

# North/West Lower Michigan Synod

## **2023** Compensation Guidelines for Ministers of Word and Sacrament (Pastors), Ministers of Word and Service (Deacons), Synodically Authorized Ministers, and Other Staff



**North/West Lower Michigan Synod  
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The ELCA recognizes two categories for Rostered Ministers: Ministers of Word and Sacrament (Pastors) and Ministers of Word and Service (Deacons). 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 typically have a 4-year Master of Divinity degree and are ordained by the ELCA.
- **Deacons (formerly Associates in Ministry, Deaconesses, or Diaconal Ministers)** have received theological and practical training for the **ministry of Word and Service**. **Deacons** go through the candidacy process of the ELCA before they are ordained 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 **2023 North/West Lower Michigan Synod Compensation Guidelines** for these rostered ministers (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 pastors, 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 (IRS) 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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80 For 2023, these items should be noted:

81 • **2023 ELCA Pension and other Benefits:**

- 82 ○ The standard expectation of this synod is that any congregation or eligible ministry setting  
83 will provide health coverage for the rostered minister and their family, unless the rostered  
84 minister's family is covered elsewhere or chooses to waive coverage.
- 85 ○ To maintain the current level of benefits for rostered leaders and "at will" employees, it  
86 is recommended that congregations of the North/West Lower Michigan Synod (or other  
87 eligible ministry settings) continue to offer the ELCA **Gold+** Pension and other Benefits  
88 plan option in for their employees. The Gold+ plan option most closely resembles  
89 historical ELCA Primary health coverage (prior to moving to the different levels in 2014 –  
90 Gold+, Silver+, etc.). Having all congregations choose the Gold+ plan option will both  
91 continue to care for the health and well-being of all who serve under call or terms of  
92 employment and eliminate many of the variables facing congregations and employees in  
93 the midst of change.
- 94 ○ In some cases, it may benefit the rostered minister to select either the Bronze+ or Silver+  
95 plan which can come with a Health Savings Account (HSA). If this option is desired by the  
96 rostered minister, it should be discussed with the Congregation's Executive Committee  
97 (or similar) before the time of the annual selection and/or noted to the Bishop during a  
98 call process.
- 99 ○ The Portico benefit program is designed to align with the ELCA Philosophy of Benefits. As  
100 such, it is a bundled ("all or nothing") benefit program that combines five benefit plans  
101 together to align with ELCA values and affirm the importance of benefits for the health  
102 and wellness of this church.
- 103 ○ ELCA congregations and other eligible sponsoring employers can participate in the ELCA  
104 Pension and Other Benefits Program, which includes:
- 105 1. ELCA Health Benefits Plan — Health benefits including medical and mental health,  
106 dental, prescription drugs, support services, and wellness programs.
  - 107 2. ELCA Flexible Benefits Plan — Health flexible spending accounts (FSA), dependent  
108 (day) care flexible spending accounts (FSA), health savings accounts (HSA), limited-  
109 purpose flexible spending accounts (FSA), and personal wellness accounts, which can  
110 be used to pay for eligible expenses.
  - 111 3. ELCA Retirement Plan — Sponsoring employers and eligible plan members contribute  
112 to save money for plan members' retirement.
  - 113 4. ELCA Disability Benefits Plan — Provides eligible disabled plan members a monthly  
114 income, health benefits, life insurance, and retirement account contributions.
  - 115 5. ELCA Survivor Benefits Plan — Life insurance to help plan members' beneficiaries with  
116 financial obligations in the event of a death.

117

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118       ○ The Synod recommends that congregations contribute the **12%** retirement rate for  
119       rostered ministers (Pastors and Deacons). This 12% rate should be used whether the  
120       pastor is called full-time or part-time, as this percentage is calculated on their defined  
121       compensation and will therefore reflect a reduced amount if the pastor is not full-time.  
122       Additional retirement contributions can be made by the employee (member pretax). If  
123       the employer chooses to make additional contributions from time to time, they can be  
124       included when paying the regular monthly bill by using the *Explanation of Payment*  
125       included in the monthly billing statement.

126       ● **Increases to Base Salaries for Pastors, Deacons, and Other Staff:** Based on salaries offered  
127       by other synods in our region (ELCA Region 6), the current economic climate, and economic  
128       indicators such as the U.S. Department of Labor Consumer Price Index and Social Security  
129       Administration’s Cost of Living Adjustment (COLA), an increase of **4.5% has been**  
130       **incorporated into the Salary Model used by the North/West Lower MI Synod for both**  
131       **pastors and deacons** to set **minimum** recommendations for **2023**. In addition, each year a  
132       staff person has an additional year of experience that adds value to the shared ministry. This  
133       added experience needs to be considered in providing fair compensation for employees.

134       ● **Bringing Compensation up to Guidelines:** If your congregation’s pastor or other employees  
135       have compensation packages that are below guidelines in terms of applicable base salary,  
136       housing, benefits, etc., a strong, good-faith effort should be made to increase their  
137       compensation to meet synod guidelines. The bishop is available for consultation as a plan to  
138       achieve a fair and competitive compensation package is developed.

139       These synod guidelines are maintained and updated annually by the Executive Committee of  
140       Synod Council. Changes to the **annual** guidelines are forwarded by Synod Council for approval at  
141       Synod Assembly. **Upon adoption, the final document is publicized on the synod website**  
142       **([www.mittensynod.org](http://www.mittensynod.org)) for reference and use in current call processes and for use in planning**  
143       **for annual compensation changes for a rostered minister currently under call. As appropriate,**  
144       **Synod Council has the authority to approve changes to these guidelines between Synod**  
145       **Assemblies.**

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147

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148 The following references are provided for additional consideration:

- 149 • General link to IRS On-Line Publications [<http://www.irs.gov/publications/>]
- 150 • IRS Topic 417 – Earnings for Clergy [<http://www.irs.gov/taxtopics/tc417.html>]
- 151 • IRS Publication 517 - Social Security and Other Information for Members of the Clergy and  
152 Religious Workers [<http://www.irs.gov/publications/p517/>]
- 153 • With regard to Cost of Living Allowance (COLA), visit the Social Security website at  
154 [www.ssa.gov](http://www.ssa.gov) (see Frequently Asked Questions) or contact your local Chamber of Commerce.  
155 These are very helpful in finding the actual cost of living variances in your specific county.
- 156 • Since there are many factors in figuring health benefits rates, contact the Portico Benefit  
157 Services by phone (800-352-2876) or e-mail ([mail@porticobenefits.org](mailto:mail@porticobenefits.org)) for assistance.  
158 Additional information, including on-line calculators and forms are also available:
- 159 ○ Portico Benefit Services Employer Page:  
160 <https://employerlink.porticobenefits.org>
- 161 ○ Portico Benefits Cost Calculator Tool:  
162 <https://employerlink.porticobenefits.org/Resources/Calculators/BenefitsCostCalculator.aspx>
- 163 • The ELCA website ([www.elca.org](http://www.elca.org)) also contains further compensatory information.
- 164 • “[The Need for Clergy Renewal](https://alban.org/archive/the-need-for-clergy-renewal/)”, posted in December 2006 by Alban at Duke Divinity School  
165 (<https://alban.org/archive/the-need-for-clergy-renewal/>)
- 166 • [Clergy Renewal: The Alban Guide to Sabbatical Planning](#) by A. Richard Bullock and Richard J.  
167 Bruesehoff (available at [www.amazon.com](http://www.amazon.com))
- 168 • [Journeying toward Renewal: A Spiritual Companion for Pastoral Sabbaticals](#) by Melissa Bane  
169 Sevier (available at [www.amazon.com](http://www.amazon.com))
- 170 • [Pastor and People: Making Mutual Ministry Work](#) (available at [www.augsburgfortress.org](http://www.augsburgfortress.org))
- 171 • [Our Staff: Building Our Human Resources](#) (available at [www.augsburgfortress.org](http://www.augsburgfortress.org))
- 172 • [Synodically Authorized Ministry Guidelines](#): see the following [www.elca.org](http://www.elca.org) link:  
173 [https://download.elca.org/ELCA%20Resource%20Repository/Guidelines\\_Synodically\\_Authorized\\_Ministries.pdf?\\_ga=2.169978976.1543437135.1591019415-850960564.1568489365](https://download.elca.org/ELCA%20Resource%20Repository/Guidelines_Synodically_Authorized_Ministries.pdf?_ga=2.169978976.1543437135.1591019415-850960564.1568489365)  
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177 **I. Compensation for Full-Time and Part-Time Ministers of Word**  
178 **and Sacrament (Pastors) under Call**

179  
180 These guidelines are applicable to ministers of Word and Sacrament (pastors), who are in  
181 positions designated as full-time and part-time (benefit eligible) under Letter of Call. The ELCA  
182 defines a part-time (benefit eligible) call as less than full time but not less than, on average, 15  
183 hours per week. Work that is less than 15 hours a week (on average) is not benefit eligible and is  
184 arranged by contract rather than via a Letter of Call. Guidelines for pastors in contracted, supply,  
185 or part time interim positions are provided in Section II.

186  
187 A pastor assumes many responsibilities – they are preachers, evangelists, administrators,  
188 teachers, counselors and leaders. The ELCA requires eight years of study (including a Bachelor  
189 and Master of Divinity degrees) as a part of the preparation for ordained ministry. Compensation  
190 for pastors should be comparable to professional positions of equal responsibility, education, and  
191 time commitment.

