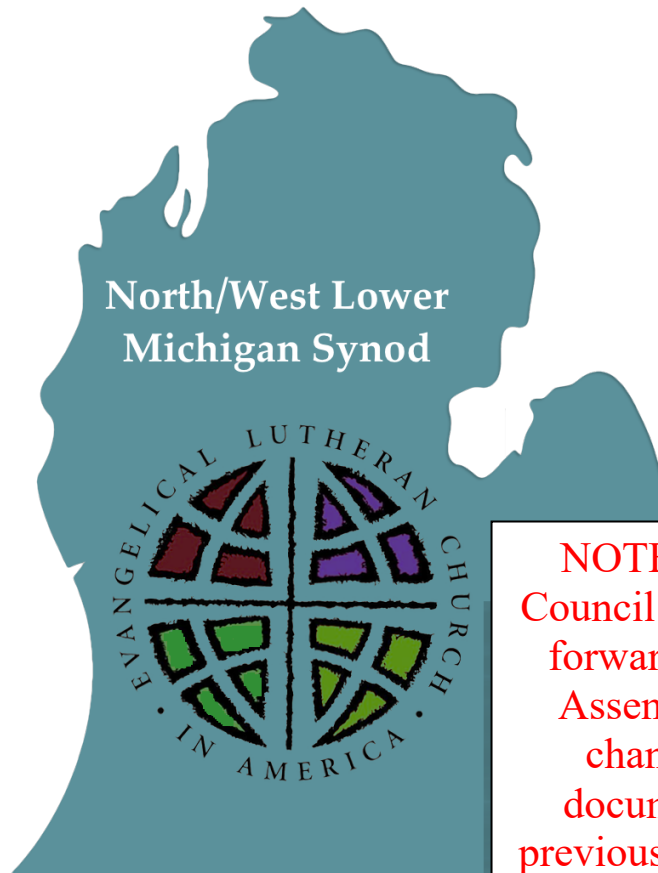


North/West Lower Michigan Synod

2025 Compensation Guidelines for Ministers of Word and Sacrament (Pastors), Ministers of Word and Service (Deacons), Synodically Authorized Ministers, and Other Staff



NOTE from NWLM Synod Council: This draft document is forwarded to the 2024 Synod Assembly for approval. All changes made within the document (compared to the previous year) are highlighted in **red font**.

**North/West Lower Michigan Synod
240 South Bridge St., Suite 120
Dewitt, MI 48820**

Table of Contents

2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38

- I. Compensation for Full-Time and Part-Time Ministers of Word and Sacrament (Pastors) under Call.....7**

- II. Compensation for Contracted and/or Supply Ministers of Word and Sacrament (Pastors) and Ministers of Word and Service (Deacons).....21**

- III. Compensation for Full-Time and Part-Time Ministers of Word and Service (Deacons) under Call.....23**

- IV. Compensation for Synodically Authorized Ministers and Other Non-Rostered (“At Will”) Employees.....33**

- V. Appendices**
 - a. Form: Statement of Compensation, Benefits, and Responsibilities – Clergy.....34
 - b. Form: Statement of Compensation, Benefits, and Responsibilities – Deacon.....37
 - c. Sabbatical Guidelines.....40
 - d. Separation Guidelines.....42

Preface

39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
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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 minister** has been fully approved by their Candidacy Committee and called to serve in their respective ministry field.

- **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 **2025 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 **U.S. Internal Revenue Service (IRS)** federal tax advice. Employees and congregations are encouraged to consult with a tax expert as needed to ensure compliance with applicable IRS rules and regulations. If there are any discrepancies in information between what is contained in these guidelines related to housing, social security allowance, **etc.** 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, insurance benefits, **etc.** 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 **the** congregation.

North/West Lower Michigan Synod - 2024 Compensation Guidelines

80 For 2025, these items should be noted:

81 • **2025 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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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 4.0% has been**
130 **incorporated into the Base Salary Model used by the North/West Lower MI Synod for both**
131 **pastors and deacons** to set minimum **compensation** recommendations for **2025**. In addition,
132 each year a staff person has an additional year of experience that adds value to the shared
133 ministry. This added experience needs to be considered in providing fair compensation for
134 employees.

135 ● **Bringing Compensation up to Guidelines:**

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

141 ● **A congregation that ultimately cannot meet the recommended compensation amount**
142 **within these guidelines within a reasonable time period and, therefore, cannot**
143 **compensate its rostered minister fairly and adequately, should consider alternatives such**
144 **as merging with another congregation, a shared rostered minister, a part-time rostered**
145 **minister, etc. Cutting back a full-time rostered minister’s hours to part-time hours**
146 **invalidates the original letter of call and requires negotiating a new call. Congregations**
147 **facing any of these situations should contact the Office of the Bishop for advice and**
148 **assistance.**

149 These synod guidelines are maintained and updated annually by the Executive Committee of
150 Synod Council. Changes to the annual guidelines are forwarded by Synod Council for approval at
151 Synod Assembly. Upon adoption **by the Synod Assembly**, the final document is publicized on the
152 synod website (www.mittensynod.org) for reference and use in current call processes and for
153 use in planning for annual compensation changes for a rostered minister currently under call. As
154 appropriate, Synod Council has the authority to approve changes to these guidelines between
155 Synod Assemblies.

156
157

North/West Lower Michigan Synod - 2024 Compensation Guidelines

158 The following references are provided for additional consideration:

- 159 • General link to IRS On-Line Publications [<http://www.irs.gov/publications/>]
- 160 • IRS Topic 417 – Earnings for Clergy [<http://www.irs.gov/taxtopics/tc417.html>]
- 161 • IRS Publication 517 - Social Security and Other Information for Members of the Clergy and
162 Religious Workers [<http://www.irs.gov/publications/p517/>]
- 163 • With regard to **Cost-of-Living** Allowance (COLA), visit the Social Security website at
164 www.ssa.gov (see Frequently Asked Questions) or contact your local Chamber of Commerce.
165 These are very helpful in finding the actual cost of living variances in your specific county.
- 166 • Since there are many factors in figuring health benefits rates, contact the Portico Benefit
167 Services by phone (800-352-2876) or e-mail (mail@porticobenefits.org) for assistance.
168 Additional information, including on-line calculators and forms are also available:
- 169 ○ Portico Benefit Services Employer Page:
170 <https://employerlink.porticobenefits.org>
- 171 ○ Portico Benefits Cost Calculator Tool:
172 <https://employerlink.porticobenefits.org/Resources/Calculators/BenefitsCostCalculator.aspx>
- 173 • The ELCA website (www.elca.org) also contains further compensatory information.
- 174 • “The Need for Clergy Renewal”, posted in December 2006 by Alban at Duke Divinity School
175 (<https://alban.org/archive/the-need-for-clergy-renewal/>)
- 176 • Clergy Renewal: The Alban Guide to Sabbatical Planning by A. Richard Bullock and Richard J.
177 Bruesehoff (available at www.amazon.com)
- 178 • Journeying toward Renewal: A Spiritual Companion for Pastoral Sabbaticals by Melissa Bane
179 Sevier (available at www.amazon.com)
- 180 • Pastor and People: Making Mutual Ministry Work (available at www.augsburgfortress.org)
- 181 • Our Staff: Building Our Human Resources (available at www.augsburgfortress.org)
- 182 • **ELCA** Synodically Authorized Ministry Guidelines: see the following www.elca.org link:
183 • [https://download.elca.org/ELCA Resource Repository/Synod Authorized Ministry Guidelines.pdf](https://download.elca.org/ELCA%20Resource%20Repository/Synod%20Authorized%20Ministry%20Guidelines.pdf)
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- 185

