

North/West Lower Michigan Synod

2017 Compensation Guidelines for Pastors, Rostered Lay Leaders, Synodically Authorized Ministers, and Other Staff



**North/West Lower Michigan Synod
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Lansing, MI 48906**

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Preface

The ELCA recognizes four categories for Rostered Leaders. Each rostered person has been fully approved by their Candidacy Committee and called to serve in their respective ministry fields.

- **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.
- **Associates in Ministry** have specialized skills and training in ministries such as education, music and the arts, administration, service and general ministries. They have a B.A. or equivalent or an M.A. in a field appropriate for their primary service area and are commissioned by the ELCA.
- **Deaconesses** are a community of women centered in spiritual and professional growth and support. Primary areas of service include nursing, social work and parish ministry. They have a degree appropriate to their primary service area and are consecrated by the ELCA.
- **Diaconal Ministers** have received theological and practical training for ministry of the Word that is carried out in service beyond the congregations of the ELCA. They may serve through congregations, institutions of the ELCA, or in non-church related organizations. Diaconal Ministers have a Masters level theological degree and are consecrated by the ELCA.

Enclosed are the **2017 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 in establishing compensation packages; they are not intended as any US federal tax advice. Individual rostered leaders 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 in information 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.

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

- General link to IRS On-Line Publications [<http://www.irs.gov/publications/>]
- IRS Topic 417 – Earnings for Clergy [<http://www.irs.gov/taxtopics/tc417.html>]
- IRS Publication 517 - Social Security and Other Information for Members of the Clergy and Religious Workers [<http://www.irs.gov/publications/p517/>]
- With regard to Cost of Living Allowance (COLA), visit the Social Security website at www.ssa.gov (see Frequently Asked Questions; FAQs) or contact your local Chamber of

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79 Commerce. These are very helpful in finding the actual cost of living variances in your
80 specific county.

81 • Since there are many factors in figuring health benefits rates, contact the Portico Benefit
82 Services by phone (800-352-2876) or e-mail (mail@porticobenefits.org) for information
83 and assistance. Additional information, including on-line calculators and forms are
84 available at the following websites:

- 85 ○ Portico Benefit Services Employer Page: <https://employerlink.porticobenefits.org>
- 86 ○ Portico Benefits Cost Calculator Tool:
87 <https://employerlink.porticobenefits.org/Resources/Calculators/BenefitsCostCalculator.aspx>

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

89

90 These synod guidelines are maintained and updated annually by the Executive Committee of
91 Synod Council in partnership with the Assistant to the Bishop for Congregational & Leadership
92 Excellence. Changes to the guidelines are **forwarded by Synod Council for approval at Synod**
93 **Assembly** and the final document is publicized on the synod website (www.mittensynod.org)
94 for on-going reference. These annual guidelines include recommended increases to base
95 salaries based on cost of living and other strategic inputs along with changes to general
96 guidelines for reimbursements and time off to ensure consistency with other synods in our
97 region. Merit based increases also continue to be encouraged where appropriate based on an
98 individual congregation's overall compensation package and a pastor's role and responsibilities
99 within his or her congregation.

100

101

102

103 **I. Compensation for Regular Full-Time, Regular Part-Time, and**
104 **Limited Part-Time Pastors**

105
106 These guidelines are applicable to pastors who are in positions designated as regular full-time
107 (benefit eligible), regular part-time (benefit eligible; less-than-full-time, but regularly scheduled
108 to work more than 20 hours per week), or limited part-time (generally not eligible to participate
109 in benefits unless specifically indicated otherwise; regularly scheduled to work less than 20
110 hours per week). Guidelines for pastors in contracted, supply, or interim positions are provided
111 in Section II.

112
113 A pastor assumes many responsibilities – they are preachers, evangelists, administrators,
114 teachers, counselors and leaders. The ELCA requires eight years of study (including a Bachelor’s
115 and Master of Divinity degrees) as a part of the preparation for ordained ministry.
116 Compensation for pastors should be comparable to professional positions of equal
117 responsibility, education, and time commitment.

118
119 Adequate compensation enables a pastor to fulfill responsibilities and obligations, encourages
120 vocational satisfaction, and encourages a pastor’s best efforts and gifts. Congregations and our
121 synod have an obligation to review compensation plans annually. We also expect pastors to
122 take initiatives in seeking annual reviews of compensation.

123
124 Inadequate compensation may result in discouragement and dissatisfaction. This sometimes
125 occurs as a pastor’s family cannot maintain financial stability, as negative attitudes toward the
126 congregation and church begin, or as an inability to participate in continuing education
127 programs. Inadequate compensation means low contributions to retirement plans, which leads
128 to inadequate retirement income. All of these realities increase the occurrence of resignations
129 from ordained ministry, make it more challenging to recruit able candidates to our synod, and
130 can create a poor image of the church in our communities.