192  
193 Adequate compensation enables a pastor to fulfill responsibilities and obligations, encourages  
194 vocational satisfaction, and encourages a pastor’s best efforts and gifts. Congregations and our  
195 synod have an obligation to review compensation plans annually. We also expect pastors to take  
196 initiatives in seeking annual reviews of compensation.

197  
198 Inadequate compensation may result in discouragement and dissatisfaction. This sometimes  
199 occurs as a pastor’s family cannot maintain financial stability, as negative attitudes toward the  
200 congregation and church begin, or as an inability to participate in continuing education programs.  
201 Inadequate compensation means low contributions to retirement plans, which leads to  
202 inadequate retirement income. All of these realities increase the occurrence of resignations from  
203 ordained ministry, make it more challenging to recruit able candidates to our synod, and can  
204 create a poor image of the church in our communities.

205  
206 Our synod recognizes there are pastors and congregations who, for a variety of reasons, move  
207 forward with salaries that are below the synod’s recommended minimum guidelines. As an  
208 example, healthcare costs through Portico increase each year – typically between 2-5%. These  
209 increasing costs may make it difficult for congregations to maintain health coverage for their  
210 rostered minister and family AND offer an increase in base salary. We caution these pastors and  
211 congregations, however, that they are doing disservice to the congregation, other pastors, and  
212 pastoral successors by allowing the compensation package to remain below recommended  
213 minimum guidelines for an extended period. In such situations, the congregation, pastor, and  
214 bishop’s office should work together to develop a short-term (2-3 year) plan to move toward  
215 minimum guidelines and implement other ways to compensate and care for the pastor in the  
216 interim period. Ideas include:

- 217 • An extra week of vacation per year.
- 218 • An extra week of continuing education or study time.

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- 219 • A monthly study day, during which the pastor would be unavailable and would use that  
220 time to pray, read scripture, explore a topic that would benefit ministry, etc. This would  
221 NOT be a vacation day, but it would be a valuable time of renewal for the pastor.  
222 • Ask your pastor what would be most helpful in her/his ministry and how the congregation  
223 can help.  
224

225 A Statement of Compensation, Benefits and Responsibilities form (Appendix A) should be  
226 completed and submitted to the bishop's office annually. Links to information from the IRS and  
227 Portico Benefits Services are provided in the Preface section of this document for reference.  
228

### 229 **A. Base Compensation**

#### 230 **Base Salary (Appendix A, Section A-1)**

231 The base salary for ministers of Word and Sacrament (clergy) is determined using the following  
232 considerations:  
233

- 234 • The 2023 Yearly **Minimum** Base Salary Grid for Pastors ([see below](#))  
235 • Performance evaluation to include **an overview** of duties performed during the year, scope  
236 of responsibility, any expanded ministries, meeting the objectives of the **Call**, etc.  
237     ○ [Pastor and People: Making Mutual Ministry Work](#) (available from  
238 [www.augsburgfortress.org](http://www.augsburgfortress.org)) has a section on Performance Reviews that may be helpful.  
239 • Other factors to be considered include items such as:  
240     ○ education (either advanced or specialized)  
241     ○ educational debt  
242     ○ prior experience of second career candidates  
243     ○ length of time in the call  
244     ○ breadth and complexity of **on-going and/or future** responsibilities  
245     ○ salaries of similar professionals in the current job market/local area  
246     ○ **cost of living in the local area**  
247     ○ financial ability of the congregation  
248     ○ other factors identified by the congregation/pastor  
249     ○ housing allowance (changes up or down can impact base salary; see below)  
250 • Base salary does not include:  
251     ○ Housing, utilities, car allowance, or other such items  
252     ○ continuing education allowance  
253     ○ pension and insurance benefits  
254     ○ fees received for weddings, funerals, and outside speaking engagements  
255 • Income received by a spouse is not a consideration when establishing base salary  
256  
257



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### 258 Changes to Recommended Base Salaries for Pastors:

- 259 • A **4.5% increase to the Base Salary Model for 2023** is recommended based on the following:
- 260 ○ **Cost of Living Allowance (COLA):** The most recent COLA increases were **5.9% (2022)**,
- 261 **1.3%** (2021), and **1.6%** (2020) (see <http://www.socialsecurity.gov/news/cola/> (keyword
- 262 COLA).
- 263 • **ELCA Region 6 Assessment:** An assessment of **2022** Compensation Guidelines across all
- 264 synods in Region 6 was conducted – **comparing Pastor base salaries only**. For **2023**, the
- 265 **recommended %** increase to the base salary model **provides** continued consistency and
- 266 competitiveness between our synod’s base salaries and those of other synods in our
- 267 region to ensure fair compensation for rostered leaders and to support congregations in
- 268 attracting new and/or keeping experienced rostered leaders to our synod within
- 269 competitive Call processes.
- 270 • It is recognized that some congregations may not be able to fully include this strategic
- 271 increase in their pastor’s compensation package in a single calendar year. If this is the case,
- 272 it is recommended that congregations develop a multi-year plan (in consultation with the
- 273 bishop as needed) to gradually bring a pastor’s compensation package in line with the
- 274 minimum base salary recommendations.

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### 277 **2023 Minimum Base Salary Recommendations for Ministers of Word and Sacrament (Pastors)**

278 These figures are minimum base salaries based on a full-time call and assume the pastor will  
279 receive a housing allowance or parsonage in addition to the base salary. Salaries for part-time  
280 calls should be based on a corresponding percentage of these guidelines. A full-time call is based  
281 on 50 hours/week (on average). Congregations cannot change a pastor's call more than 10%  
282 without consulting the bishop and issuing a new Letter of Call.

283

Years of Service *	Recommended Minimum Base Salary (\$) **
0-1	42,240
2	42,740
3	43,240
4	43,740
5	44,240
6	44,740
7	45,240
8	45,740
9	46,240
10	46,740
11	47,240
12	47,740
13	48,240
14	48,740
15	49,240
16+	49,740 **

284 \* For pastors, "Years of Service" equals "Years of Experience" as a minister of Word and Sacrament  
285 (with credit given for prior employment experience as appropriate).

286 \*\* NWLM Salary Model for Pastors: The annual increase of 4.5% was applied to the base salary for 0  
287 Years of Service; add \$500 for each Year of Service through 16 years; add \$700 for each Year of Service  
288 for 17 years and beyond.

289

### 290 **Merit Based Raise (Appendix A, Section A-2)**

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

294

### 295 **Housing (Appendix A, Section A-3)**

296 Housing provided for a Minister of Word & Service (Pastor) should be comparable to at least the  
297 average home in the congregation and community. The congregation should provide either a  
298 suitable parsonage or a housing allowance.

299

300

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- 301 • Parsonage
- 302 ○ A pastor may prefer to live in a parsonage rather than owning a home. If a parsonage is
- 303 provided, the congregation should assume all costs for maintenance and utilities (except
- 304 for personal long-distance phone charges).
- 305 ○ It is important that parsonages be sufficiently maintained. An annual walk-through of the
- 306 parsonage by the council or delegate team is advised to note the general condition of the
- 307 home and plan for regular maintenance or other improvements.
- 308 ○ Equity Allowance Plan (Housing Equity Allowance)
- 309 ■ This plan is intended to provide for the needs of pastors who live in parsonages and
- 310 therefore cannot build equity in a home. Pastors in this situation often come to
- 311 retirement with limited savings and have difficulty providing housing for themselves
- 312 and their spouses on limited retirement income once a parsonage is no longer
- 313 available.
- 314 ■ When a pastor lives in a parsonage provided by the congregation, the congregation
- 315 should increase its contribution to the pastor's pension plan by at least **an additional**
- 316 **3%** of the base salary.
- 317
- 318 • Housing Allowance
- 319 ○ If a parsonage is not provided or a pastor prefers to own their own home, he or she may
- 320 request that a portion of his or her total annual compensation be designated as a housing
- 321 allowance, in accordance with Internal Revenue Service (IRS) regulations (see IRS
- 322 Publication 517, "Social Security and Other Information for Members of the Clergy and
- 323 Religious Workers"). The employee assumes full responsibility for compliance with IRS
- 324 definitions of "costs to provide a home".
- 325 ○ The housing allowance is recommended to be equivalent to **at least 30%** of the minimum
- 326 base salary to cover "costs to provide a home" including mortgage payments (interest
- 327 and principal) or rental payments, related taxes, fire and home liability insurance
- 328 premiums, utility costs, repairs, and other expenses directly relating to providing a home.
- 329 The only expenses specifically excluded by the regulations are those for food and cleaning
- 330 service. The housing allowance is not part of the base salary – the base salary plus the
- 331 housing allowance are two separate parts of the overall Base Compensation (see
- 332 Appendix A, Section A).
- 333 ○ Once the Base Salary and Housing Allowance are set, pastors can choose to adjust
- 334 (increase or decrease) the Housing Allowance with accompanying increase or decrease to
- 335 the Base Salary. The total sum of Base Salary + Housing Allowance should remain constant
- 336 if adjustment to the Housing Allowance is made. It is suggested that congregations keep
- 337 detailed documentation of any adjustments made to ensure future increases or changes
- 338 are made with knowledge of the actual Base Salary amount.
- 339 ○ Payments officially designated as a housing allowance must be used in the year received.
- 340 ○ When a housing allowance is requested by the pastor, the congregation council (or
- 341 equivalent leadership team) must designate it (approve it) prior to January 1 of the year
- 342 it is to be received. There must be written documentation and it must be provided in the
- 343 congregation council (or equivalent) minutes.
- 344