186 **I. Compensation for Full-Time and Part-Time Ministers of Word**
187 **and Sacrament (Pastors) under Call**

188
189 These guidelines are applicable to ministers of Word and Sacrament (pastors), who are in
190 positions designated as full-time and part-time (benefit eligible) under Letter of Call. The ELCA
191 defines a part-time (benefit eligible) call as less than full time but not less than, on average, 15
192 hours per week. Work that is less than 15 hours a week (on average) is not benefit eligible and is
193 arranged by contract rather than via a Letter of Call. Guidelines for pastors in contracted, supply,
194 or part time interim positions are provided in Section II.

195
196 A pastor assumes many responsibilities – they are preachers, evangelists, administrators,
197 teachers, counselors and leaders. The ELCA requires eight years of study (including a Bachelor
198 and Master of Divinity degrees) as a part of the preparation for ordained ministry. Compensation
199 for pastors should be comparable to professional positions of equal responsibility, education, and
200 time commitment.

201
202 Adequate compensation enables a pastor to fulfill responsibilities and obligations, encourages
203 vocational satisfaction, and encourages a pastor’s best efforts and gifts. Congregations and our
204 synod have an obligation to review compensation plans annually. We also expect pastors to take
205 initiatives in seeking annual reviews of compensation.

206
207 Inadequate compensation may result in discouragement and dissatisfaction. This sometimes
208 occurs as a pastor’s family cannot maintain financial stability, as negative attitudes toward the
209 congregation and church begin, or as an inability to participate in continuing education programs.
210 Inadequate compensation means low contributions to retirement plans, which leads to
211 inadequate retirement income. All of these realities increase the occurrence of resignations from
212 ordained ministry, make it more challenging to recruit able candidates to our synod, and can
213 create a poor image of the church in our communities.

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

- 226 • An extra week of vacation per year.
227 • An extra week of continuing education or study time.

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

234 A Statement of Compensation, Benefits and Responsibilities form (Appendix A) should be
235 completed and submitted to the bishop's office annually. Links to information from the IRS and
236 Portico Benefits Services are provided in the Preface section of this document for reference.
237

238 **A. Base Compensation**

239 **Base Salary (Appendix A, Section A-1)**

240 The base salary for ministers of Word and Sacrament (clergy) is determined using the following
241 considerations:
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- The **2025** Yearly Minimum Base Salary Grid for Pastors (see below)
 - Performance evaluation to include an overview of duties performed during the year, scope of responsibility, any expanded ministries, meeting the objectives of the Call, etc.
 - [Pastor and People: Making Mutual Ministry Work](#) (available from www.augsburgfortress.org) has a section on Performance Reviews that may be helpful.
 - Other factors to be considered include items such as:
 - education (either advanced or specialized)
 - educational debt
 - prior experience of second career candidates
 - length of time in the call
 - breadth and complexity of on-going and/or future responsibilities
 - salaries of similar professionals in the current job market/local area
 - cost of living in the local area
 - financial ability of the congregation
 - other factors identified by the congregation/pastor
 - housing allowance (changes up or down can impact base salary; see below)
 - Base salary does not include:
 - Housing, utilities, car allowance, or other such items
 - continuing education allowance
 - pension and insurance benefits
 - fees received for weddings, funerals, and outside speaking engagements
 - Income received by a spouse is not a consideration when establishing base salary

North/West Lower Michigan Synod - 2024 Compensation Guidelines

267 Changes to Recommended Base Salaries for Pastors:

- 268 • A **4.0% increase to the Base Salary Model for 2025** is recommended based on the following:
- 269 ○ **Cost of Living Allowance (COLA):** The most recent COLA increases were **3.2% (2024)**,
- 270 **8.7% (2023)**, **5.9% (2022)**, **1.3% (2021)**, and **1.6% (2020)** (see
- 271 <http://www.socialsecurity.gov/news/cola/> (keyword COLA).
- 272 • **ELCA Region 6 Assessment:** An assessment of **2024** Compensation Guidelines across all
- 273 synods in Region 6 was conducted – comparing Pastor base salaries only. For **2025**, the
- 274 recommended % increase to the base salary model provides continued consistency and
- 275 competitiveness between our synod’s base salaries and those of other synods in our
- 276 region to ensure fair compensation for rostered leaders and to support congregations in
- 277 attracting new and/or keeping experienced rostered leaders to our synod within
- 278 competitive Call processes.
- 279 • It is recognized that some congregations may not be able to fully include this strategic
- 280 increase in their pastor’s compensation package in a single calendar year. If this is the case,
- 281 it is recommended that congregations develop a multi-year plan (in consultation with the
- 282 bishop as needed) to gradually bring a pastor’s compensation package in line with the
- 283 minimum base salary recommendations.
- 284
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North/West Lower Michigan Synod - 2024 Compensation Guidelines

286 **2025 Minimum Base Salary Recommendations for Ministers of Word and Sacrament (Pastors)**

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

292

Years of Service *	Recommended Minimum Base Salary (\$) **
0-1	46,391
2	46,891
3	47,391
4	47,891
5	48,391
6	48,891
7	49,391
8	49,891
9	50,391
10	50,891
11	51,391
12	51,891
13	52,391
14	52,891
15	53,391
16+	53,891 **

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

295 ** NWLM Salary Model for Pastors: An increase of **4.0%** was applied to the base salary for 0 Years of
296 Service; add \$500 for each Year of Service through 16 years; add \$700 for each Year of Service for 17
297 years and beyond.