131
132 Our synod recognizes there are pastors and congregations who, for a variety of reasons, move
133 forward with salaries that are below the synod’s recommended minimum guidelines. We
134 caution these pastors and congregations, however, that they are doing disservice to the
135 congregation, other pastors, and pastoral successors by allowing the compensation package to
136 remain below recommended minimum guidelines. In such situations, the congregation, pastor,
137 and bishop’s office should work together to develop a short-term (2-3 year) plan to move
138 toward minimum guidelines and/or implement other support strategies.

139
140 A Statement of Compensation, Benefits and Responsibilities form (Appendix A) should be
141 completed and submitted to the bishop’s office annually. Links to information from the IRS and
142 Portico Benefits Services are provided in the Preface section of this document for reference.

143
144

145 **A. Base Compensation**

146

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

148 The base salary for **Ordained Ministers** (pastors) is determined using the following factors:

- 149 • The 2016 Yearly Suggested Base Salary Grid for Clergy or Cost of Living Increase based
150 on their current base salary, whichever is greater
- 151 • Other factors to be considered (not an inclusive list):
- 152 ○ earned merit or performance
 - 153 ○ education (either advanced or specialized)
 - 154 ○ educational debt
 - 155 ○ prior experience of second career candidates
 - 156 ○ length of time in the parish
 - 157 ○ breadth and complexity of responsibilities
 - 158 ○ financial ability of the congregation
 - 159 ○ other factors identified by the congregation/pastor
 - 160 ○ housing allowance (changes up or down can impact base salary; see below)
- 161 • Base salary does not include:
- 162 ○ Housing, utilities, or other such items
 - 163 ○ car allowance
 - 164 ○ continuing education allowance
 - 165 ○ pension and insurance benefits
 - 166 ○ honorariums or other fees received for weddings, funerals, and outside speaking
167 engagements
- 168 • Income received by a spouse is not a consideration when establishing base salary
- 169

170 **Changes for 2016 for Recommended Base Salaries for Pastors:**

- 171 • All changes are applied to the recommended base salary for 0-1 years of service which is
172 the starting point for all other “Years of Service” recommendations. **For pastors, “Years
173 of Service” equals “Years of Experience” as an ordained pastor.**
- 174 • Recommended base salaries for **2017** are adjusted based on the following:
- 175 ○ **Cost of Living Allowance (COLA):** The most recent COLA increase of **1.7%** (2015)
176 was used to establish the 2016 **and 2017** guidelines. Information on COLA can be
177 found at <http://www.socialsecurity.gov/news/cola/> (keyword COLA).
 - 178 ○ **Region 6 Assessment:** **In 2015**, the recommended base salary for 0-1 years of
179 service included a strategic adjustment (increase) of \$2000 to obtain consistency
180 between the synod’s base salaries and other synods in our region (ELCA Region 6). It
181 is recognized that some congregations may not be able to fully include this strategic
182 increase in their pastor’s compensation package in a single calendar year. If this is
183 the case, it is recommended that congregations develop a 2- to 3-year plan (in
184 consultation with the bishop as needed) to gradually bring a pastor’s compensation
185 package in line with the minimum base salary recommendation.

186

187

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188 **2017 Yearly Suggested Base Salary Grid for Pastors**

189 These figures are minimum base salaries based on a regular full-time call and assume the pastor
190 will receive a housing allowance or parsonage in addition to the base salary. Salaries for regular
191 part-time or limited part-time calls should be based on a corresponding percentage of these
192 guidelines.
193

Years of Service	Recommended Base Salary
0-1	35,700
2	36,200
3	36,700
4	37,200
5	37,700
6	38,200
7	38,700
8	39,200
9	39,700
10	40,200
11	40,700
12	41,200
13	41,700
14	42,200
15	42,700
16+*	43,400*

194 *For over 15 years of service, a minimum of \$700 should be added for each additional year of service.
195

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

197 In consideration of pastors and other rostered leaders whose work (i.e., performance) meets or
198 exceed expectations and the congregation's goals for ministry, congregations are encouraged
199 to consider appropriate merit increases (typically 1-3%) in addition to the cost of living increase
200 each year.
201

202 **Housing (A-3)**

203 Housing provided for a pastor should be comparable to at least the average home in the
204 congregation and community. The congregation should provide either a suitable parsonage or
205 a housing allowance.
206

- 207 • Parsonage

- 208 ○ If a parsonage is provided, the congregation should assume all costs for
209 maintenance and utilities (except for personal long distance phone charges).
- 210 ○ It is important that parsonages be sufficiently maintained. An annual walk-
211 through of the parsonage by the council or delegate team is advised to note the