345 **Parsonage vs. Housing Allowance**

346 Many parishes have defined housing provisions for the pastor. However, some might  
347 encounter a change from parsonage to housing allowance, which enables a pastor to  
348 purchase his or her own home. Congregations may also have a pastor who prefers living  
349 in a parsonage to owning a home. There are advantages in either decision, only a few of  
350 which are listed here:

- 351
- 352 • Parsonage
    - 353 ○ The pastor could be more mobile and would not have to give thought to the direct
    - 354 responsibilities of personal home ownership (e.g., mortgage payments,
    - 355 maintenance, taxes, insurances, etc.)
    - 356 ○ The congregation will have housing available immediately for a new pastor and
    - 357 will have the advantage of equity.
  - 358 • Home Ownership
    - 359 ○ Allows the pastor to select a location and build equity, providing a hedge against
    - 360 inflation.
    - 361 ○ The congregation does not have the responsibility of maintenance, taxes,
    - 362 insurance, etc.
- 363

364 **Social Security Allowance (Appendix A, Section A-4)**

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

371

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

378

379 **Minimum Defined Base Compensation**

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

382

383 Example: For a First Call Pastor with 0-1 years of experience as an ordained pastor, the minimum  
384 defined base compensation targeted based on the guidelines would be **\$42,240** (targeted base  
385 salary for a first call pastor) + **\$12,672** (targeted housing allowance at 30% base salary) + **\$4,201**  
386 (Social Security Allowance at 7.65% of base salary + housing) totaling (=) **\$59,113**.

387

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388 As stated previously in the Housing Allowance section, once the Total Base Compensation (Base  
389 Salary + Housing Allowance + Social Security Reimbursement) is determined, the amount of this  
390 total that is designated as Housing Allowance can be adjusted to meet the needs of the pastor as  
391 long as the Total Base Compensation remains the same. In other words, the pay designated as  
392 salary on the W2 can decrease (or increase) as the part designated as Housing Allowance can  
393 increase (or decrease). The overall Total Base Compensation should remain the same. Again, it is  
394 suggested that congregations keep detailed documentation of any adjustments made to ensure  
395 future increases or changes are made with knowledge of the actual Base Salary amount.  
396

### 397 **B. Pension and Insurance Benefits**

#### 398 399 **Pension (Appendix A, Section B-1)**

400 The Pension and Other Benefits Plan of the Portico Benefit Services, includes the pastor's  
401 pension, personal and family health-dental insurance, disability and survivor benefits, and a small  
402 administrative cost. The cost to the congregation is based on the age of the pastor **as of**  
403 **December 31, 1987**, and the pastor's salary, housing, and Social Security Allowance. In addition,  
404 the cost varies if Medical/Dental coverage is for member, member and spouse, member and  
405 children or member, spouse and children.  
406

407 Beginning in 1995, members who have medical/dental insurance through another employer-  
408 provided plan (i.e., spouse, or former employer) may waive the medical and dental portion of the  
409 Portico plan. However, the congregation would still be responsible for Disability and Retiree  
410 Support.  
411

#### 412 Portico Benefit Services Pension Plan

413 Upon election of participation in the program offered by the Portico Benefit Services, each  
414 congregation's contribution to the program is based on the percentages defined below.  
415

416 Predecessor church (ALC, LCA, AELC) plan members with continuous participation since 1987:  
417

418 <b>Age on December 31, 1987:</b>	
419 65 yrs or older:	12%
420 55-64 yrs:	11%
421 All other members:	10%

422

423 Note: Congregations may choose to remit contributions at a higher level by making additional  
424 pension contributions for members. **As stated earlier, the Synod recommends that**  
425 **congregations contribute at a 12% retirement rate for rostered ministers. This 12% rate should**  
426 **be used whether the pastor is called full-time or part-time, as this percentage is calculated on**  
427 **their defined compensation and will therefore reflect a reduced amount if the pastor is not full-**  
428 **time.**  
429  
430

## North/West Lower Michigan Synod - 2023 Compensation Guidelines

### 431 **Pretax Contribution Agreement (Optional Pension Payments)**

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

436

### 437 **Medical and Dental Insurance (Appendix A, Section B-2)**

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

441

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

449

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

- 452 • The choice of the level of coverage (platinum, gold, silver, or bronze)
- 453 • Factoring in the age of the insured
- 454 • The obligation to offer healthcare benefits to all full-time employees (pastors, deacons, and  
455 other employees)

456

457 What remains the same:

- 458 • ELCA guidelines for historical insurance coverage most closely match the "Gold+" level in the  
459 Portico plan. Since the "Gold+" level most closely matches previous years' standard  
460 insurance, congregations are strongly encouraged to maintain this level of insurance.
  - 461 ○ In some cases, it may benefit the rostered minister to select either the Bronze+ or  
462 Silver+ plan which can come with a Health Savings Account (HSA). If this option is  
463 desired by the rostered minister, it should be discussed with the Congregation's  
464 Executive Committee (or similar) before the time of the annual selection and/or noted  
465 to the Bishop during a call process.
  - 466 ○ If there is a concern about the congregation's ability to provide coverage at the Gold+  
467 level, please notify the Bishop's office as soon as possible.
- 468 • Coverage is "portable" that is, it travels with the insured from call to call and state to state  
469 without beginning from zero in the new place.
- 470 • It is still possible to opt out of Portico Health Coverage, provided there is other employer-  
471 sponsored healthcare available with the congregation determining appropriate adjustments  
472 to the base compensation or other benefits (i.e., pension).

## North/West Lower Michigan Synod - 2023 Compensation Guidelines

- 473 • Rates are based on the member’s coverage level. There are four coverage levels and each  
474 level has an established minimum and maximum contribution: Member Only; Member and  
475 Spouse; Member and Children; Member, Spouse, and Children  
476 • All Portico plans are “bundled” which means coverage is required on an “all or nothing” basis  
477 (i.e., a member cannot “opt” out of disability coverage, dental coverage, etc.).  
478

479 Contribution rates are aligned to individual synods and geographical areas within synods because  
480 medical and dental expenses vary according to area. Contact Portico for your area’s rate  
481 (<https://www.porticobenefits.org/>).  
482

### 483 **Sponsored Couples**

484 If both spouses are sponsored in the Portico Benefits Services, contact Portico for more  
485 information and guidance.  
486

### 487 **Portico Benefit Services**

488 Contact Portico Benefits Services for information about Pension and Insurance. There are forms  
489 available online. To report new contact information, change of salary, or end of call, contact a  
490 Portico representative directly at <https://porticobenefits.org/>.  
491

### 492 **Disability**

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

- 496 • This plan pays 2/3 percent (66.6%) of “Monthly Defined Compensation” beginning with the  
497 third month of disability.  
498 • It is recommended that the congregation continue to provide housing or housing allowance  
499 during temporary disability or until termination of Call.  
500 • If the disability continues for six (6) months, the congregation council in consultation with the  
501 bishop shall recommend a course of action to the congregation and the pastor.  
502

## 503 **C. Expenses**

### 504 **Automobile (Appendix A, Section C-1)**

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

- 506 • Reimburse the pastor for actual miles driven in service of the congregation (up to an annual  
507 designated amount set by the congregation).  
508 ○ This can be done on a cents per mile basis. Such reimbursement should be consistent  
509 with the current IRS rate (i.e., **58.5 cents/mile in 2022**; [Standard Mileage Rates |  
510 Internal Revenue Service \(irs.gov\)](https://www.irs.gov/standard-mileage-rates))  
511 • Pay the pastor a fixed amount in equal monthly installments for the year.  
512 ○ This is generally the least complicated way to handle the matter, but not the most  
513 favorable way when dealing with taxes.  
514 ○ If used, income per month needs to be added to salary at year-end.  
515

## North/West Lower Michigan Synod - 2023 Compensation Guidelines

- 516 • A congregation may also buy or lease a vehicle and assume the total cost of operation.  
517 Experience indicates that unless the vehicle is driven more than 30,000 miles annually,  
518 ownership is not the most cost-efficient option.  
519

### 520 **Continuing Education (Appendix A, Sections C-2; D-2; D-3)**

521 It is recommended that each congregation annually budget a **minimum of \$1000** and **two weeks**  
522 **per year** for a pastor's continuing education. This should include a maximum of two Sundays if  
523 required for travel or conference time.  
524

- 525 • Accumulation of time and funds to permit flexibility may be negotiated between the pastor  
526 and congregation council. Accumulation over a 2-year or 3-year period is suggested.  
527 • Further information about continuing education is provided in Section D (Paid Time Off)  
528

### 529 **Professional Expenses (Appendix A, Section C-3)**

530 The congregation and the pastor should share professional expenses such as theological books,  
531 periodicals, program materials, and other educational materials. Coverage of expenses for official  
532 meetings of the synod is required.  
533

### 534 **Computer and Cell Phone (Appendix A, Section C-4)**

535 It is recommended that the congregation provide the pastor with a computer (laptop and/or  
536 desktop with monitor, keyboard, etc.) and a cell phone to facilitate ministry. Items to note:  
537

#### 538 Computers

- 539 • A computer system provided by the congregation for the pastor's use remains the property  
540 of the congregation (including all information stored on the computer) and is to be treated  
541 as a business expense that is not taxable to the pastor.  
542 • A computer system purchased by the pastor is NOT a deductible business expense, even  
543 when used for business purposes.  
544