298

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

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

303

304 **Housing (Appendix A, Section A-3)**

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

308

309

North/West Lower Michigan Synod - 2024 Compensation Guidelines

- 310 • Parsonage
- 311 ○ A pastor may prefer to live in a parsonage rather than owning a home. If a parsonage is
- 312 provided, the congregation should assume all costs for maintenance and utilities (except
- 313 for personal long-distance phone charges).
- 314 ○ It is important that parsonages be sufficiently maintained. An annual walk-through of the
- 315 parsonage by the council or delegate team is advised to note the general condition of the
- 316 home and plan for regular maintenance or other improvements.
- 317 ○ Equity Allowance Plan (Housing Equity Allowance)
- 318 ■ This plan is intended to provide for the needs of pastors who live in parsonages and
- 319 therefore cannot build equity in a home. Pastors in this situation often come to
- 320 retirement with limited savings and have difficulty providing housing for themselves
- 321 and their spouses on limited retirement income once a parsonage is no longer
- 322 available.
- 323 ■ When a pastor lives in a parsonage provided by the congregation, the congregation
- 324 should increase its contribution to the pastor’s pension plan by at least **an additional**
- 325 **3%** of the base salary.
- 326
- 327 • Housing Allowance
- 328 ○ If a parsonage is not provided or a pastor prefers to own their own home, he or she may
- 329 request that a portion of his or her total annual compensation be designated as a housing
- 330 allowance, in accordance with Internal Revenue Service (IRS) regulations (see IRS
- 331 Publication 517, “Social Security and Other Information for Members of the Clergy and
- 332 Religious Workers”). The employee assumes full responsibility for compliance with IRS
- 333 definitions of “costs to provide a home”.
- 334 ○ The housing allowance is recommended to be equivalent to **at least 30%** of the minimum
- 335 base salary to cover “costs to provide a home” including mortgage payments (interest
- 336 and principal) or rental payments, related taxes, fire and home liability insurance
- 337 premiums, utility costs, repairs, and other expenses directly relating to providing a home.
- 338 The only expenses specifically excluded by the regulations are those for food and cleaning
- 339 service. The housing allowance is not part of the base salary – the base salary plus the
- 340 housing allowance are two separate parts of the overall Base Compensation (see
- 341 Appendix A, Section A).
- 342 ○ Once the Base Salary and Housing Allowance are set, pastors can choose to adjust
- 343 (increase or decrease) the Housing Allowance with accompanying increase or decrease to
- 344 the Base Salary. The total sum of Base Salary + Housing Allowance should remain constant
- 345 if adjustment to the Housing Allowance is made. It is suggested that congregations keep
- 346 detailed documentation of any adjustments made to ensure future increases or changes
- 347 are made with knowledge of the actual Base Salary amount.
- 348 ○ Payments officially designated as a housing allowance must be used in the year received.
- 349 ○ When a housing allowance is requested by the pastor, the congregation council (or
- 350 equivalent leadership team) must designate it (approve it) prior to January 1 of the year
- 351 it is to be received. There must be written documentation and it must be provided in the
- 352 congregation council (or equivalent) minutes.
- 353

North/West Lower Michigan Synod - 2024 Compensation Guidelines

354 **Parsonage vs. Housing Allowance**

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

- 360
- 361 • Parsonage
 - 362 ○ The pastor could be more mobile and would not have to give thought to the direct
 - 363 responsibilities of personal home ownership (e.g., mortgage payments,
 - 364 maintenance, taxes, insurances, etc.)
 - 365 ○ The congregation will have housing available immediately for a new pastor and
 - 366 will have the advantage of equity.
- 367 • Home Ownership
 - 368 ○ Allows the pastor to select a location and build equity, providing a hedge against
 - 369 inflation.
 - 370 ○ The congregation does not have the responsibility of maintenance, taxes,
 - 371 insurance, etc.

372

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

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

380

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

387

388 **Minimum Defined Base Compensation**

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

391

392 Example: For a First Call Pastor with 0-1 years of experience as an ordained pastor, the minimum
393 defined base compensation targeted based on the guidelines would be **\$46,391** (targeted base
394 salary for a first call pastor) + **\$13,917** (targeted housing allowance at 30% base salary) + **\$4,614**
395 (Social Security Allowance at 7.65% of base salary + housing) totaling (=) **\$64,922**.

396

North/West Lower Michigan Synod - 2024 Compensation Guidelines

397 As stated previously in the Housing Allowance section, once the Total Base Compensation (Base
398 Salary + Housing Allowance + Social Security Reimbursement) is determined, the amount of this
399 total that is designated as Housing Allowance can be adjusted to meet the needs of the pastor as
400 long as the Total Base Compensation remains the same. In other words, the pay designated as
401 salary on the W2 can decrease (or increase) as the part designated as Housing Allowance can
402 increase (or decrease). The overall Total Base Compensation should remain the same. Again, it is
403 suggested that congregations keep detailed documentation of any adjustments made to ensure
404 future increases or changes are made with knowledge of the actual Base Salary amount.
405

406 **B. Pension and Insurance Benefits**

407 **Pension (Appendix A, Section B-1)**

408 The Pension and Other Benefits Plan of the Portico Benefit Services, includes the pastor's
409 pension, personal and family health-dental insurance, disability and survivor benefits, and a small
410 administrative cost. The cost to the congregation is based on the age of the pastor **as of**
411 **December 31, 1987**, and the pastor's salary, housing, and Social Security Allowance. In addition,
412 the cost varies if Medical/Dental coverage is for member, member and spouse, member and
413 children or member, spouse and children.
414

415
416 Beginning in 1995, members who have medical/dental insurance through another employer-
417 provided plan (i.e., spouse, or former employer) may waive the medical and dental portion of the
418 Portico plan. However, the congregation would still be responsible for Disability and Retiree
419 Support. **While not required, congregations may have provisions included in their policies and/or**
420 **Employee Handbooks that allow them to consider offering additional compensation if the**
421 **medical and dental portion of the Portico plan is waived. This could come in the form of an**
422 **increase to base pay (taxable income), an increase to the pension contribution, etc.**
423

424 Portico Benefit Services Pension Plan

425 Upon election of participation in the program offered by the Portico Benefit Services, each
426 congregation's contribution to the program is based on the percentages defined below.
427

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

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

430		
431	65 yrs or older:	12%
432	55-64 yrs:	11%
433	All other members:	10%
434		

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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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Pretax Contribution Agreement (Optional Pension Payments)

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

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

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

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

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

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

What remains the same:

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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

- 484 • Rates are based on the member’s coverage level. There are four coverage levels, and each
485 level has an established minimum and maximum contribution: Member Only; Member and
486 Spouse; Member and Children; Member, Spouse, and Children
487 • All Portico plans are “bundled” which means coverage is required on an “all or nothing” basis
488 (i.e., a member cannot “opt” out of disability coverage, dental coverage, etc.).
489

