

North/West Lower Michigan Synod

2024 Compensation Guidelines for Ministers of Word and Sacrament (Pastors), Ministers of Word and Service (Deacons), Synodically Authorized Ministers, and Other Staff



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

Table of Contents

2	
3	
4	
5	
6	I. Compensation for Full-Time and Part-Time Ministers of Word and
7	Sacrament (Pastors) under Call.....7
8	
9	
10	
11	II. Compensation for Contracted and/or Supply Ministers of Word and
12	Sacrament (Pastors) and Ministers of Word and Service
13	(Deacons).....21
14	
15	
16	
17	III. Compensation for Full-Time and Part-Time Ministers of Word and
18	Service (Deacons) under Call.....23
19	
20	
21	
22	IV. Compensation for Synodically Authorized Ministers and
23	Other Non-Rostered (“At Will”) Employees.....33
24	
25	
26	
27	V. Appendices
28	
29	a. Form: Statement of Compensation, Benefits, and
30	Responsibilities – Clergy.....34
31	
32	b. Form: Statement of Compensation, Benefits, and
33	Responsibilities – Deacon.....37
34	
35	c. Sabbatical Guidelines.....40
36	
37	d. Separation Guidelines.....42
38	

Preface

39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79

The ELCA recognizes two categories for Rostered Ministers: Ministers of Word and Sacrament (Pastors) and Ministers of Word and Service (Deacons). Each rostered person has been fully approved by their Candidacy Committee and called to serve in their respective ministry fields.

- **Pastors** have received theological and practical training for the **ministry of Word and Sacrament** that is carried out in a variety of settings in congregations and institutions of the ELCA. They typically have a 4-year Master of Divinity degree and are ordained by the ELCA.
- **Deacons (formerly Associates in Ministry, Deaconesses, or Diaconal Ministers)** have received theological and practical training for the **ministry of Word and Service**. **Deacons** go through the candidacy process of the ELCA before they are ordained for **ministry of Word and Service**. They may be called by a congregation, a synod or the churchwide expression. They serve within congregations as well as outside of congregations in schools, agencies and institutions. They strive to be witnesses to this church and the world. They represent the church in settings and positions other than the traditional role of pastor.

Enclosed are the **2024 North/West Lower Michigan Synod Compensation Guidelines** for these rostered ministers (see Sections I-III). Also included are guidelines for Synodically Authorized Ministers and other congregation staff members (see Section IV). These guidelines are offered as input for congregation councils and other leadership teams to determine just and honorable salary, benefits, allowances, and reimbursements for those in ministry across our synod.

Congregations are expected to use the synod guidelines as a resource – a starting point in establishing compensation for pastors, deacons, and lay staff. However, these are only guidelines. They cannot possibly speak to all congregations with varying financial and personnel resources and expectations. They are also not intended to provide US federal tax advice. Employees and congregations are encouraged to consult with a tax expert as needed to ensure compliance with applicable Internal Revenue Service (IRS) rules and regulations. If there are any discrepancies in information between what is contained in these guidelines related to housing and social security allowance and what is provided by the IRS, information provided by the IRS is controlling and should be used. Further, if there are any discrepancies between what is contained in these guidelines related to pension and insurance benefits and what is provided by Portico Benefit Services, information provided by Portico Benefit Services and the applicable summary plan descriptions are controlling and should be used.

These annual guidelines include recommended increases to base salaries based on cost of living and other strategic inputs along with changes to general guidelines for reimbursements and time off to ensure consistency with other synods in our region. Merit based increases also continue to be encouraged where appropriate based on an individual congregation’s overall compensation package and a pastor’s role and responsibilities within his or her congregation.

North/West Lower Michigan Synod - 2024 Compensation Guidelines

80 For 2024, these items should be noted:

81 • **2024 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 6% has been incorporated**
130 **into the Salary Model used by the North/West Lower MI Synod for both pastors and**
131 **deacons** to set minimum recommendations for 2024. In addition, each year a staff person
132 has an additional year of experience that adds value to the shared ministry. This added
133 experience needs to be considered in providing fair compensation for employees.