#### 545 Cell Phones

- 546 • A cell phone provided by the congregation for the pastor's use remains the property of the  
547 congregation and is a non-taxable business expense if the council minutes state it is primarily  
548 provided for non-compensatory business reasons (such as the need to be accessible at all  
549 time for work-related emergencies).  
550 • The pastor may be provided with a non-taxable cell phone reimbursement if council minutes  
551 state that the pastor is required to maintain a personal cell phone for non-compensatory  
552 business reasons and the reimbursement amount does not exceed reasonable business  
553 needs (i.e., reimbursement covers the basic monthly plan, not the family plan for extra  
554 minutes).  
555  
556



## North/West Lower Michigan Synod - 2023 Compensation Guidelines

### 557 **Moving Expenses (Appendix A, Section C-5)**

- 558 • Moving expenses normally are paid in full by the calling congregation. This one-time cost can
- 559 be significant - recent experience indicates that costs can range from \$8,000 to \$15,000.
- 560 Some congregations work to set aside a sufficient amount in anticipation of an upcoming
- 561 pastoral transition. Others have had a special offering to assist with this expense.
- 562 • It is recommended that the pastor submit two to three estimates to the congregation.
- 563

### 564 **D. Paid Time Off**

565

#### 566 **Weekly Time Off**

- 567 • Pastors are responsible for setting their schedules to meet the needs and expectations of
- 568 their call. Pastors, like anyone else, need time off from work to replenish and re-energize.
- 569 Congregations should ensure that each pastor has the equivalent of **two full days off** per
- 570 week. The pastor's weekly schedule (days/hours) may be negotiated as necessary.
- 571 • For the well-being of the pastor and health of the congregation, it is suggested that his or her
- 572 schedule generally **not exceed 50 hours** in a work week. If longer work weeks are more the
- 573 "norm" rather than the exception, congregation councils (or equivalent) are encouraged to
- 574 partner with the pastor to assess alternate resource options, including items such as:
  - 575 ○ determining if sufficient need and capacity (financial and otherwise) is in place to warrant
  - 576 calling another rostered leader – clergy or deacon - to serve the congregation
  - 577 ○ identifying possible opportunities for appropriate delegation of responsibility to staff
  - 578 members or lay leaders
  - 579 ○ ensuring effective time management strategies are being utilized
  - 580 ○ identifying responsibilities that are lower priority and could be done at a reduced
  - 581 frequency or discontinued
  - 582 ○ review, prioritization, and possible adjustment to expectations set forth within the call
  - 583 (done in consultation with the synodical bishop)
  - 584

#### 585 **Vacation (Appendix A, Section D-1)**

- 586 • Vacation time is **four weeks** (based on the typical work schedule; including four Sundays)
- 587 • Attendance at official Synod or Churchwide assemblies, conferences, and continuing
- 588 education are not considered vacation time.
- 589 • Additional discussion and clarification should be made regarding days off, provision for
- 590 national holidays, other small blocks of "off" time, whether unused time is carried over to the
- 591 next year, and whether unused time is paid out at the end of the call.
- 592

#### 593 **Continuing Education (Appendix A, Sections C-2; D-2; D-3)**

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

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

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

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

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

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

## North/West Lower Michigan Synod - 2023 Compensation Guidelines

- 600 • Pastors are encouraged to work with their congregation council annually in planning,  
601 reviewing and recording continuing education activities and hours. These continuing  
602 education endeavors are also to be reported annually to the Synodical Bishop.
- 603 • It is recommended that each congregation annually budget a **minimum of \$1000** and **two**  
604 **weeks per year** for a pastor's continuing education (this applies to both full- and part-time  
605 rostered ministers). This should include a maximum of two Sundays if required for travel or  
606 conference time.
  - 607 ○ Accumulation of time and funds to permit flexibility may be negotiated between the  
608 pastor and congregation council. Accumulation over a 2-year or 3-year period is  
609 suggested.
  - 610 ○ The scheduling of continuing education should be determined by the pastor in  
611 consultation with the congregation council. As appropriate, the synodical bishop can also  
612 be consulted.
  - 613 ○ Official meetings of the synod such as Synod Assembly, Churchwide Assembly, conference  
614 meetings, or other leadership events are not included as continuing education.
- 615 • **First Call Pastors** are required to participate in First Call Theological Education (FCTE) for the  
616 first three years of ministry. FCTE includes but is not limited to a Fall Retreat (2-3 days) and  
617 a Spring Retreat (2-3 days).
  - 618 ○ Congregations should work with first call pastors to determine other continuing  
619 education experiences for the growth of the pastor and the congregation.
  - 620 ○ A First Call Theological Education Covenant shall be discussed and completed by the  
621 Pastor, Council President, and Assistant to the Bishop.

622

### 623 Churchwide / Synodical Commitments

- 624 • There are times when a rostered minister is called upon to serve in ways that take her/him  
625 beyond the congregation. Examples may include church-related activities such as serving as  
626 chaplain at a church camp; serving on a synodical or ELCA council, committee or task force;  
627 or filling a short-term teaching commitment at a college or seminary. Serving beyond one's  
628 home congregation in these or other ways is an integral part of public ministry. This  
629 "extended ministry" is encouraged at appropriate levels and should be considered in  
630 consultation with the rostered leader's Congregation Council or equivalent leadership body.  
631 This type of ministry beyond the congregation should not be considered as vacation time for  
632 the rostered minister.
- 633 • As required by the synod constitution and based on the Letter of Call, all rostered ministers  
634 are required to attend the Synod Assembly as voting members. It is the responsibility of the  
635 congregation or sponsoring organization to provide the financial support necessary for the  
636 rostered minister to attend the Synod Assembly each year.

637

638

## North/West Lower Michigan Synod - 2023 Compensation Guidelines

### 639 Sick Leave (Appendix A, Section D-4)

- 640 • Sick Leave for the employee should be provided for **up to six weeks per year** (based on the
- 641 typical work schedule) with full salary, housing, and benefits.
- 642 ○ Pay continuation when an employee is ill is a privilege and not a right or entitlement.
- 643 Consequently, all employees are expected to work except when actually ill or when their
- 644 absence is specifically approved for some other valid reason.
- 645 ○ This time off is not accumulated (i.e., it is to be used within each calendar year) and should
- 646 not be abused.
- 647 ○ Employees are not paid for unused sick leave upon termination of employment.
- 648 ○ Provision may be made for further unpaid time for disability recovery as agreed upon by
- 649 the Congregation Council or equivalent leadership body.

650

### 651 Maternity Leave (Appendix A, Section D-5)

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

658

### 659 Paternity Leave/Adoptive Parental Leave (Appendix A, Section D-5)

- 660 • Provisions for paternity leave and adoptive parental leave shall include **up to six consecutive**
- 661 **weeks** (including Sundays) with full salary, housing and benefits.
- 662 • If there are special needs, additional time may be negotiated by the pastor with the
- 663 congregation council and provisions made for appropriate adjustment in salary and other
- 664 compensation, with appropriate documentation and approval by the congregation council.

665

### 666 Parenting Leave (Appendix A, Section D-6)

- 667 • Parenting leave is directed towards providing care for a member of the employee's
- 668 immediate family who is ill or injured.
- 669 • Immediate family members are the employee's spouse, partner, children, parents and
- 670 parents-in-law, siblings, grandparents, grandchildren, and minors for whom the
- 671 employee is the legal guardian. The employee's children include not only the employee's
- 672 biological, adopted, or foster children, but also, legal wards, and children and
- 673 stepchildren for whom the employee provides care and financial support on a daily basis.
- 674 • Such leave should include **up to six weeks** (based on a typical work week; including Sundays)
- 675 full salary, housing, and benefits with appropriate documentation and approval by the
- 676 congregation council (or equivalent leadership body).
- 677 • If there are special needs, additional time may be negotiated by the pastor with the
- 678 congregation council and provisions made for appropriate adjustment in salary and other
- 679 compensation, with appropriate documentation and approval by the congregation council.

680

681

## North/West Lower Michigan Synod - 2023 Compensation Guidelines

### 682 **Leave of Absence**

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

685

### 686 **Sabbatical Leave (Appendix A, Section D-7; Appendix C)**

- 687 • A sabbatical leave is recommended to provide an opportunity for a full-time rostered  
688 minister to take an extended period of time on sabbatical for renewal, enrichment, study,  
689 spiritual growth, travel, skill development and/or research.
- 690 • A sabbatical is encouraged for full-time **rostered ministers** who have been in their present  
691 setting five years or more. It is up to the Congregation Council (or equivalent leadership body)  
692 to set the schedule for sabbatical leaves across their organization - includes determining if  
693 staffing adjustments are needed to cover the absence to ensure the needs of the organization  
694 are met.
- 695 • It is recommended that a sabbatical is planned for up to three months or 12 weeks (including  
696 the two continuing education weeks recommended for the year of the sabbatical).
- 697 • See Appendix C (“Sabbatical Policy”) for more details.

698

### 699 **Separation Guidance (Appendix D)**

- 700 • There are varied circumstances in which a rostered minister’s call with a congregation may  
701 end; for example, due to local difficulties, conflict, vocational changes, continued education,  
702 changes in family, or other unforeseen circumstances. In these situations, rostered ministers  
703 and congregations are encouraged to be in conversation about transition plans and  
704 separation arrangements tailored for the specific circumstances, noting that often there is a  
705 period of unemployment before the rostered minister obtains a new call or other opportunity  
706 which will provide compensation and benefits.
- 707 • The Bishop’s office should be notified and is available to assist whenever the termination of  
708 a call is being considered.
- 709 • As most congregations do not participate in state unemployment insurance, rostered  
710 ministers are not eligible for unemployment compensation from the state. As such,  
711 congregations are strongly recommended to consider whether severance pay is appropriate  
712 to provide care and continued income for the rostered minister during the transition period.
- 713 • It is recommended that a congregation generally provide a severance package with 3 to 6  
714 months’ continuation of salary (including housing allowance if applicable and FICA offset) and  
715 insurance benefits (including pension contributions).
- 716 • See Appendix D (“Separation Guidelines”) for more details.