490 Contribution rates are aligned to individual synods and geographical areas within synods because
491 medical and dental expenses vary according to area. Contact Portico for your area’s rate
492 (<https://www.porticobenefits.org/>).
493

494 **Sponsored Couples**

495 If both spouses are sponsored in the Portico Benefits Services, contact Portico for more
496 information and guidance.
497

498 **Portico Benefit Services**

499 Contact Portico Benefits Services for information about Pension and Insurance. There are forms
500 available online. To report new contact information, change of salary, or end of call, contact a
501 Portico representative directly at <https://porticobenefits.org/>.
502

503 **Disability**

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

- 507 • This plan pays 2/3 percent (66.6%) of “Monthly Defined Compensation” beginning with the
508 third month of disability.
509 • It is recommended that the congregation continue to provide housing or housing allowance
510 during temporary disability or until termination of Call.
511 • If the disability continues for six (6) months, the congregation council in consultation with the
512 bishop shall recommend a course of action to the congregation and the pastor.
513

514 **C. Expenses**

515

516 **Automobile (Appendix A, Section C-1)**

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

- 518 • Reimburse the pastor for actual miles driven in service of the congregation (up to an annual
519 designated amount set by the congregation).
520 ○ This can be done on a cents per mile basis. Such reimbursement should be consistent
521 with the current IRS rate (i.e., 67 cents/mile in 2024; [Standard Mileage Rates | Internal
522 Revenue Service \(irs.gov\)](#))
523 • Pay the pastor a fixed amount in equal monthly installments for the year.
524 ○ This is generally the least complicated way to handle the matter, but not the most
525 favorable way when dealing with taxes.
526 ○ If used, income per month needs to be added to salary at year-end.

North/West Lower Michigan Synod - 2024 Compensation Guidelines

- 527 • A congregation may also buy or lease a vehicle and assume the total cost of operation.
528 Experience indicates that unless the vehicle is driven more than 30,000 miles annually,
529 ownership is not the most cost-efficient option.
530

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

532 It is recommended that each congregation annually budget a **minimum of \$1000** and **two weeks**
533 **per year** for a pastor's continuing education. This should include a maximum of two Sundays if
534 required for travel or conference time.
535

- 536 • Accumulation of time and funds to permit flexibility may be negotiated between the pastor
537 and congregation council. Accumulation over a 2-year or 3-year period is suggested.
538 • Further information about continuing education is provided in Section D (Paid Time Off)
539

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

541 The congregation and the pastor should share professional expenses such as theological books,
542 periodicals, program materials, and other educational materials. Coverage of expenses for official
543 meetings of the synod is required.
544

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

546 It is recommended that the congregation provide the pastor with a computer (laptop and/or
547 desktop with monitor, keyboard, etc.) and a cell phone to facilitate ministry. Items to note:
548

549 Computers

- 550 • A computer system provided by the congregation for the pastor's use remains the property
551 of the congregation (including all information stored on the computer) and is to be treated
552 as a business expense that is not taxable to the pastor.
553 • A computer system purchased by the pastor is NOT a deductible business expense, even
554 when used for business purposes.
555

556 Cell Phones

- 557 • A cell phone provided by the congregation for the pastor's use remains the property of the
558 congregation and is a non-taxable business expense if the council minutes state it is primarily
559 provided for non-compensatory business reasons (such as the need to be accessible at all
560 time for work-related emergencies).
561 • The pastor may be provided with a non-taxable cell phone reimbursement if council minutes
562 state that the pastor is required to maintain a personal cell phone for non-compensatory
563 business reasons and the reimbursement amount does not exceed reasonable business
564 needs (i.e., reimbursement covers the basic monthly plan, not the family plan for extra
565 minutes).
566
567

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

- 569 • Moving expenses normally are paid in full by the calling congregation. This one-time cost can
570 be significant - recent experience indicates that costs can range from \$8,000 to \$15,000.
571 Some congregations work to set aside a sufficient amount in anticipation of an upcoming
572 pastoral transition. Others have had a special offering to assist with this expense.
- 573 • It is recommended that the pastor submit two to three estimates to the congregation.
574

575 **D. Paid Time Off**

576

577 **Weekly Time Off**

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

595

596 **Vacation (Appendix A, Section D-1)**

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

603

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

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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

633

634 Churchwide / Synodical Commitments

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

648

649

North/West Lower Michigan Synod - 2024 Compensation Guidelines

650 Sick Leave (Appendix A, Section D-4)

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

661 Maternity Leave (Appendix A, Section D-5)

- 662 • Provisions for maternity leave shall include **up to six consecutive weeks** (including Sundays)
- 663 with full salary, housing and benefits.
- 664 • If a longer leave is sought by the pastor but not medically required, additional time may be
- 665 negotiated by the pastor with the congregation council and provisions should be made for
- 666 appropriate adjustment in salary and other compensation.
- 667 • If a longer leave is medically required, it should be handled as any other disability.
- 668
- 669

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

- 671 • Provisions for paternity leave and adoptive parental leave shall include **up to six consecutive**
- 672 **weeks** (including Sundays) with full salary, housing and benefits.
- 673 • If there are special needs, additional time may be negotiated by the pastor with the
- 674 congregation council and provisions made for appropriate adjustment in salary and other
- 675 compensation, with appropriate documentation and approval by the congregation council.
- 676

677 Parenting Leave (Appendix A, Section D-6)

- 678 • Parenting leave is directed towards providing care for a member of the employee's
- 679 immediate family who is ill or injured.
- 680 • Immediate family members are the employee's spouse, partner, children, parents and
- 681 parents-in-law, siblings, grandparents, grandchildren, and minors for whom the
- 682 employee is the legal guardian. The employee's children include not only the employee's
- 683 biological, adopted, or foster children, but also, legal wards, and children and
- 684 stepchildren for whom the employee provides care and financial support on a daily basis.
- 685 • Such leave should include **up to six weeks** (based on a typical work week; including Sundays)
- 686 full salary, housing, and benefits with appropriate documentation and approval by the
- 687 congregation council (or equivalent leadership body).
- 688 • If there are special needs, additional time may be negotiated by the pastor with the
- 689 congregation council and provisions made for appropriate adjustment in salary and other
- 690 compensation, with appropriate documentation and approval by the congregation council.
- 691
- 692

North/West Lower Michigan Synod - 2024 Compensation Guidelines

693 **Leave of Absence**

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

696

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

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

709

710 **Separation Guidance (Appendix D)**

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

728 **II. Compensation for Contracted and/or Supply Ministers of Word**
729 **and Sacrament (Pastors) and Ministers of Word and Service**
730 **(Deacons)**

731
732 Ministers of Word and Sacrament (Pastors) in part-time calls should refer to Section I for
733 compensation guidelines. Ministers of Word and Service (Deacons) in part-time calls should refer
734 to Section III for compensation guidelines.