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- 212 general condition of the home and plan for regular maintenance or other
213 improvements.
- 214 ○ Equity Allowance Plan (Housing Equity Allowance)
 - 215 ■ This plan is intended to provide for the needs of pastors who live in
216 parsonages and therefore cannot build equity in a home. Pastors in this
217 situation often come to retirement with limited savings and have
218 difficulty providing housing for themselves and their spouses on limited
219 retirement income once a parsonage is no longer available.
 - 220 ■ When a pastor lives in a parsonage provided by the congregation, the
221 congregation should increase its contribution to the pastor's pension plan
222 by at least **an additional 3%** of the base salary.
- 224 ● Housing Allowance
 - 225 ○ If a parsonage is not provided, a housing allowance is required. If a housing
226 allowance is provided, the congregation council (or equivalent leadership team)
227 must designate it prior to January 1 of the year it is to be received. There must
228 be written documentation and it must be provided in the congregation council
229 (or equivalent) minutes.
 - 230 ○ The housing allowance should be **at least 30%** of the minimum base salary to
231 cover expenses including mortgage payments (interest and principal) or rental
232 payments, taxes, and fire and home liability insurance premiums, and utility
233 costs. The only expenses specifically excluded by the regulations are those for
234 food and maid service. Congregations should consider the average median
235 home value found in the local area (i.e., based on zip code, etc.).
 - 236 ○ Once the Base Salary and Housing Allowance are set, pastors can choose to
237 adjust (increase or decrease) the Housing Allowance with accompanying increase
238 or decrease to the Base Salary. The total sum of Base Salary + Housing
239 Allowance should remain constant if adjustment to the Housing Allowance is
240 made. It is suggested that congregations keep detailed documentation of any
241 adjustments made to ensure future increases or changes are made with
242 knowledge of the actual Base Salary amount.

244 **Parsonage vs. Housing Allowance**

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

- 249 ● Parsonage
 - 250 ○ The pastor could be more mobile and would not have to give thought to
251 the direct responsibilities of personal home ownership (e.g., mortgage
252 payments, maintenance, taxes, insurances, etc.)
 - 253 ○ The congregation will have housing available immediately for a new
254 pastor and will have the advantage of equity.

255

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- 256 • Home Ownership
- 257 ○ Allows the pastor to select a location and build equity, providing a hedge
- 258 against inflation.
- 259 ○ The congregation does not have the responsibility of maintenance, taxes,
- 260 insurance, etc.

261

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

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

269

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

276

277 **Minimum Defined Base Compensation**

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

280

281 Example: For a First Call Pastor with 0-1 **years of experience as an ordained pastor**, the
282 minimum defined base compensation targeted based on the guidelines would be **\$35,700**
283 (targeted base salary) + **\$10,710** (targeted housing at 30% base salary) + **\$3,550** (Social Security
284 Allowance at 7.65% of base salary + housing) equaling (=) **\$49,960**.

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

293

294

295 **B. Pension and Insurance Benefits**

296
297 **Pension (B-1)**

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

304
305 Beginning in 1995, members who have medical/dental insurance through another employer-
306 provided plan (i.e., spouse, or former employer) may waive the medical and dental portion of
307 the Portico plan. However, the congregation would still be responsible for Disability and
308 Retiree Support.

309
310 Portico Benefit Services Pension Plan

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

313
314 Predecessor church (ALC, LCA, AELC) plan members with continuous participation since 1987:

315

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

319

320
321 Note: Congregations may choose to remit contributions at a higher level by making additional
322 pension contributions for members.

323
324 **Pretax Contribution Agreement (Optional Pension Payments)**

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

329

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

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

334

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

342

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

- 345 • The choice of the level of coverage (platinum, gold, silver, or bronze)
- 346 • Factoring in the age of the insured
- 347 • The obligation to offer healthcare benefits to all full time employees (ordained and lay)

348

349 What remains the same:

- 350 • ELCA guidelines for historical insurance coverage most closely match the "gold" level in
351 the new Portico plan. Since the "gold" level most closely matches previous years'
352 standard insurance, congregations are strongly encouraged to maintain this level of
353 insurance.
 - 354 ○ NOTE: If you are concerned about the congregation's ability to provide coverage
355 at the gold level, please notify the Bishop's office as soon as possible.
- 356 • Coverage is "portable;" that is, it travels with the insured from call to call and state to
357 state without beginning from zero in the new place.
- 358 • It is still possible to opt out of Portico Health Coverage, provided there is other
359 employer-sponsored healthcare available with the congregation determining
360 appropriate adjustments to the base compensation or other benefits (i.e., pension).
- 361 • Rates are based on the member's coverage level. There are four coverage levels and
362 each level has an established minimum and maximum contribution: Member Only;
363 Member and Spouse; Member and Children; Member, Spouse, and Children

364

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

368

369 **Sponsored Couples**

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

372

373

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374 **Portico Benefit Services**

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

378

379 **Disability**

380 In the event of a pastor's disability, it is recommended that the congregation continue to pay
381 the full salary for the first sixty (60) days of disability, until the disability benefits of the ELCA
382 Pension Plan take effect.

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

389

390 **C. Expenses**

391

392 **Automobile (C-1)**

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

- 394 • Reimburse the pastor for actual miles driven in service of the congregation (up to an
395 annual designated amount set by the congregation).
 - 396 ○ This can be done on a cents per mile basis. Such reimbursement should be
397 consistent with the current IRS rate (i.e., **54 cents/mile in 2016**; www.irs.gov)
- 398 • Pay the pastor a fixed amount in equal monthly installments for the year.
 - 399 ○ This is generally the least complicated way to handle the matter, but not the
400 most favorable way when dealing with taxes.
 - 401 ○ If used, income per month needs to be added to salary at year-end.
- 402 • A congregation may also buy or lease a vehicle and assume the total cost of operation.
403 Experience indicates that unless the vehicle is driven more than 30,000 miles annually,
404 ownership is not the most cost efficient option.