717 **II. Compensation for Contracted and/or Supply Ministers of Word**  
718 **and Sacrament (Pastors) and Ministers of Word and Service**  
719 **(Deacons)**

720

721 Ministers of Word and Sacrament (Pastors) in part-time calls should refer to Section I for  
722 compensation guidelines. Ministers of Word and Service (Deacons) in part-time calls should refer  
723 to Section III for compensation guidelines.

724

725 **Pastors or Deacons Under Contract**

726 In those instances where a congregation contracts for services of a rostered minister on a daily  
727 (8 hr/day) basis, the recommended compensation is:

- 728 • \$200 per day plus expenses  
729     ○ Meals and mileage at the current IRS rate (i.e., 58.5 cents/mile in 2022).  
730 • If a full day is not required, a congregation may contract based on an hourly rate of \$25 per  
731 hour, with minimum pay of two hours or \$50.

732

733 **Supply Pastors and Deacons**

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

- 736 • \$200 for one worship service  
737 • \$50 for each additional worship service  
738 • Mileage at the current IRS rate (i.e., 58.5 cents/mile in 2022)  
739 • When an additional worship service is scheduled for Saturday or Sunday evening, the  
740 congregation is also responsible for supplying overnight lodging upon the request of the  
741 supply rostered minister.  
742 • The congregation may also compensate the supply rostered minister for meals while in town.  
743 • When services are not held on consecutive days, the supply rostered minister will be  
744 compensated each day as a separate event.

745

746 • **Base Compensation**

- 747     ○ Whenever possible, the Base Salary will conform to the 2023 Yearly Suggested Base Salary  
748 Grid for Pastors (Section I) or Deacons (Section III), according to the rostered minister's  
749 years of service.  
750     ○ For Ministers of Word and Sacrament (Pastors): A Housing Allowance equal to 30% of the  
751 Base Salary or as agreed upon with the pastor will be provided (the pastor may allocate  
752 some salary to housing). Alternatively, housing may be provided by the congregation as  
753 negotiated with the interim pastor.  
754     ○ A self-employed Social Security payment allowance will be provided.

755

756

## North/West Lower Michigan Synod - 2023 Compensation Guidelines

- 757
- 758 • **Pension and Insurance Benefits**
  - 759 ○ The congregation will sponsor the rostered minister in the Pension and Other Benefits
  - 760 Program of the ELCA, including health, retirement, disability, and retiree support (see
  - 761 Section I or III).
  - 762 ○ The rostered minister may choose to waive health coverage if he or she has coverage
  - 763 from another source.
- 764
- 765 • **Expenses**
  - 766 ○ If the rostered minister will be commuting more than forty miles (one way), the
  - 767 congregation is encouraged to provide additional salary to offset the additional expense
  - 768 of a lengthy commute. Mileage from home to office is not a reimbursable business
  - 769 expense.
  - 770 ○ The congregation will reimburse the rostered minister for miles driven in service to the
  - 771 congregation in accordance with IRS guidelines (i.e., 58.5 cents/mile in 2022) up to an
  - 772 established maximum number of miles.
  - 773 ○ The congregation will pay for the rostered minister's attendance at official synod
  - 774 meetings.
  - 775 ○ A continuing education allowance shall accrue at the rate of \$83.33 per month for
  - 776 ministers of Word and Sacrament (pastors) or \$58.34 per month for ministers of Word
  - 777 and Service (deacons). The rostered minister shall also accrue one day per month paid
  - 778 leave of absence to attend continuing education. Any unused time and funds will move
  - 779 with the rostered minister to the next appointment.
  - 780 ○ If the rostered minister will be lodging overnight in the community served, the
  - 781 congregation will provide for suitable lodging.
- 782
- 783 • **Paid Time Off**
  - 784 ○ Vacation with pay shall accumulate at the rate of one week (based on a typical work week;
  - 785 including one Sunday) for every 3 months of service. Some or all of the earned vacation
  - 786 may be taken at the conclusion of the pastor's term of service.
  - 787 ○ Sick leave with pay shall accumulate at the rate of one day for every month served,
  - 788 cumulative to 30 days of sick leave. Unused accumulated sick leave will not be
  - 789 compensated at the end of service.
  - 790 ○ Short-term or long-term disability concerns shall be handled according to Portico
  - 791 guidelines.
  - 792

793 **III. Compensation for Full-Time and Part-Time Ministers of Word and**  
794 **Service (Deacons) under Call**

795  
796 These guidelines are applicable to ministers of Word and Service (deacons), who are in positions  
797 designated as full-time and part-time (benefit eligible) under Letter of Call. Deacons come to our  
798 synod and congregations with varied skills and experiences and as a result, may assume many  
799 different responsibilities. Job descriptions vary and are developed by the congregation. The ELCA  
800 requires specialized training for certification as deacon. The ELCA defines a part-time (benefit  
801 eligible) call as less than full time but not less than, on average, 15 hours per week. Work that is  
802 less than 15 hours a week (on average) is not benefit eligible and is arranged by contract rather  
803 than via a Letter of Call.

804  
805 Compensation for deacons should be comparable to professional positions of equal responsibility  
806 and training within a congregation's region or within the synod. Adequate compensation enables  
807 deacons to fulfill responsibilities and obligations, encourages vocational satisfaction, and  
808 encourages a deacon's best effort. Congregations and our synod have an obligation to review  
809 compensation plans annually. We also expect deacons to take initiatives in seeking an annual  
810 review of compensation.

811  
812 Inadequate compensation may result in discouragement and dissatisfaction. This sometimes  
813 occurs as a deacon's family cannot maintain financial stability, as negative attitudes toward the  
814 congregation and church begin, or as an inability to participate in continuing education programs.  
815 Inadequate compensation means low contributions to retirement plans, which leads to  
816 inadequate retirement income. All of these realities increase the occurrence of resignations from  
817 ministry, make it more challenging to recruit able candidates to our synod, and can create a poor  
818 image of the church in our communities.

819  
820 Our synod recognizes there are deacons and congregations who, for a variety of reasons, choose  
821 to be content with salaries that are below the synod's recommended minimum guidelines. We  
822 caution these deacons and congregations, however, that they are doing disservice to the  
823 congregation, other deacons, and successors by allowing the compensation package to remain  
824 below recommended minimum guidelines. In such situations, the congregation, deacon, and  
825 bishop's office should work together to develop a short-term (2-3 year) plan to move toward  
826 minimum guidelines and implement other ways to compensate and care for the deacon in the  
827 interim period. Ideas include:

- 828 • An extra week of vacation per year.
  - 829 • An extra week of continuing education or study time.
  - 830 • A monthly study day, during which the deacon would be unavailable and would use that  
831 time to pray, read scripture, explore a topic that would benefit ministry, etc. This would  
832 NOT be a vacation day, but it would be a valuable time of renewal for the deacon.
  - 833 • Ask your deacon what would be most helpful in her/his ministry and how the congregation  
834 can help.
- 835

## North/West Lower Michigan Synod - 2023 Compensation Guidelines

836 A Statement of Compensation, Benefits and Responsibilities form for Deacons (Appendix B)  
837 should be completed and submitted to the bishop's office annually. Letters and numbers in this  
838 document correspond to that form. Links to information from the IRS and Portico Benefits  
839 Services are provided in the Preface section of this document for reference.  
840

### 841 **A. Base Compensation**

#### 842 **Base Salary (Appendix B, Section A-1)**

843 In establishing the salary package for the deacon, the following criteria are to be considered:  
844  
845

- 846 • The 2023 Yearly Minimum Base Salary Grid for Deacons (see below)
- 847 • Performance evaluation to include amount of duties performed during the year, scope of  
848 responsibility, any expanded ministries, meeting the objectives of the individual church, etc.
  - 849 ○ Our Staff: Building Our Human Resources (available from [www.augsburgfortress.org](http://www.augsburgfortress.org)) has a  
850 section on Performance Reviews that may be helpful.
- 851 • Education (degree or non-degree)
- 852 • Length & breadth of experience\*
- 853 • Full-time/Part-time status
- 854 • Certification by ELCA or predecessor church bodies
- 855 • Quality of performance
- 856 • Job description / complexity of responsibilities
- 857 • Involvement in continuing education
- 858 • Cost of living in a particular geographical area
- 859 • Educational debt
- 860 • Compensation for comparable level positions in the community or geographical area

861  
862 \*Appropriate credit should be given for prior employment experience, volunteer ministry  
863 experience, ministry experience in non-Lutheran settings, church agency employment or  
864 volunteer work, and non-ministry experience, particularly of second career candidates.  
865

#### 866 **Changes to the Recommended Base Salaries for Deacons:**

- 867 • A **4.5% increase to the Base Salary Model for 2023** is recommended based on the following:
  - 868 ○ **Cost of Living Allowance (COLA):** The most recent COLA increases were **5.9% (2022)**,  
869 **1.3% (2021)**, and **1.6% (2020)** (see <http://www.socialsecurity.gov/news/cola/> (keyword  
870 COLA)).
  - 871 ○ **ELCA Region 6 Assessment:** For 2023, the recommended % increase to the base salary  
872 model provides continued consistency and competitiveness between our synod's base  
873 salaries and those of other synods in our region to ensure fair compensation for  
874 rostered leaders and to support congregations in attracting new and/or keeping  
875 experienced rostered leaders to our synod within competitive Call processes.
- 876 • It is recognized that some congregations may not be able to fully include this strategic  
877 increase in their deacon's compensation package in a single calendar year. If this is the case,  
878 it is recommended that congregations develop a multi-year plan (in consultation with the



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879 bishop as needed) to bring compensation packages for full-time or part-time deacons in line  
880 with the minimum base salary recommendations.