735
736 **Pastors or Deacons Under Contract**

737 In those instances where a congregation contracts for services of a rostered minister on a daily
738 (8 hr/day) basis, the recommended **minimum** compensation is:

- 739 • \$225 per day plus expenses
740 ○ Meals and mileage at the current IRS rate (i.e., **67** cents/mile in **2024**).
741 • If a full day is not required, a congregation may contract based on an hourly rate of \$30 per
742 hour, with minimum pay of two hours or \$60.

743
744 **Supply Pastors and Deacons**

745 Compensation for supply preaching (including sermon preparation, travel time, fellowship and
746 worship time) should be as follows (**at a minimum**):

- 747 • \$225 for one worship service
748 • \$50 for each additional worship service
749 • Mileage at the current IRS rate (i.e., **67** cents/mile in **2024**)
750 • When an additional worship service is scheduled for Saturday or Sunday evening, the
751 congregation is also responsible for supplying overnight lodging upon the request of the
752 supply rostered minister.
753 • The congregation may also compensate the supply rostered minister for meals while in town.
754 • When services are not held on consecutive days, the supply rostered minister will be
755 compensated each day as a separate event.

756
757 • **Base Compensation**

- 758 ○ Whenever possible, the Base Salary will conform to the **2025** Yearly Suggested Base Salary
759 Grid for Pastors (Section I) or Deacons (Section III), according to the rostered minister's
760 years of service.
761 ○ For Ministers of Word and Sacrament (Pastors): A Housing Allowance equal to 30% of the
762 Base Salary or as agreed upon with the pastor will be provided (the pastor may allocate
763 some salary to housing). Alternatively, housing may be provided by the congregation as
764 negotiated with the interim pastor.
765 ○ A self-employed Social Security payment allowance will be provided.

766
767

North/West Lower Michigan Synod - 2024 Compensation Guidelines

- 768
- 769 • **Pension and Insurance Benefits**
 - 770 ○ The congregation will sponsor the rostered minister in the Pension and Other Benefits
 - 771 Program of the ELCA, including health, retirement, disability, and retiree support (see
 - 772 Section I or III).
 - 773 ○ The rostered minister may choose to waive health coverage if he or she has coverage
 - 774 from another source.
- 775
- 776 • **Expenses**
 - 777 ○ If the rostered minister will be commuting more than forty miles (one way), the
 - 778 congregation is encouraged to provide additional salary to offset the additional expense
 - 779 of a lengthy commute. Mileage from home to office is not a reimbursable business
 - 780 expense.
 - 781 ○ The congregation will reimburse the rostered minister for miles driven in service to the
 - 782 congregation in accordance with IRS guidelines (i.e., 67 cents/mile in 2024) up to an
 - 783 established maximum number of miles.
 - 784 ○ The congregation will pay for the rostered minister’s attendance at official synod
 - 785 meetings.
 - 786 ○ A continuing education allowance shall accrue at the rate of \$83.33 per month for
 - 787 ministers of Word and Sacrament (pastors) or \$58.34 per month for ministers of Word
 - 788 and Service (deacons). The rostered minister shall also accrue one day per month paid
 - 789 leave of absence to attend continuing education. Any unused time and funds will move
 - 790 with the rostered minister to the next appointment.
 - 791 ○ If the rostered minister will be lodging overnight in the community served, the
 - 792 congregation will provide for suitable lodging.
- 793
- 794 • **Paid Time Off**
 - 795 ○ Vacation with pay shall accumulate at the rate of one week (based on a typical work week;
 - 796 including one Sunday) for every 3 months of service. Some or all of the earned vacation
 - 797 may be taken at the conclusion of the pastor’s term of service.
 - 798 ○ Sick leave with pay shall accumulate at the rate of one day for every month served,
 - 799 cumulative to 30 days of sick leave. Unused accumulated sick leave will not be
 - 800 compensated at the end of service.
 - 801 ○ Short-term or long-term disability concerns shall be handled according to Portico
 - 802 guidelines.
 - 803

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

806
807 These guidelines are applicable to ministers of Word and Service (deacons), who are in positions
808 designated as full-time and part-time (benefit eligible) under Letter of Call. Deacons come to our
809 synod and congregations with varied skills and experiences and as a result, may assume many
810 different responsibilities. Job descriptions vary and are developed by the congregation. The ELCA
811 requires specialized training for certification as deacon. The ELCA defines a part-time (benefit
812 eligible) call as less than full time but not less than, on average, 15 hours per week. Work that is
813 less than 15 hours a week (on average) is not benefit eligible and is arranged by contract rather
814 than via a Letter of Call.

815
816 Compensation for deacons should be comparable to professional positions of equal responsibility
817 and training within a congregation's region or within the synod. Adequate compensation enables
818 deacons to fulfill responsibilities and obligations, encourages vocational satisfaction, and
819 encourages a deacon's best effort. Congregations and our synod have an obligation to review
820 compensation plans annually. We also expect deacons to take initiatives in seeking an annual
821 review of compensation.

822
823 Inadequate compensation may result in discouragement and dissatisfaction. This sometimes
824 occurs as a deacon's family cannot maintain financial stability, as negative attitudes toward the
825 congregation and church begin, or as an inability to participate in continuing education programs.
826 Inadequate compensation means low contributions to retirement plans, which leads to
827 inadequate retirement income. All of these realities increase the occurrence of resignations from
828 ministry, make it more challenging to recruit able candidates to our synod, and can create a poor
829 image of the church in our communities.

830
831 Our synod recognizes there are deacons and congregations who, for a variety of reasons, choose
832 to be content with salaries that are below the synod's recommended minimum guidelines. We
833 caution these deacons and congregations, however, that they are doing disservice to the
834 congregation, other deacons, and successors by allowing the compensation package to remain
835 below recommended minimum guidelines. In such situations, the congregation, deacon, and
836 bishop's office should work together to develop a short-term (2-3 year) plan to move toward
837 minimum guidelines and implement other ways to compensate and care for the deacon in the
838 interim period. Ideas include:

- 839
- 840 • An extra week of vacation per year.
 - 841 • An extra week of continuing education or study time.
 - 842 • A monthly study day, during which the deacon would be unavailable and would use that
843 time to pray, read scripture, explore a topic that would benefit ministry, etc. This would
844 NOT be a vacation day, but it would be a valuable time of renewal for the deacon.
 - 845 • Ask your deacon what would be most helpful in her/his ministry and how the congregation
846 can help.

