation, benefits, time off, etc.) should be established
940 by the congregation for their “at-will” employees. Compensation for these employees will be
941 based on many factors, including:
 - 942 ○ Job responsibilities
 - 943 ○ Employee status (full time; part time)
 - 944 ○ Compensation for comparable jobs in the local area.
 - 945 ▪ The minimum hourly wage as set by the State of Michigan (**\$8.90/hr in 2017; \$9.25/hr**
946 **in 2018**).
- 947 • Specific recommendations for compensation of non-rostered employees are beyond the
948 scope of this document. Congregations having questions regarding appropriate remuneration
949 for youth leaders, Christian education leaders, choir directors, administrative staff, financial
950 administrators, musicians, custodians, etc., can consult relevant resources such as:
 - 951 ○ American Guild of Organists (AGO)
 - 952 ○ Association of Lutheran Church Musicians (ALCM)
 - 953 ○ International Association of Administrative Professionals (IAAP)
 - 954 ○ 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:
 - _____ \$ _____
 - _____ \$ _____

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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. Other professional expenses \$ _____
- 4. Expenses for official meetings of the synod, as reimbursed \$ _____
- 5. Other (_____) \$ _____
- 6. Pay the moving expenses as follows: _____

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 years and serving in the present setting 5 years or more).

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. _____

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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. Other professional expenses \$ _____

4. Expenses for official meetings of the synod, as reimbursed \$ _____

5. Other (_____) \$ _____

6. Pay moving expenses as follows: _____

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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. _____

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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, **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, 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 parish responsibilities. Experience has shown that a congregation'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.

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- 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

- The congregation 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 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.
- The congregation is not responsible to fund the sabbatical in any other way. However, the congregation 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 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 and pastors / **deacons** can plan for financial and ministry adjustments.
- The sabbatical leave plan is to be developed in cooperation with the congregation council. 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 **with** a written reflection on the experience and the implications for the ministry of the congregation and ministry in the parish.
- **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 in the congregation following the sabbatical.
- The congregation council shall evaluate the benefits and costs of the sabbatical as a basis for planning future sabbaticals.