### 881 **2023 Minimum Base Salary Recommendations for Ministers of Word and Service (Deacons)**

883 The salaries below are the minimum recommended annual salaries based on a full-time position.  
884 Salaries for less-than-full-time (includes long term part-time) positions should be based on a  
885 corresponding percentage of these guidelines. A full-time call is based on 50 hours/week (on  
886 average). Congregations cannot change a deacon's call more than 10% without consulting the  
887 bishop and issuing a new Letter of Call.

888

Years of Service *	Recommended Base Salary (\$) **
0-1	40,580
2	41,080
3	41,580
4	40,150
5	42,080
6	42,580
7	43,080
8	43,580
9	44,080
10	44,580
11	45,080
12	45,580
13	46,080
14	46,580
15	47,080
16	47,580
17	48,080
18	48,580
19	49,080
20+	49,580 **

889 \* For Deacons, "Years of Service" equals "Years of Experience" as a minister of Word and Service (with  
890 credit given for prior employment experience as appropriate)

891 \*\* NWLM Salary Model for Deacons: An annual 4.5% Increase was applied to the base salary for 0-1  
892 Years of Service; add \$500 for each additional Year of Service.

893

### 894 **Merit Based Raise (A-2)**

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

898

899

## North/West Lower Michigan Synod - 2023 Compensation Guidelines

### 900 **Social Security**

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

903

### 904 **Housing**

905 Federal Tax Code does not permit a tax-deductible housing allowance for ministers of Word and  
906 Service (deacons).

907

## 908 **B. Pension and Insurance Benefits**

909

### 910 **Pension and Health Insurance (Appendix B, Sections B-1; B-2)**

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

913

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

917

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

925

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

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

932

933 What remains the same:

- 934 • ELCA guidelines for historical insurance coverage most closely match the "Gold+" level in the  
935 new Portico plan. Since the "Gold+" level most closely matches previous years' standard  
936 insurance, congregations are strongly encouraged to maintain this level of insurance.
  - 937 ○ In some cases, it may benefit the rostered minister to select either the Bronze+ or  
938 Silver+ plan which can come with a Health Savings Account (HSA). If this option is  
939 desired by the rostered minister, it should be discussed with the Congregation's  
940 Executive Committee (or similar) before the time of the annual selection and/or noted  
941 to the Bishop during a call process.

## North/West Lower Michigan Synod - 2023 Compensation Guidelines

- 942       ○ If there is a concern about the congregation's ability to provide coverage at the Gold+  
943       level, please notify the Bishop's office as soon as possible.
- 944       ● Coverage is "portable;" that is, it travels with the insured from call to call, job to job (within  
945       the ELCA), and state to state without beginning from zero in the new place.
  - 946       ● It is still possible to opt out of Portico Health Coverage, provided there is other employer-  
947       sponsored healthcare available with the congregation determining appropriate adjustments  
948       to the base compensation or other benefits (i.e., pension).
  - 949       ● Rates are based on the member's coverage level. There are four coverage levels and each  
950       level has an established minimum and maximum contribution: Member Only; Member and  
951       Spouse; Member and Children; Member, Spouse, and Children
  - 952       ● All Portico plans are "bundled" which means coverage is required on an "all or nothing" basis  
953       (i.e., a member cannot "opt" out of disability coverage, dental coverage, etc.).

954

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

958

### 959       **C. Expenses**

960

#### 961       **Automobile and Travel (Appendix B, Section C-1)**

962       It is recommended that the congregation reimburse deacons for miles driven in service of the  
963       congregation.

- 964       ● This can be done on a cents per mile basis. Such reimbursement should be consistent with  
965       the current IRS mileage rate (i.e., **58.5 cents/mile in 2022**).
- 966       ● This can also be done on the basis of specific reimbursement costs. In order to claim the IRS  
967       rate the employee must own his or her automobile.

968

#### 969       **Continuing Education (Appendix B, Sections C-2; D-2; D-3)**

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

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

975

#### 976       **Professional Expenses (Appendix B, Section C-3)**

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

980

#### 981       **Computer and Cell Phone (Appendix B, Section C-4)**

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

## North/West Lower Michigan Synod - 2023 Compensation Guidelines

### 985 Computer

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

991

### 992 Cell Phone

- 993 • A cell phone provided by the congregation for the deacon's use remains the property of the  
994 congregation and is a non-taxable business expense if the council minutes state it is primarily  
995 provided for non-compensatory business reasons (such as the need to be accessible at all  
996 time for work-related emergencies).
- 997 • The deacon may be provided with a non-taxable cell phone reimbursement if council minutes  
998 state that the deacon is required to maintain a personal cell phone for non-compensatory  
999 business reasons and the reimbursement amount does not exceed reasonable business  
1000 needs (i.e., reimbursement covers the basic monthly plan, not the family plan for extra  
1001 minutes).

1002

### 1003 **Moving Expenses (Appendix B, Section C-5)**

- 1004 • Moving expenses normally are paid in full by the calling congregation. This one-time cost can  
1005 be significant - recent experience indicates that costs can range from \$8,000 to \$15,000.  
1006 Some congregations work to set aside a sufficient amount in anticipation of a staffing  
1007 transition. Others have had a special offering to assist with this expense.
- 1008 • It is recommended that the employee submit two to three estimates to the congregation.

1009

### 1010 **D. Paid Time Off**

1011

#### 1012 **Weekly Time Off**

- 1013 • Deacons are responsible for setting their schedules to meet the needs and expectations of  
1014 their position. They, like anyone else, need time off from work to replenish and re-energize.  
1015 Congregations should ensure that each deacon has the equivalent of **two full days off** per  
1016 week. The deacon's weekly schedule (days/hours) may be negotiated as necessary.
- 1017 • For the well-being of the deacon and health of the congregation, it is suggested that his or  
1018 her schedule generally **not exceed 50 hours** in a work week. If longer work weeks are more  
1019 the "norm" rather than the exception, congregation councils (or equivalent) are encouraged  
1020 to partner with the deacon to assess alternate resource options, including items such as:
  - 1021 ○ determining if sufficient need and capacity (financial and otherwise) is in place to warrant  
1022 additional staffing
  - 1023 ○ identifying possible opportunities for appropriate delegation of responsibility to other  
1024 staff members or congregational lay leaders
  - 1025 ○ ensuring effective time management strategies are being utilized

## North/West Lower Michigan Synod - 2023 Compensation Guidelines

- 1026      ○ identifying responsibilities that are lower priority and could be done at a reduced  
1027      frequency or discontinued  
1028      ○ review, prioritization, and possible adjustment to expectations set forth within the job  
1029      description (done in consultation with the senior pastor)  
1030

### 1031 **Vacation (Appendix B, Section D-1)**

- 1032      ● Vacation time is **four weeks** (based on a typical work schedule; including four Sundays)  
1033      ● Attendance at official Synod or Churchwide assemblies, conferences, and continuing  
1034      education are not considered vacation time.  
1035      ● Additional discussion and clarification should be made regarding days off, provision for  
1036      national holidays, other small blocks of “off” time, whether unused time is carried over to the  
1037      next year, etc.  
1038

### 1039 **Continuing Education (Appendix B, Sections C-2; D-2; D-3)**

1040 In order to update skills and thereby strengthen ministries, full-time deacons are encouraged to  
1041 enroll in courses of advanced study. Such activities improve and build ministry. The ELCA expects  
1042 a minimum of 50 contact hours annually in continuing education. A contact hour is defined as a  
1043 typical 50-minute classroom instructional session or the equivalent. These experiences are to be  
1044 taken with colleagues and under responsible sponsorship, capable directors, and qualified  
1045 instructors, and should be pre-approved by the congregation council.  
1046

- 1047      ● Deacons are encouraged to work annually with their congregation council in planning,  
1048      reviewing and recording their continuing education activities and hours. These continuing  
1049      education endeavors are also to be reported annually to the synodical bishop.  
1050      ● It is also recommended that each congregation annually budget a **minimum of \$700** for  
1051      deacons along with two weeks per year (including Sundays) for travel and/or conference  
1052      time.  
1053      ● Accumulation of time and funds to permit flexibility may be negotiated between the deacon,  
1054      the pastor, and congregation council. Accumulation over a 2- or 3-year period is suggested.  
1055      ● Official meetings of the synod such as Synod Assembly, Churchwide Assembly, conference  
1056      meetings, or other leadership events are not included as continuing education.  
1057      ● **First Call Deacons** are required to participate in First Call Theological Education (FCTE) for the  
1058      first three years of ministry. FCTE includes but is not limited to a Fall Retreat (2-3 days) and a  
1059      Spring Retreat (2-3 days).  
1060      ○ Congregations should work with first call deacons to determine other continuing  
1061      education experiences for the growth of the deacon and the congregation.  
1062      ○ A First Call Theological Education Covenant shall be discussed and completed by the  
1063      Deacon, Council President, and Assistant to the Bishop.  
1064  
1065

## North/West Lower Michigan Synod - 2023 Compensation Guidelines

### 1066 Churchwide / Synodical Commitments

- 1067
- 1068
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- 1071
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- 1075
- 1076
- 1077
- 1078
- There are times when a deacon is called upon to serve in ways that take her/him beyond the congregation. Examples may include church-related activities such as serving as chaplain at a church camp; serving on a synodical or ELCA council, committee or task force; or filling a short-term teaching commitment at a college or seminary. Serving beyond one's home congregation in these or other ways is an integral part of public ministry. This "extended ministry" is encouraged at appropriate levels and should be considered in consultation with the rostered leader's Congregation Council or equivalent leadership body. This type of ministry beyond the congregation should not be considered as vacation time for the deacon.
  - As required by the synod constitution and based on the Letter of Call, all rostered ministers are required to attend the Synod Assembly as voting members. It is the responsibility of the congregation or sponsoring organization to provide the financial support necessary for the rostered minister to attend the Synod Assembly each year.