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

851

852 **A. Base Compensation**

853

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

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

856

- 857 • The **2025** Yearly Minimum Base Salary Grid for Deacons (see below)
- 858 • Performance evaluation to include an overview of duties performed during the year, scope
859 of responsibility, any expanded ministries, meeting the objectives of the congregation or
860 organization, etc.
 - 861 ○ Our Staff: Building Our Human Resources (available from www.augsburgfortress.org) has a
862 section on Performance Reviews that may be helpful.
- 863 • Education (degree or non-degree)
- 864 • Length & breadth of experience*
- 865 • Full-time/Part-time status
- 866 • Certification by ELCA or predecessor church bodies
- 867 • Quality of performance
- 868 • Job description / complexity of responsibilities
- 869 • Involvement in continuing education
- 870 • Cost of living in a particular geographical area
- 871 • Educational debt
- 872 • Compensation for comparable level positions in the community or geographical area

873

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

877

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

- 879 • A **4.0% increase to the Base Salary Model for 2025** is recommended based on the following:
 - 880 ○ **Cost of Living Allowance (COLA):** The most recent COLA increases were **3.2% (2024)**,
881 **8.7% (2023)**, **5.9% (2022)**, **1.3% (2021)**, and **1.6% (2020)** (see
882 <http://www.socialsecurity.gov/news/cola/> (keyword COLA)).
 - 883 ○ **ELCA Region 6 Assessment:** For **2025**, the recommended % increase to the base salary
884 model provides continued consistency and competitiveness between our synod's base
885 salaries and those of other synods in our region to ensure fair compensation for
886 rostered leaders and to support congregations in attracting new and/or keeping
887 experienced rostered leaders to our synod within competitive Call processes.
- 888 • It is recognized that some congregations may not be able to fully include this strategic
889 increase in their deacon's compensation package in a single calendar year. If this is the case,

North/West Lower Michigan Synod - 2024 Compensation Guidelines

890 it is recommended that congregations develop a multi-year plan (in consultation with the
 891 bishop as needed) to bring compensation packages for full-time or part-time deacons in line
 892 with the minimum base salary recommendations.

893

894 **2025 Minimum Base Salary Recommendations for Ministers of Word and Service (Deacons)**

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

900

Years of Service *	Recommended Base Salary (\$) **
0-1	44,730
2	45,230
3	45,730
4	46,230
5	46,730
6	47,230
7	47,730
8	48,230
9	48,730
10	49,230
11	49,730
12	50,230
13	50,730
14	51,230
15	51,730
16	52,230
17	52,730
18	53,230
19	53,730
20+	54,230 **

901 * For Deacons, “Years of Service” equals “Years of Experience” as a minister of Word and Service (with
 902 credit given for prior employment experience as appropriate)

903 ** NWLM Salary Model for Deacons: A **4.0%** Increase was applied to the base salary for 0-1 Years of
 904 Service; add \$500 for each additional Year of Service.

905

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

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

910

North/West Lower Michigan Synod - 2024 Compensation Guidelines

911 **Social Security**

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

914

915 **Housing**

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

918

919 **B. Pension and Insurance Benefits**

920

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

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

924

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

928

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

936

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

939

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

943

944 What remains the same:

945

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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

965

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

969

970 **C. Expenses**

971

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

973 It is recommended that the congregation reimburse deacons for miles driven in service of the
974 congregation.

- 975 ● This can be done on a cents per mile basis. Such reimbursement should be consistent with
976 the current IRS mileage rate (i.e., 67 cents/mile in 2024).
- 977 ● This can also be done on the basis of specific reimbursement costs. In order to claim the IRS
978 rate the employee must own his or her automobile.

979

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

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

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

986

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

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

991

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

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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

996 Computer

- 997 • A computer system provided by the congregation for the deacon's use remains the property of the congregation (including all information stored on the computer) and is to be treated
- 998 as a business expense that is not taxable to the deacon.
- 999
- 1000 • A computer system purchased by the deacon is NOT a deductible business expense, even
- 1001 when used for business purposes.
- 1002

1003 Cell Phone

- 1004 • A cell phone provided by the congregation for the deacon's use remains the property of the
- 1005 congregation and is a non-taxable business expense if the council minutes state it is primarily
- 1006 provided for non-compensatory business reasons (such as the need to be accessible at all
- 1007 time for work-related emergencies).
- 1008 • The deacon may be provided with a non-taxable cell phone reimbursement if council minutes
- 1009 state that the deacon is required to maintain a personal cell phone for non-compensatory
- 1010 business reasons and the reimbursement amount does not exceed reasonable business
- 1011 needs (i.e., reimbursement covers the basic monthly plan, not the family plan for extra
- 1012 minutes).
- 1013

1014 **Moving Expenses (Appendix B, Section C-5)**

- 1015 • Moving expenses normally are paid in full by the calling congregation. This one-time cost can
- 1016 be significant - recent experience indicates that costs can range from \$8,000 to \$15,000.
- 1017 Some congregations work to set aside a sufficient amount in anticipation of a staffing
- 1018 transition. Others have had a special offering to assist with this expense.
- 1019 • It is recommended that the employee submit two to three estimates to the congregation.
- 1020

1021 **D. Paid Time Off**

1022

1023 **Weekly Time Off**

- 1024 • Deacons are responsible for setting their schedules to meet the needs and expectations of
- 1025 their position. They, like anyone else, need time off from work to replenish and re-energize.
- 1026 Congregations should ensure that each deacon has the equivalent of **two full days off** per
- 1027 week. The deacon's weekly schedule (days/hours) may be negotiated as necessary.
- 1028 • For the well-being of the deacon and health of the congregation, it is suggested that his or
- 1029 her schedule generally **not exceed 50 hours** in a work week. If longer work weeks are more
- 1030 the "norm" rather than the exception, congregation councils (or equivalent) are encouraged
- 1031 to partner with the deacon to assess alternate resource options, including items such as:
- 1032 ○ determining if sufficient need and capacity (financial and otherwise) is in place to warrant
- 1033 additional staffing
- 1034 ○ identifying possible opportunities for appropriate delegation of responsibility to other
- 1035 staff members or congregational lay leaders
- 1036 ○ ensuring effective time management strategies are being utilized

North/West Lower Michigan Synod - 2024 Compensation Guidelines

- 1037 ○ identifying responsibilities that are lower priority and could be done at a reduced
1038 frequency or discontinued
- 1039 ○ review, prioritization, and possible adjustment to expectations set forth within the job
1040 description (done in consultation with the senior pastor)

1041

1042 **Vacation (Appendix B, Section D-1)**

- 1043 ● Vacation time is **four weeks** (based on a typical work schedule; including four Sundays)
- 1044 ● Attendance at official Synod or Churchwide assemblies, conferences, and continuing
1045 education are not considered vacation time.
- 1046 ● Additional discussion and clarification should be made regarding days off, provision for
1047 national holidays, other small blocks of “off” time, whether unused time is carried over to the
1048 next year, etc.