405

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

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

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

414

415

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416 Professional Expenses (C-3)

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

420

421 Computers and Cell Phones (C-5)

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

424

425 Computers

426 • A computer system provided by the congregation for the pastor's use remains the
427 property of the congregation (including all information stored on the computer) and is
428 to be treated as a business expense that is not taxable to the pastor.

429 • A computer system purchased by the pastor is NOT a deductible business expense, even
430 when used for business purposes.

431 Cell Phones

432 • A cell phone provided by the congregation for the pastor's use remains the property of
433 the congregation and is a non-taxable business expense if the council minutes state it is
434 primarily provided for non-compensatory business reasons (such as the need to be
435 accessible at all time for work-related emergencies).

436 • The pastor may be provided with a non-taxable cell phone reimbursement if council
437 minutes state that the pastor is required to maintain a personal cell phone for non-
438 compensatory business reasons and the reimbursement amount does not exceed
439 reasonable business needs (i.e., reimbursement covers the basic monthly plan, not the
440 family plan for extra minutes).

441

442 Moving Expenses (C-6)

443 • Moving expenses normally are paid in full by the calling congregation.

444 • It is recommended that the pastor submit three estimates to the congregation.

445

446 D. Paid Time Off

447

448 Weekly Time Off

449 • Pastors are responsible for setting their schedules to meet the needs and expectations
450 of their call. Pastors, like anyone else, need time off from work to replenish and re-
451 energize. Congregations should ensure that each pastor has the equivalent of **two full**
452 **days off** per week. The pastor's weekly schedule (days/hours) may be negotiated as
453 necessary.

454 • For the well-being of the pastor and health of the congregation, it is suggested that his
455 or her schedule generally **not exceed 50 hours** in a work week. If longer work weeks are
456 more the "norm" rather than the exception, congregation councils (or equivalent) are
457 encouraged to partner with the pastor to assess alternate resource options, including
458 items such as:

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- 459 ○ determining if sufficient need and capacity (financial and otherwise) is in place to
- 460 warrant calling another rostered leader to serve the congregation
- 461 ○ identifying possible opportunities for appropriate delegation of responsibility to
- 462 staff members or lay leaders
- 463 ○ ensuring effective time management strategies are being utilized
- 464 ○ identifying responsibilities that are lower priority and could be done at a reduced
- 465 frequency or discontinued
- 466 ○ review, prioritization, and possible adjustment to expectations set forth within
- 467 the call (done in consultation with the synodical bishop)
- 468

469 **Vacation (D-1)**

- 470 ● Vacation time is **four weeks** (including four Sundays)
- 471 ● Attendance at official Synod or Churchwide assemblies, conferences, and continuing
- 472 education are not considered vacation time.
- 473 ● Additional discussion and clarification should be made regarding days off, provision for
- 474 national holidays, other small blocks of “off” time, whether unused time is carried over
- 475 to the next year, and whether unused time is paid out at the end of the call.
- 476

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

478 In order to update skills and thereby strengthen ministries, pastors are encouraged to enroll in
479 courses of advanced study as such activities improve and build ministry. The ELCA expects a
480 minimum of 50 contact hours annually in continuing education. A contact hour is defined as a
481 typical 50-minute classroom instructional session or equivalent. These experiences are to be
482 taken with colleagues and under responsible sponsorship, capable directors, and qualified
483 instructors, and should be pre-approved by the congregation council or equivalent.

- 484 ● Pastors are encouraged to work with their congregation council annually in planning,
485 reviewing and recording continuing education activities and hours. These continuing
486 education endeavors are also to be reported annually to the Synodical Bishop.
- 487 ● It is recommended that each congregation annually budget a **minimum of \$1000** and
488 **two weeks per year** for a pastor’s continuing education. This should include a
489 maximum of two Sundays if required for travel or conference time.
 - 490 ○ Accumulation of time and funds to permit flexibility may be negotiated between
 - 491 the pastor and congregation council. Accumulation over a 2-year or 3-year
 - 492 period is suggested.
 - 493 ○ The scheduling of continuing education should be determined by the pastor in
 - 494 consultation with the congregation council. As appropriate, the synodical bishop
 - 495 can also be consulted.
 - 496 ○ Official meetings of the synod such as Synod Assembly, Churchwide Assembly,
 - 497 conference meetings, or other leadership events are not included as continuing
 - 498 education.
 - 499

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- 500
- First Call Pastors are required to participate in First Call Theological Education (FCTE) for the first three years of ministry. FCTE includes but is not limited to a Fall Retreat (2-3 days) and a Spring Retreat (2-3 days).
- 501
- Congregations should work with first call pastors to determine other continuing education experiences for the growth of the pastor and the congregation.
- 502
- A First Call Theological Education Covenant shall be discussed and completed by the Pastor, Council President, and Assistant to the Bishop.
- 503
- 504
- 505
- 506
- 507

Sick Leave (D-4)