1079

### 1080 Sick Leave (Appendix B, Section D-4)

- 1081
- 1082
- 1083
- 1084
- 1085
- 1086
- 1087
- 1088
- 1089
- 1090
- Sick Leave for the employee should be provided for **up to six weeks per year** with full salary and benefits.
    - Pay continuation when an employee is ill is a privilege and not a right or entitlement. Consequently, all employees are expected to work except when actually ill or when their absence is specifically approved for some other valid reason.
    - This time off is not accumulated (i.e., it is to be used within each calendar year) and should not be abused.
    - Employees are not paid for unused sick leave upon termination of employment.
    - Provision may be made for further unpaid time for disability recovery as agreed upon by the Congregation Council or equivalent leadership body.

1091

### 1092 Maternity Leave (Appendix B, Section D-5)

- 1093
- 1094
- 1095
- 1096
- 1097
- 1098
- 1099
- Provisions for maternity leave shall include up to six consecutive weeks (including Sundays) with full salary, housing and benefits.
  - If a longer leave is sought by the pastor but not medically required, additional time may be negotiated by the deacon with the pastor and congregation council and provisions should be made for appropriate adjustment in salary and other compensation.
  - If a longer leave is medically required, it should be handled as any other disability.

1100

### 1100 Paternity Leave/Adoptive Parental Leave (Appendix B, Section D-5)

- 1101
- 1102
- 1103
- 1104
- 1105
- Provisions for paternity leave and adoptive parental leave shall include up to six consecutive weeks (including Sundays) with full salary, housing and benefits.
  - If there are special needs, additional time may be negotiated by the deacon with the pastor and congregation council and provisions should be made for appropriate adjustment in salary and other compensation, with appropriate documentation and approval by the council.

1106

1107

## North/West Lower Michigan Synod - 2023 Compensation Guidelines

### 1108 Parenting Leave (Appendix B, Section D-6)

- 1109 • Parenting leave is directed towards providing care for a member of the employee’s immediate  
1110 family who is ill or injured.
  - 1111 ○ Immediate family members are the employee’s spouse, partner, children, parents and  
1112 parents-in-law, siblings, grandparents, grandchildren, and minors for whom the  
1113 employee is the legal guardian. The employee’s children include not only the  
1114 employee’s biological, adopted, or foster children, but also, legal wards, and children  
1115 and stepchildren for whom the employee provides care and financial support on a daily  
1116 basis.
- 1117 • Such leave should include **up to six weeks** (based on a typical work week; including Sundays)  
1118 full salary, housing, and benefits with appropriate documentation and approval by the  
1119 congregation council (or equivalent leadership body).
- 1120 • If there are special needs, additional time may be negotiated by the pastor with the  
1121 congregation council and provisions made for appropriate adjustment in salary and other  
1122 compensation, with appropriate documentation and approval by the congregation council.

1123

### 1124 Leave of Absence

- 1125 • Congregations and deacons are encouraged to formulate a contingency plan in advance for  
1126 possible leave of absence. If desired, this may be made with synod staff consultation.

1127

### 1128 Sabbatical Leave (Appendix B, Section D-7; Appendix C)

- 1129 • A sabbatical leave is recommended to provide an opportunity for a full-time rostered  
1130 minister to take an extended period of time on sabbatical for renewal, enrichment, study,  
1131 spiritual growth, travel, skill development and/or research.
- 1132 • A sabbatical is encouraged for full-time **rostered ministers** who have been in their present  
1133 setting five years or more. It is up to the Congregation Council (or equivalent leadership body)  
1134 to set the schedule for sabbatical leaves across their organization - includes determining if  
1135 staffing adjustments are needed to cover the absence to ensure the needs of the organization  
1136 are met.
- 1137 • It is recommended that a sabbatical is planned for up to three months or 12 weeks (including  
1138 the two continuing education weeks recommended for the year of the sabbatical).
- 1139 • See Appendix C (“Sabbatical Policy”) for more details.

1140

### 1141 Separation Guidance (Appendix D)

- 1142 • There are varied circumstances in which a rostered minister’s call with a congregation may  
1143 end; for example, due to local difficulties, conflict, vocational changes, continued education,  
1144 changes in family, or other unforeseen circumstances. In these situations, rostered ministers  
1145 and congregations are encouraged to be in conversation about transition plans and  
1146 separation arrangements tailored for the specific circumstances, noting that often there is a  
1147 period of unemployment before the rostered minister obtains a new call or other opportunity  
1148 which will provide compensation and benefits.

## North/West Lower Michigan Synod - 2023 Compensation Guidelines

- 1149 • The Bishop's office should be notified and is available to assist whenever the termination of  
1150 a call is being considered.
- 1151 • As most congregations do not participate in state unemployment insurance, rostered  
1152 ministers are not eligible for unemployment compensation from the state. As such,  
1153 congregations are strongly recommended to consider whether severance pay is appropriate  
1154 to provide care and continued income for the rostered minister during the transition period.
- 1155 • It is recommended that a congregation generally provide a severance package with 3 to 6  
1156 months' continuation of salary (including housing allowance if applicable and FICA offset) and  
1157 insurance benefits (including pension contributions).
- 1158 • See Appendix D ("Separation Guidelines") for more details.



1159 **IV. Compensation for Synodically Authorized Ministers and Other**  
1160 **Non-Rostered “At Will” Employees**

1161  
1162 **Synodically Authorized Ministers**

1163 Synodically Authorized Ministers (SAMs) are non-rostered lay leaders who have successfully  
1164 completed the synod’s SAM training program.

- 1165
- 1166 • From a salary perspective, it is recommended that Synodically Authorized Ministers be  
1167 compensated using the supply pastor (one-time or short-term assignment), deacon  
1168 guidelines (longer term assignment) or other equivalent employee guidelines used by a  
1169 congregation.
  - 1170 • Consideration should be given to education, degree, life and/or parish experience, and the  
1171 distance between the SAM’s home and the congregational site(s).
  - 1172 • Note: Any questions on compensation of a Synodically Authorized Minister should be  
1173 directed to the office of the Synod Bishop. Synodically Authorized Ministers do not receive a  
1174 Definition of Compensation. If contracted to serve, a sample contract may be provided by the  
1175 Bishop’s office.
  - 1176 • See Synodically Authorized Ministry Guidelines (available at [www.elca.org](http://www.elca.org) using the  
1177 following link:  
1178 [https://download.elca.org/ELCA%20Resource%20Repository/Guidelines\\_Synodically\\_Authorized\\_Ministries.pdf?\\_ga=2.169978976.1543437135.1591019415-850960564.1568489365](https://download.elca.org/ELCA%20Resource%20Repository/Guidelines_Synodically_Authorized_Ministries.pdf?_ga=2.169978976.1543437135.1591019415-850960564.1568489365))  
1179

1180  
1181 **Other Non-Rostered (“At Will”) Employees**

- 1182 • Employee guidelines (including compensation, benefits, time off, etc.) should be established  
1183 by the congregation for their non-rostered “at-will” employees. Compensation for these  
1184 employees will be based on many factors, including:
  - 1185 ○ Job responsibilities
  - 1186 ○ Employee status (full time; part time)
  - 1187 ○ Compensation for comparable jobs in the local area
    - 1188 ▪ The minimum hourly wage as set by the State of Michigan for 2022 is \$9.87/hr.
- 1189 • Specific recommendations for compensation of non-rostered “at will” employees are beyond  
1190 the scope of this document. Congregations having questions regarding appropriate  
1191 remuneration for youth leaders, Christian education leaders, choir directors, administrative  
1192 staff, financial administrators, musicians, custodians, etc., can consult relevant resources  
1193 such as:
  - 1194 ○ American Guild of Organists (AGO)
  - 1195 ○ Association of Lutheran Church Musicians (ALCM)
  - 1196 ○ International Association of Administrative Professionals (IAAP)
  - 1197 ○ Human resources professionals in local congregations or community organizations
  - 1198 ○ Our Staff: Building Our Human Resources (available from [www.augsburgfortress.org](http://www.augsburgfortress.org))  
1199

Appendix A.