1049

1050 **Continuing Education (Appendix B, Sections C-2; D-2; D-3)**

1051 In order to update skills and thereby strengthen ministries, full-time deacons are encouraged to
1052 enroll in courses of advanced study. Such activities improve and build ministry. The ELCA expects
1053 a minimum of 50 contact hours annually in continuing education. A contact hour is defined as a
1054 typical 50-minute classroom instructional session or the equivalent. These experiences are to be
1055 taken with colleagues and under responsible sponsorship, capable directors, and qualified
1056 instructors, and should be pre-approved by the congregation council.

1057

- 1058 ● Deacons are encouraged to work annually with their congregation council in planning,
1059 reviewing and recording their continuing education activities and hours. These continuing
1060 education endeavors are also to be reported annually to the synodical bishop.
- 1061 ● It is also recommended that each congregation annually budget a **minimum of \$700** for
1062 deacons along with two weeks per year (including Sundays) for travel and/or conference
1063 time.
- 1064 ● Accumulation of time and funds to permit flexibility may be negotiated between the deacon,
1065 the pastor, and congregation council. Accumulation over a 2- or 3-year period is suggested.
- 1066 ● Official meetings of the synod such as Synod Assembly, Churchwide Assembly, conference
1067 meetings, or other leadership events are not included as continuing education.
- 1068 ● **First Call Deacons** are required to participate in First Call Theological Education (FCTE) for the
1069 first three years of ministry. FCTE includes but is not limited to a Fall Retreat (2-3 days) and a
1070 Spring Retreat (2-3 days).
 - 1071 ○ Congregations should work with first call deacons to determine other continuing
1072 education experiences for the growth of the deacon and the congregation.
 - 1073 ○ A First Call Theological Education Covenant shall be discussed and completed by the
1074 Deacon, Council President, and Assistant to the Bishop.

1075

1076

North/West Lower Michigan Synod - 2024 Compensation Guidelines

1077 Churchwide / Synodical Commitments

- 1078 • There are times when a deacon is called upon to **serve beyond** the congregation. Examples
1079 may include church-related activities such as serving as chaplain at a church camp; serving on
1080 a synodical or ELCA council, committee or task force; or filling a short-term teaching
1081 commitment at a college or seminary. Serving beyond one's home congregation in these or
1082 other ways is an integral part of public ministry. This "extended ministry" is encouraged at
1083 appropriate levels and should be considered in consultation with the rostered leader's
1084 Congregation Council or equivalent leadership body. This type of ministry beyond the
1085 congregation should not be considered as vacation time for the deacon.
- 1086 • As required by the synod constitution and based on the Letter of Call, all rostered ministers
1087 are required to attend the Synod Assembly as voting members. It is the responsibility of the
1088 congregation or sponsoring organization to provide the financial support necessary for the
1089 rostered minister to attend the Synod Assembly each year.

1090

1091 Sick Leave (Appendix B, Section D-4)

- 1092 • Sick Leave for the employee should be provided for **up to six weeks per year** with full salary
1093 and benefits.
- 1094 ○ Pay continuation when an employee is ill is a privilege and not a right or entitlement.
1095 Consequently, all employees are expected to work except when actually ill or when their
1096 absence is specifically approved for some other valid reason.
 - 1097 ○ This time off is not accumulated (i.e., it is to be used within each calendar year) and should
1098 not be abused.
 - 1099 ○ Employees are not paid for unused sick leave upon termination of employment.
 - 1100 ○ Provision may be made for further unpaid time for disability recovery as agreed upon by
1101 the Congregation Council or equivalent leadership body.

1102

1103 Maternity Leave (Appendix B, Section D-5)

- 1104 • Provisions for maternity leave shall include up to six consecutive weeks (including Sundays)
1105 with full salary, housing and benefits.
- 1106 • If a longer leave is sought by the pastor but not medically required, additional time may be
1107 negotiated by the deacon with the pastor and congregation council and provisions should be
1108 made for appropriate adjustment in salary and other compensation.
- 1109 • If a longer leave is medically required, it should be handled as any other disability.

1110

1111 Paternity Leave/Adoptive Parental Leave (Appendix B, Section D-5)

- 1112 • Provisions for paternity leave and adoptive parental leave shall include up to six consecutive
1113 weeks (including Sundays) with full salary, housing and benefits.
- 1114 • If there are special needs, additional time may be negotiated by the deacon with the pastor
1115 and congregation council and provisions should be made for appropriate adjustment in salary
1116 and other compensation, with appropriate documentation and approval by the council.

1117

1118

North/West Lower Michigan Synod - 2024 Compensation Guidelines

1119 Parenting Leave (Appendix B, Section D-6)

- 1120 • Parenting leave is directed towards providing care for a member of the employee’s immediate
1121 family who is ill or injured.
 - 1122 ○ Immediate family members are the employee’s spouse, partner, children, parents and
1123 parents-in-law, siblings, grandparents, grandchildren, and minors for whom the
1124 employee is the legal guardian. The employee’s children include not only the
1125 employee’s biological, adopted, or foster children, but also, legal wards, and children
1126 and stepchildren for whom the employee provides care and financial support on a daily
1127 basis.
- 1128 • Such leave should include **up to six weeks** (based on a typical work week; including Sundays)
1129 full salary, housing, and benefits with appropriate documentation and approval by the
1130 congregation council (or equivalent leadership body).
- 1131 • If there are special needs, additional time may be negotiated by the pastor with the
1132 congregation council and provisions made for appropriate adjustment in salary and other
1133 compensation, with appropriate documentation and approval by the congregation council.

1134

1135 Leave of Absence

- 1136 • Congregations and deacons are encouraged to formulate a contingency plan in advance for
1137 possible leave of absence. If desired, this may be made with synod staff consultation.