- 508
- Sick Leave should be provided for **up to six weeks per year** with full salary, housing, and benefits.
- 509
- This is not accumulated and should not be abused. This is not an entitlement.
- 510
- Provision may be made for further unpaid time for disability recovery as agreed upon by the congregation, but with a stipulation that unused accumulated sick leave will not be compensated at the end of the Call.
- 511
- 512
- 513
- 514
- 515

Maternity Leave (D-5)

- 516
- Provisions for maternity leave shall include **up to six consecutive weeks** (including Sundays) with full salary, housing and benefits.
- 517
- If a longer leave is sought by the pastor but not medically required, additional time may be negotiated by the pastor with the congregation council and provisions should be made for appropriate reduction in salary and other compensation.
- 518
- If a longer leave is medically required, it should be handled as any other disability.
- 519
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Paternity Leave/Adoptive Parental Leave (D-5)

- 524
- Provisions for paternity leave and adoptive parental leave shall include up to six consecutive weeks (including Sundays) with full salary, housing and benefits.
- 525
- Because of special concerns or needs, additional time may be negotiated by the pastor with the congregation council and provisions should be made for appropriate reduction in salary and other compensation, with appropriate documentation and approval by the congregation council.
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Parenting Leave (D-6)

- 532
- Parenting leave is directed towards illness (such as spouse, child, or parent) or other special needs. Such leave should include up to six weeks (including Sundays) full salary, housing, and benefits with appropriate documentation and approval by the congregation council.
- 533
- Because of special concerns or needs, additional time may be negotiated by the pastor with the congregation council and provisions should be made for appropriate reduction in salary and other compensation, with appropriate documentation and approval by the congregation council.
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North/West Lower Michigan Synod - 2017 Compensation Guidelines

543 **Leave of Absence**

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

546

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

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

554

555

556

557 **II. Compensation for Contracted, Supply, and Intentional Interim**

558 **Pastors**

559

560 Pastors in regular part-time or limited part-time calls should refer to Section I for compensation

561 guidelines.

562

563 **Pastors Under Contract**

564 In those instances where a congregation contracts for services of a pastor on a daily (eight-

565 hour day) basis, the recommended compensation is:

- 566 • \$200 per day plus expenses
 - 567 ○ Meals and mileage at the current IRS rate (i.e., 54 cents/mile in 2016).
- 568 • If a full day is not required, a congregation may contract based on an hourly rate of \$25
- 569 per hour, with minimum pay of two hours or \$50.

570

571 **Supply Pastors**

572 Compensation for supply preaching (including sermon preparation, travel time, fellowship and

573 worship time) should be as follows:

- 574 • \$150 for one worship service
- 575 • \$50 for each additional worship service
- 576 • Mileage at the current IRS rate (i.e., 54 cents/mile in 2016)
- 577 • When an additional worship service is scheduled for Saturday or Sunday evening, the
- 578 congregation is also responsible for supplying overnight lodging upon the request of the
- 579 supply pastor.
- 580 • The congregation may also compensate the supply pastor for meals while in town.
- 581 • When services are not held on consecutive days, the supply preacher will be
- 582 compensated each day as a separate event.

583

584

North/West Lower Michigan Synod - 2017 Compensation Guidelines

585 Intentional Interim Pastors

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

590

591 • **Base Compensation**

592 ○ Whenever possible, the Base Salary will conform to the 2017 Yearly Suggested
593 Base Salary Grid for Pastors (Section I), according to the interim pastor's years of
594 service.

595 ○ A Housing Allowance equal to 30% of the Base Salary or as agreed upon with
596 pastor (the pastor may allocate some salary to housing). Alternatively, housing
597 may be provided by the congregation as negotiated with the interim pastor.

598 ○ A self-employed Social Security payment allowance will be provided.

599 • **Pension and Insurance Benefits**

600 ○ The congregation will sponsor the pastor in the Pension and Other Benefits
601 Program of the ELCA, including health, retirement, disability, and retiree support
602 (see Section I).

603 ○ The pastor may choose to waive health coverage if he or she has coverage from
604 another source.

605 • **Expenses**

606 ○ If the pastor will be commuting more than forty miles (one way), the
607 congregation is encouraged to provide additional salary to offset the additional
608 expense of a lengthy commute. Mileage from home to office is not a
609 reimbursable business expense.

610 ○ The congregation will reimburse the pastor for miles driven in service to the
611 congregation in accordance with IRS guidelines (i.e., 54 cents/mile in 2016;
612 www.irs.gov) up to an established maximum number of miles.

613 ○ The congregation will pay for the pastor's attendance at official synod meetings.

614 ○ A continuing education allowance shall accrue at the rate of \$83.33 per month.
615 The pastor shall also accrue one day per month paid leave of absence to attend
616 continuing education. Any unused time and funds will move with the pastor to
617 the next appointment.

618 ○ If the pastor will be lodging overnight in the community served, the congregation
619 will provide for suitable lodging.

620 • **Paid Time Off**

621 ○ Vacation with pay shall accumulate at the rate of one week (including one
622 Sunday) for every 3 months of service. Some or all of the earned vacation may
623 be taken at the conclusion of the pastor's term of service.