**Statement of Compensation, Benefits, and Responsibilities – Pastors**

North/West Lower Michigan Synod

Prepared by \_\_\_\_\_

For the Reverend \_\_\_\_\_

For the period: \_\_\_\_\_ to \_\_\_\_\_

**A. Base Compensation**

The congregation will provide the following annual compensation:

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

**B. Pension and Insurance Benefits**

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

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

**North/West Lower Michigan Synod - 2023 Compensation Guidelines**

**C. Expenses**

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

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

**D. Paid Time Off**

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

**E. Other Provisions**

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

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

**North/West Lower Michigan Synod - 2023 Compensation Guidelines**

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

**F. Other Matters**

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

We, the undersigned, certify that the necessary approvals of the congregation 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 - Deacons**

North/West Lower Michigan Synod

Prepared by \_\_\_\_\_

For \_\_\_\_\_

For the period: \_\_\_\_\_ to \_\_\_\_\_

**A. Base Compensation**

The congregation will provide the following annual compensation:

- 1. Base Compensation: \$ \_\_\_\_\_
- 2. Merit based increase: \$ \_\_\_\_\_

**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:

\_\_\_\_\_ \$ \_\_\_\_\_  
\_\_\_\_\_ \$ \_\_\_\_\_

**North/West Lower Michigan Synod - 2023 Compensation Guidelines**

**C. Expenses**

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

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

**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. \_\_\_\_\_

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2. The congregation will encourage the deacon in the following ways:

- a. \_\_\_\_\_
- b. \_\_\_\_\_
- c. \_\_\_\_\_
- d. \_\_\_\_\_
- e. \_\_\_\_\_

**F. Other Matters**

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

\_\_\_\_\_  
Congregation President

\_\_\_\_\_  
Council Secretary

Date: \_\_\_\_\_

Date: \_\_\_\_\_

I certify that I accept the above statement:

Deacon \_\_\_\_\_

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 Guidelines**

**Introduction**

It is important for congregations (or synod organizations) and **rostered ministers (Pastors and Deacons)** to realize the importance of life-long continuing education through workshops, seminary courses and personal study to maintain/enhance their skills. From time to time, it is also beneficial to the **rostered minister**, as well as the congregation or synod organization, to have an extended period of time, a sabbatical, for planned study (via a formal academic program) and/or personal growth and renewal (self-directed or using a spiritual director) without the demands of daily responsibilities. Experience has shown that a congregation or synod organization directly benefits from such study, growth, and renewal as the ministry of the rostered leader is revitalized (see references on page 5 of this document).

**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 aftergrowth of your harvest or gather the grapes of your unpruned vine: it shall be a year of complete 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 **rostered minister** to take an extended period of time on sabbatical for renewal, enrichment, study, spiritual growth, travel, skill development and/or research.
- A full-time **rostered minister** shall be eligible for a sabbatical once **this leader** has been in ordained ministry for five (5) years and has completed five (5) years in the current call, **with continued eligibility** for a sabbatical every five (5) years after that (within the same call). If a rostered minister changes call, a sabbatical should be provided once five (5) years in the new call is completed.

**Duration**

- **It is recommended that a sabbatical be planned** for up to three months or 12 weeks (including the two continuing education weeks granted the year of the sabbatical).
- Vacation is not to be included as sabbatical time.



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- 1242 • As appropriate, the sabbatical leave may be continuous or split into multiple blocks of time.  
1243 If split, all blocks of time should be taken within a 12-month period.  
1244

### 1245 **Cost to the Congregation or Synod Organization**

- 1246 • The congregation or synod organization will continue to pay full salary and benefits (includes  
1247 housing for pastors; excludes car allowances) during the sabbatical period.  
1248 • Accrued continuing education dollars can be used for the educational costs of the sabbatical  
1249 – suggest limiting to an accrual of three years maximum.  
1250 • The congregation or synod organization is responsible for providing additional ministry  
1251 leadership support and service during the sabbatical time. This includes Sunday worship,  
1252 teaching, leading the liturgy, confirmation camp, new member classes, visitation, funerals,  
1253 weddings, etc., as applicable.  
1254 • The congregation or synod organization is not responsible to fund the sabbatical in any other  
1255 way. However, the congregation or synod organization may consider gifting as a means of  
1256 providing additional financial assistance.  
1257

### 1258 **Planning**

- 1259 • There are several objectives to be considered by the **rostered minister** and the congregation  
1260 or synod organization during planning of a sabbatical:  
1261 ○ Will this be a time of renewal that will help “recharge” spiritually and professionally so  
1262 that the **rostered minister returns** with new energy for ministry?  
1263 ○ What learnings can be shared upon return from sabbatical? How will this time away  
1264 benefit the congregation?  
1265 ○ How will this help the rostered **minister** grow as a person and as a professional? How will  
1266 it enhance **this leader’s overall** ministry skills?  
1267 • Planning should begin the calendar year before the sabbatical so the congregation or synod  
1268 organization and the **rostered minister** can plan for financial and ministry adjustments.  
1269 • It is up to the Congregation Council (or equivalent leadership body) to set the schedule for  
1270 sabbatical leaves across their organization - includes determining if staffing adjustments are  
1271 needed to cover the absence to ensure the needs of the organization are met.  
1272 • The sabbatical leave plan is to be developed in cooperation with the congregation council or  
1273 equivalent leadership body. The parties shall seek the counsel of the bishop before finalizing  
1274 an agreement.  
1275

### 1276 **Commitments Following the Sabbatical**

- 1277 • Within six weeks of completion of the sabbatical leave, the rostered minister shall present  
1278 the congregation or synod organization with a written reflection on the experience including  
1279 implications for the organization’s ministry and beyond, as applicable.  
1280 • A copy of this written reflection shall be added to rostered minister’s file in the bishop’s office.  
1281 • Unless otherwise agreed, the **rostered minister** is expected to remain at least one additional  
1282 year within their position in the congregation or synod organization following the sabbatical.  
1283 • The congregation council or equivalent leadership body is responsible for evaluating the  
1284 benefits and costs of the sabbatical as a basis for approving and planning future sabbaticals.

Appendix D.

**Separation Guidelines**

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There are varied circumstances in which a rostered minister’s call with a congregation may end - for example, due to local difficulties, conflict, vocational changes, continued education, changes in family, or other unforeseen circumstances. In these situations, rostered ministers and congregations are encouraged to be in conversation about transition plans and separation arrangements tailored for the specific circumstances, noting that often there is a period of unemployment before the rostered minister obtains a new call or other opportunity which will provide compensation and benefits. The Bishop’s office should be notified and is available to assist whenever the termination of a call is being considered.

As most congregations do not participate in state unemployment insurance, rostered ministers (as well as other congregation employees) generally are not eligible for unemployment compensation from the state. As such, congregations are strongly recommended to consider whether severance pay is appropriate to provide care and continued income for the rostered minister during the transition period. The Synod recommends that a congregation generally provide a severance package with 3 to 6 months’ continuation of salary (including housing allowance if applicable and FICA offset) and insurance benefits (including pension contributions).

Separation arrangements are discussed between the rostered minister and the congregation to meet the specific circumstances or reasons for separation. When a decision is made to provide a severance package, the agreement should be documented in writing and signed by the rostered minister and the congregation council president (or whomever is authorized to sign legal documents in the congregation’s constitution). As with any legal document, both the rostered minister and the congregation are encouraged to consult their own legal counsel to review and understand the terms of such an agreement.

The provisions of what a severance package includes should be agreed upon in detail (such as the number of months of salary and insurance benefits continuation) and is based on many factors such as recognition of ministry with the congregation, the length of service in the call, the reason for and nature of the separation, the time necessary for the rostered minister to receive a new call or find other employment, the fact that the rostered minister will not be eligible for unemployment compensation while seeking another opportunity, the desire to allow the rostered minister to devote full attention to their ministry until the last day with the congregation, and any other factors unique to the situation.

During the period when a rostered minister is receiving a severance package, the rostered minister is expected to be in consultation with the Bishop’s office to determine the next steps forward based on the situation. During this time and as a condition of continued severance, the rostered minister may be encouraged or required to take time away for rest and reflection, to be open and available to a new call, to complete required documents in a timely manner, to actively interview which includes being available for call committee interviews, to provide interim

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1329 ministry or supply preaching, to assist with other ministry activities and tasks requested by the  
1330 Bishop, to be actively exploring other career path opportunities, or to discuss other options with  
1331 the Bishop for moving forward.

1332

1333 The separation agreement also may address under what circumstances and when it would be  
1334 appropriate to discontinue severance compensation and benefits; for example, the acceptance  
1335 of a new call or other employment opportunity with compensation and benefits comparable with  
1336 what is provided under the agreement, or failure to comply with specified next steps as agreed  
1337 to at the time of separation.

1338

1339 Also, upon separation from a congregation, any accrued but unused paid time off benefits, such  
1340 as vacation time, generally are paid out to the rostered minister. Congregations and ministers  
1341 should review the letter of call and their own personnel policies for more specific guidance on  
1342 the calculation and any pro-ration of paid time off benefits. Other allowances and benefits such  
1343 as auto allowance/mileage reimbursement, continuing education, professional expenses,  
1344 generally are not included in a severance package.

1345

1346 Finally, when a rostered minister has lived in the congregation's parsonage during the call, often  
1347 the rostered minister is allowed continued use of the parsonage for the duration of the transition  
1348 arrangement. A congregation may offer continued use or rent of the parsonage after the  
1349 severance period ends for a designated time frame (there should be an end date). In these cases,  
1350 the congregation and the minister also should enter into a written agreement that outlines the  
1351 terms of such arrangement.

1352

1353 Individuals are reminded that confidentiality obligations continue after the ministry relationship  
1354 has ended and it is expected that all individuals uphold the congregation and the rostered  
1355 minister through words and actions in furtherance of our mission and ministry, respecting  
1356 boundaries and supporting the rostered minister's and the congregation's continued ministry.