1138

1139 Sabbatical Leave (Appendix B, Section D-7; Appendix C)

- 1140 • A sabbatical leave is recommended to provide an opportunity for a full-time rostered
1141 minister to take an extended period of time on sabbatical for renewal, enrichment, study,
1142 spiritual growth, travel, skill development and/or research.
- 1143 • A sabbatical is encouraged for full-time rostered ministers who have been in their present
1144 setting five years or more. It is up to the Congregation Council (or equivalent leadership body)
1145 to set the schedule for sabbatical leaves across their organization - includes determining if
1146 staffing adjustments are needed to cover the absence to ensure the needs of the organization
1147 are met.
- 1148 • It is recommended that a sabbatical is planned for up to three months or 12 weeks (including
1149 the two continuing education weeks recommended for the year of the sabbatical).
- 1150 • See Appendix C (“Sabbatical Policy”) for more details.

1151

1152 Separation Guidance (Appendix D)

- 1153 • There are varied circumstances in which a rostered minister’s call with a congregation may
1154 end; for example, due to local difficulties, conflict, vocational changes, continued education,
1155 changes in family, or other unforeseen circumstances. In these situations, rostered ministers
1156 and congregations are encouraged to be in conversation about transition plans and
1157 separation arrangements tailored for the specific circumstances, noting that often there is a
1158 period of unemployment before the rostered minister obtains a new call or other opportunity
1159 which will provide compensation and benefits.

North/West Lower Michigan Synod - 2024 Compensation Guidelines

- 1160 • The Bishop’s office should be notified and is available to assist whenever the termination of
1161 a call is being considered.
- 1162 • As most congregations do not participate in state unemployment insurance, rostered
1163 ministers are not eligible for unemployment compensation from the state. As such,
1164 congregations are strongly recommended to consider whether severance pay is appropriate
1165 to provide care and continued income for the rostered minister during the transition period.
- 1166 • It is recommended that a congregation generally provide a severance package with 3 to 6
1167 months’ continuation of salary (including housing allowance if applicable and FICA offset) and
1168 insurance benefits (including pension contributions).
- 1169 • See Appendix D (“Separation Guidelines”) for more details.

1170 **IV. Compensation for Synodically Authorized Ministers and Other**
1171 **Non-Rostered “At Will” Employees**

1172
1173 **Synodically Authorized Ministers**

1174 Synodically Authorized Ministers (SAMs) are non-rostered lay leaders who have successfully
1175 completed the synod’s SAM training program and have been approved by the **Synod Bishop each**
1176 **and every time a congregation requests (through the synod office) that a SAM** serves in this
1177 capacity.

- 1178
- 1179 • From a salary perspective, it is recommended that Synodically Authorized Ministers be
1180 compensated using the supply pastor (one-time or short-term assignment), deacon
1181 guidelines (longer term assignment) or other equivalent employee guidelines used by a
1182 congregation.
 - 1183 • Consideration should be given to education, degree, life and/or parish experience, and the
1184 distance between the SAM’s home and the congregational site(s).
 - 1185 • Note: Any questions on compensation of a Synodically Authorized Minister should be
1186 directed to the office of the Synod Bishop. Synodically Authorized Ministers do not receive a
1187 Definition of Compensation. If contracted to serve, a sample contract may be provided by the
1188 Bishop’s office.
 - 1189 • See Synodically Authorized Ministry Guidelines (available at www.elca.org using the
1190 following link:
1191 • <https://download.elca.org/ELCA Resource Repository/Synod Authorized Ministry Guidelines.pdf>

1192
1193 **Other Non-Rostered (“At Will”) Employees**

- 1194 • Employee guidelines (including compensation, benefits, time off, etc.) should be established
1195 by the congregation for their non-rostered “at-will” employees. Compensation for these
1196 employees will be based on many factors, including:
 - 1197 ○ Job responsibilities
 - 1198 ○ Employee status (full time; part time)
 - 1199 ○ Compensation for comparable jobs in the local area
 - 1200 ▪ The minimum hourly wage as set by the State of Michigan for **2024 is \$10.33/hr.**
 - 1201 • Specific recommendations for compensation of non-rostered “at will” employees are beyond
1202 the scope of this document. Congregations having questions regarding appropriate
1203 remuneration for youth leaders, Christian education leaders, choir directors, administrative
1204 staff, financial administrators, musicians, custodians, etc., can consult relevant resources
1205 such as:
 - 1206 ○ American Guild of Organists (AGO)
 - 1207 ○ Association of Lutheran Church Musicians (ALCM)
 - 1208 ○ International Association of Administrative Professionals (IAAP)
 - 1209 ○ Human resources professionals in local congregations or community organizations
 - 1210 ○ Our Staff: Building Our Human Resources (available from www.augsburgfortress.org)
- 1211

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 - 2024 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 - 2024 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.

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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 - 2024 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. _____

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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.

North/West Lower Michigan Synod - 2024 Compensation Guidelines

- 43 • As appropriate, the sabbatical leave may be continuous or split into multiple blocks of time.
44 If split, all blocks of time should be taken within a 12-month period.
45

46 **Cost to the Congregation or Synod Organization**

- 47 • The congregation or synod organization will continue to pay full salary and benefits (includes
48 housing for pastors; excludes car allowances) during the sabbatical period.
49 • Accrued continuing education dollars can be used for the educational costs of the sabbatical
50 – suggest limiting to an accrual of **five** years maximum.
51 • The congregation or synod organization is responsible for providing additional ministry
52 leadership support and service during the sabbatical time. This includes Sunday worship,
53 teaching, leading the liturgy, confirmation camp, new member classes, visitation, funerals,
54 weddings, etc., as applicable.
55 • The congregation or synod organization is not responsible to fund the sabbatical in any other
56 way. However, the congregation or synod organization may consider gifting as a means of
57 providing additional financial assistance.
58

59 **Planning**

- 60 • There are several objectives to be considered by the rostered minister and the congregation
61 or synod organization during planning of a sabbatical:
62 ○ Will this be a time of renewal that will help “recharge” spiritually and professionally so
63 that the rostered minister returns with new energy for ministry?
64 ○ What learnings can be shared upon return from sabbatical? How will this time away
65 benefit the congregation?
66 ○ How will this help the rostered minister grow as a person and as a professional? How will
67 it enhance this leader’s overall ministry skills?
68 • Planning should begin the calendar year before the sabbatical so the congregation or synod
69 organization and the rostered minister can plan for financial and ministry adjustments.
70 • It is up to the Congregation Council (or equivalent leadership body) to set the schedule for
71 sabbatical leaves across their organization - includes determining if staffing adjustments are
72 needed to cover the absence to ensure the needs of the organization are met.
73 • The sabbatical leave plan is to be developed in cooperation with the congregation council or
74 equivalent leadership body. The parties shall seek the counsel of the bishop before finalizing
75 an agreement.
76

77 **Commitments Following the Sabbatical**

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

Appendix D.

Separation Guidelines

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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

133

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

139

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

146

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

153

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