624 ○ Sick leave with pay shall accumulate at the rate of one day for every month
625 served, cumulative to 30 days of sick leave. Unused accumulated sick leave will
626 not be compensated at the end of the Call.

627 ○ Short-term or long-term disability concerns shall be handled according to Portico
628 guidelines.

629 **III. Compensation for Associates in Ministry, Deaconesses, and**
630 **Diaconal Ministers Under Call (Rostered Lay Leaders)**

631
632 Associates in ministry, diaconal ministers, and deaconesses come to our synod and
633 congregations with varied skills and experiences and as a result, may assume many different
634 responsibilities. Job descriptions vary and are developed by the congregation. The ELCA
635 requires specialized training for certification as an associate in ministry, diaconal minister or
636 deaconess (hereafter referred to as rostered lay leader). Compensation for these rostered lay
637 leaders should be comparable to professional positions of equal responsibility and training
638 within a congregation's region or within the synod. Adequate compensation enables these
639 rostered lay leaders to fulfill responsibilities and obligations, encourages vocational satisfaction,
640 and encourages a rostered lay leader's best efforts and gifts. Congregations and our synod
641 have an obligation to review compensation plans annually. We also expect rostered lay leaders
642 to take initiatives in seeking an annual review of compensation.

643
644 Inadequate compensation may result in discouragement and dissatisfaction. This sometimes
645 occurs as a rostered lay leader's family cannot maintain financial stability, as negative attitudes
646 toward the congregation and church begin, or as an inability to participate in continuing
647 education programs. Inadequate compensation means low contributions to retirement plans,
648 which leads to inadequate retirement income. All of these realities increase the occurrence of
649 resignations from rostered lay ministry, make it more challenging to recruit able candidates to
650 our synod, and can create a poor image of the church in our communities.

651
652 Our synod recognizes there are rostered lay leaders and congregations who, for a variety of
653 reasons, choose to be content with salaries that are below the synod recommended minimum
654 guidelines. We caution these rostered lay leaders and congregations, however, that they are
655 doing disservice to the congregation, other rostered lay leaders, and successors by allowing the
656 compensation package to remain below recommended minimum guidelines. In such situations,
657 the congregation, rostered lay leader, and bishop's office should work together to implement
658 other support strategies.

659
660 A Statement of Compensation, Benefits and Responsibilities form for Rostered Lay Leaders
661 (Appendix B) should be completed and submitted to the bishop's office annually. Letters and
662 numbers in this document correspond to that form. Links to information from the IRS and
663 Portico Benefits Services are provided in the Preface section of this document for reference.

664
665

666 **A. Base Compensation**

667

668 In establishing the salary package for the rostered lay leader, the following criteria are to be
669 considered:

- 670 • Education (degree or non-degree)
- 671 • Length & breadth of experience*
- 672 • Full-time/Part-time
- 673 • Certification by ELCA or predecessor church bodies
- 674 • Quality of performance
- 675 • Job description / complexity of responsibilities
- 676 • Involvement in continuing education
- 677 • Cost of living in a particular geographical area
- 678 • Educational debt
- 679 • Compensation for comparable level positions in the community or geographical area

680

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

684

685 **Changes for 2017 for Recommended Base Salaries for Rostered Lay Leaders:**

- 686 • All changes are applied to the recommended base salary for 0-5 years of service which is
687 the starting point for all other “Years of Service” recommendations. **For rostered lay**
688 **leaders, “Years of Service” equals “Years of Experience” as a rostered lay leader (with**
689 **appropriate credit given for prior employment experience as noted above).**
- 690 • Recommended base salaries for 2017 are adjusted based on the following:
 - 691 ○ **Cost of Living Allowance (COLA):** The most recent COL increase of **1.7%** (2015) was
692 used to establish the 2016 **and 2017** guidelines. Information on COLA can be found
693 at <http://www.socialsecurity.gov/news/cola/> (keyword COLA).
 - 694 ○ **Region 6 Assessment:** **In 2016**, the recommended base salary for 0-5 years of
695 service **included** a strategic increase of \$2000 to bring the synod’s base salaries for
696 rostered lay leaders in line with (and thereby competitive with) nearby synods **in our**
697 **region (ELCA Region 6)**. It is recognized that some congregations may not be able to
698 fully include this strategic increase in their rostered lay leader’s compensation
699 package in a single calendar year. If this is the case, it is recommended that a 2- to
700 3-year plan is developed to ensure steps are taken to bring compensation packages
701 for full-time or part-time rostered lay leaders in line with these minimum base salary
702 recommendations.

703

704

North/West Lower Michigan Synod - 2017 Compensation Guidelines

705 **2017 Base Salary Chart for Rostered Lay Leaders**

706

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

710

Years of Service	Recommended Salary
0-5	33,000-35,000
6-10	35,000-37,000
11-15	37,000-39,000
16-20	39,000-41,000
20+	41,000-46,000

711

712 **Social Security**

713 Federal Tax Code requires congregations to pay for the employer's portion of the Social
714 Security for Associates in Ministry, Deaconesses, and Diaconal Ministers.

715

716 **Housing**

717 Federal Tax Code does not permit a tax-deductible housing allowance for Associates in Ministry,
718 Deaconesses, and Diaconal Ministers (rostered lay leaders).

719

720 **B. Pension and Insurance Benefits**

721

722 **Pension and Health Insurance**

723 Pension and insurance plans are to be provided for all rostered lay leaders employed by
724 congregations who are regularly scheduled to work at least 20 hours per week or for at least 6
725 months per year.

726

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

730

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

738

739

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

- 742 • The choice of the level of coverage (platinum, gold, silver, or bronze)
- 743 • Factoring in the age of the insured
- 744 • The obligation to offer healthcare benefits to all full time employees (ordained and lay)

745
746 What remains the same:

- 747 • ELCA guidelines for historical insurance coverage most closely match the “gold” level in
748 the new Portico plan. Since the “gold” level most closely matches previous years’
749 standard insurance, congregations are strongly encouraged to maintain this level of
750 insurance.
 - 751 ○ NOTE: If you are concerned about the congregation’s ability to provide coverage
752 at the gold level, please notify the Bishop’s office as soon as possible.
- 753 • Coverage is “portable;” that is, it travels with the insured from call to call and state to
754 state without beginning from zero in the new place.
- 755 • It is still possible to opt out of Portico Health Coverage, provided there is other
756 employer-sponsored healthcare available with the congregation determining
757 appropriate adjustments to the base compensation or other benefits (i.e., pension).
- 758 • Rates are based on the member’s coverage level. There are four coverage levels and
759 each level has an established minimum and maximum contribution: Member Only;
760 Member and Spouse; Member and Children; Member, Spouse, and Children

761
762 Contact Portico Benefits Services for information about Pension and Insurance. There are
763 forms available online at <https://porticobenefits.org/>. To report new contact information,
764 change of salary, or end of call, contact Portico directly.

765 766 C. Expenses

767 768 Automobile and Travel (C-1)

769 It is recommended that the congregation reimburse rostered lay leaders for miles driven in
770 service of the congregation.

- 771 • This can be done on a cents per mile basis. Such reimbursement should be consistent
772 with the current IRS rate (i.e., **54 cents/mile in 2016**; www.irs.gov).
- 773 • This can also be done on the basis of specific reimbursement costs. In order to claim the
774 IRS rate the rostered lay leader must own his or her automobile.

775 776 Continuing Education (C-2; D-2; D-3)

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

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

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Professional Expenses (C-3)

The congregation and the rostered lay leader should share professional expenses such as theological books, periodicals, program materials, and other educational materials. Coverage of expenses for official meetings of the synod is required.

Moving Expenses (C-6)

- Moving expenses normally are paid in full by the calling congregation.
- It is recommended that the rostered lay leader submit three estimates to the congregation.

D. Paid Time Off

Weekly Time Off

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

Vacation (D-1)

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

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

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

- 833 • Rostered lay leaders are encouraged to work annually with their congregation council in
834 planning, reviewing and recording their continuing education activities and hours.
835 These continuing education endeavors are also to be reported annually to the synodical
836 bishop.
- 837 • It is also recommended that each congregation annually budget a **minimum of \$700** for
838 rostered lay leaders along with two weeks per year (including Sundays) for travel and/or
839 conference time.
- 840 • Accumulation of time and funds to permit flexibility may be negotiated between the
841 pastor and congregation council. Accumulation over a 2-year or 3-year period is
842 suggested.
- 843 • Official meetings of the synod such as Synod Assembly, Churchwide Assembly,
844 conference meetings, or other leadership events are not included as continuing
845 education.
- 846 • First Call Rostered Lay Leaders are required to participate in First Call Theological
847 Education (FCTE) for the first three years of ministry. FCTE includes but is not limited to
848 a Fall Retreat (2-3 days) and a Spring Retreat (2-3 days).
 - 849 ○ Congregations should work with first call rostered lay leaders to determine other
850 continuing education experiences for the growth of the rostered lay leader and
851 the congregation.
 - 852 ○ A First Call Theological Education Covenant shall be discussed and completed by
853 the Rostered Lay Leader, Council President, and Assistant to the Bishop.

854

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

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

862

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

- 864 ○ Provisions for maternity leave shall include up to six consecutive weeks (including
865 Sundays) with full salary, housing and benefits.
- 866 ○ If a longer leave is sought by the pastor but not medically required, additional time may
867 be negotiated by the pastor with the congregation council and provisions should be
868 made for appropriate reduction in salary and other compensation.

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- 869 ○ If a longer leave is medically required, it should be handled as any other disability.
870

871

Paternity Leave/Adoptive Parental Leave (D-5)

- 872 ○ Provisions for paternity leave and adoptive parental leave shall include up to six
873 consecutive weeks (including Sundays) with full salary, housing and benefits.
874 ○ Because of special concerns or needs, additional time may be negotiated by the pastor
875 with the congregation council and provisions should be made for appropriate reduction
876 in salary and other compensation, with appropriate documentation and approval by the
877 congregation council.
878

879

Parenting Leave (D-6)

- 880 ○ Parenting leave is directed towards illness (such as spouse, child, or parent) or other
881 special needs. Such leave should include up to six weeks (including Sundays) full salary,
882 housing, and benefits with appropriate documentation and approval by the
883 congregation council.
884 ○ Because of special concerns or needs, additional time may be negotiated by the pastor
885 with the congregation council and provisions should be made for appropriate reduction
886 in salary and other compensation, with appropriate documentation and approval by the
887 congregation council.
888

889

Leave of Absence

- 890 ● Congregations and rostered lay leaders are encouraged to formulate a contingency plan
891 in advance for possible leave of absence. If desired, this may be made with synod staff
892 consultation.
893

894

Study/Sabbatical Leave (D-7)

- 895 ● A sabbatical leave offers an extended block of time for study, personal growth, and
896 reflection apart from usual congregational responsibilities.
897 ● A sabbatical is encouraged for full-time rostered lay leaders who have been in their
898 present setting seven years or more.
899 ● See Appendix C (“Sabbatical Policy - North/West Lower Michigan Synod”) for more
900 details.
901

902

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

905
906 **Synodically Authorized Ministers**

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

- 909
- 910 • From a salary perspective, SAMs should be compensated using the rostered lay leader
911 guidelines or other equivalent employee guidelines used by a congregation.
 - 912 • Consideration should be given to education, degree, life and/or parish experience, and
913 the distance between the SAM’s home and the congregational site(s).
 - 914 • Note: Synodically Authorized Ministers do not receive a Definition of Compensation. If
915 a SAM is contracted to serve, a sample contract may be provided by the Bishop’s Office.
 - 916 ○ See “Guidelines Related to Synodically Authorized or Licensed Ministries” at
917 <http://www.elca.org/About/Churchwide/Office-of-the-Secretary>.

918
919 **Other Non-Rostered (“At Will”) Employees**

- 920 • Congregations may have other non-rostered (“at will”) employees to consider in terms
921 of compensation packages, including youth leaders, Christian education leaders, choir
922 directors, administrative staff, financial administrators, musicians, custodians, etc.
- 923 • Employee guidelines (including compensation, benefits, time off, etc.) should be
924 established by the congregation for their “at-will” employees. Compensation for these
925 employees will be based on many factors, including:
 - 926 ○ Job responsibilities
 - 927 ○ Employee status (full time; part time)
 - 928 ○ Compensation for comparable jobs in the local area
 - 929 ○ The current minimum hourly wage as set by the State of Michigan (\$8.50/hr in
930 2016; \$8.90/hr in 2017).
- 931 • Specific recommendations for compensation of non-rostered employees are beyond the
932 scope of this document. Congregations having questions regarding appropriate
933 remuneration for youth leaders, Christian education leaders, choir directors,
934 administrative staff, financial administrators, musicians, custodians, etc., can consult
935 relevant resources such as:
 - 936 ○ American Guild of Organists (AGO)
 - 937 ○ Association of Lutheran Church Musicians (ALCM)
 - 938 ○ International Association of Administrative Professionals (IAAP)
 - 939 ○ Human resources professionals in local congregations or community
940 organizations

Appendix A.

Statement of Compensation, Benefits, and Responsibilities for the Pastor

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. _____

North/West Lower Michigan Synod - 2017 Compensation Guidelines

2. The congregation will encourage this pastor's ministry in the following ways:
- a. Ongoing care through a Mutual Ministry Committee or alternate support model 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
for the Rostered Lay Leader**

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 rostered lay leader 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: _____

North/West Lower Michigan Synod - 2017 Compensation Guidelines

D. Paid Time Off

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

E. Other Provisions

Special emphases of the rostered lay leader and special encouragement by the congregation will include:

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

2. The congregation will encourage this rostered lay leader 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.

Rostered Lay Leader

Congregation President

Date: _____

Date: _____

Note: Retain original in records of congregation. Make a copy for the rostered lay leader. 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, pastors, and rostered lay leaders to realize the importance of life-long continuing education for their leaders 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 rostered lay leader, 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 rostered lay leader to take an extended period of time on sabbatical for renewal, enrichment, study, spiritual growth, travel, skill development and research.
- **Pastors:** 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.
- **Rostered Lay Leaders:** A full-time rostered lay leader shall be eligible for a sabbatical once he or she has completed seven (7) years in the current call. The rostered lay leader 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).

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- Vacation is not to be included as sabbatical time.
- As appropriate, the sabbatical leave may be continuous or split into two blocks of time. If split, both 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 rostered lay leader 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 / rostered lay leaders 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 rostered lay leader shall present the congregation a written reflection on the experience and the implications for the ministry of the congregation and ministry in the parish.
- This written reflection shall be added to the pastor’s or rostered lay leader’s file in the bishop’s office.
- The pastor or rostered lay leader is expected to remain at least one additional year in the parish following the sabbatical.
- The congregation council shall evaluate the benefits and costs of the sabbatical as a basis for planning future sabbaticals.