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

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

146
147

North/West Lower Michigan Synod - 2024 Compensation Guidelines

148 The following references are provided for additional consideration:

- 149 • General link to IRS On-Line Publications [<http://www.irs.gov/publications/>]
- 150 • IRS Topic 417 – Earnings for Clergy [<http://www.irs.gov/taxtopics/tc417.html>]
- 151 • IRS Publication 517 - Social Security and Other Information for Members of the Clergy and
152 Religious Workers [<http://www.irs.gov/publications/p517/>]
- 153 • With regard to Cost of Living Allowance (COLA), visit the Social Security website at
154 www.ssa.gov (see Frequently Asked Questions) or contact your local Chamber of Commerce.
155 These are very helpful in finding the actual cost of living variances in your specific county.
- 156 • Since there are many factors in figuring health benefits rates, contact the Portico Benefit
157 Services by phone (800-352-2876) or e-mail (mail@porticobenefits.org) for assistance.
158 Additional information, including on-line calculators and forms are also available:
- 159 ○ Portico Benefit Services Employer Page:
160 <https://employerlink.porticobenefits.org>
- 161 ○ Portico Benefits Cost Calculator Tool:
162 <https://employerlink.porticobenefits.org/Resources/Calculators/BenefitsCostCalculator.aspx>
- 163 • The ELCA website (www.elca.org) also contains further compensatory information.
- 164 • “The Need for Clergy Renewal”, posted in December 2006 by Alban at Duke Divinity School
165 (<https://alban.org/archive/the-need-for-clergy-renewal/>)
- 166 • Clergy Renewal: The Alban Guide to Sabbatical Planning by A. Richard Bullock and Richard J.
167 Bruesehoff (available at www.amazon.com)
- 168 • Journeying toward Renewal: A Spiritual Companion for Pastoral Sabbaticals by Melissa Bane
169 Sevier (available at www.amazon.com)
- 170 • Pastor and People: Making Mutual Ministry Work (available at www.augsburgfortress.org)
- 171 • Our Staff: Building Our Human Resources (available at www.augsburgfortress.org)
- 172 • Synodically Authorized Ministry Guidelines: see the following www.elca.org link:
173 https://download.elca.org/ELCA%20Resource%20Repository/Guidelines_Synodically_Authorized_Ministries.pdf?_ga=2.169978976.1543437135.1591019415-850960564.1568489365
174

175

176

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

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

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

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

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

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

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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

225 A Statement of Compensation, Benefits and Responsibilities form (Appendix A) should be

226 completed and submitted to the bishop's office annually. Links to information from the IRS and

227 Portico Benefits Services are provided in the Preface section of this document for reference.

228

229 **A. Base Compensation**

230

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

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

233 considerations:

- The 2024 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
- 234
- 235
- 236
- 237
- 238
- 239
- 240
- 241
- 242
- 243
- 244
- 245
- 246
- 247
- 248
- 249
- 250
- 251
- 252
- 253
- 254
- 255
- 256
- 257

North/West Lower Michigan Synod - 2024 Compensation Guidelines

258 Changes to Recommended Base Salaries for Pastors:

259 • A **6% increase to the Base Salary Model for 2024** is recommended based on the following:

260 ○ **Cost of Living Allowance (COLA):** The most recent COLA increases were **8.7%** (2023),
261 **5.9%** (2022), **1.3%** (2021), and **1.6%** (2020) (see
262 <http://www.socialsecurity.gov/news/cola/> (keyword COLA).

263 • **ELCA Region 6 Assessment:** An assessment of 2023 Compensation Guidelines across all
264 synods in Region 6 was conducted – comparing Pastor base salaries only. For 2024, the
265 recommended % increase to the base salary model provides continued consistency and
266 competitiveness between our synod’s base salaries and those of other synods in our
267 region to ensure fair compensation for rostered leaders and to support congregations in
268 attracting new and/or keeping experienced rostered leaders to our synod within
269 competitive Call processes.

270 • It is recognized that some congregations may not be able to fully include this strategic
271 increase in their pastor’s compensation package in a single calendar year. If this is the case,
272 it is recommended that congregations develop a multi-year plan (in consultation with the
273 bishop as needed) to gradually bring a pastor’s compensation package in line with the
274 minimum base salary recommendations.
275
276

North/West Lower Michigan Synod - 2024 Compensation Guidelines

2024 Minimum Base Salary Recommendations for Ministers of Word and Sacrament (Pastors)

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

Years of Service *	Recommended Minimum Base Salary (\$) **
0-1	44,770
2	45,270
3	45,770
4	46,270
5	46,770
6	47,270
7	47,770
8	48,270
9	48,770
10	49,270
11	49,770
12	50,270
13	50,770
14	51,270
15	51,770
16+	52,270 **

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

** NWLM Salary Model for Pastors: An increase of 6% was applied to the base salary for 0 Years of Service; add \$500 for each Year of Service through 16 years; add \$700 for each Year of Service for 17 years and beyond.

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

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

Housing (Appendix A, Section A-3)

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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

345 **Parsonage vs. Housing Allowance**

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

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

363

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

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

371

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

378

379 **Minimum Defined Base Compensation**

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

382

383 Example: For a First Call Pastor with 0-1 years of experience as an ordained pastor, the minimum
384 defined base compensation targeted based on the guidelines would be \$44,770 (targeted base
385 salary for a first call pastor) + \$13,431 (targeted housing allowance at 30% base salary) + \$4,452
386 (Social Security Allowance at 7.65% of base salary + housing) totaling (=) \$62,653.

387

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

397 **B. Pension and Insurance Benefits**

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

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

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

412 Portico Benefit Services Pension Plan

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

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

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

422

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

430

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

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

436

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

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

441

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

449

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

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

456

457 What remains the same:

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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

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

483 **Sponsored Couples**

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

487 **Portico Benefit Services**

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

492 **Disability**

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

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

503 **C. Expenses**

504

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

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

- 507 • Reimburse the pastor for actual miles driven in service of the congregation (up to an annual
508 designated amount set by the congregation).
509 ○ This can be done on a cents per mile basis. Such reimbursement should be consistent
510 with the current IRS rate (i.e., 65.5 cents/mile in 2023; [Standard Mileage Rates |
511 Internal Revenue Service \(irs.gov\)](https://www.irs.gov/publications/p969))
512 • Pay the pastor a fixed amount in equal monthly installments for the year.
513 ○ This is generally the least complicated way to handle the matter, but not the most
514 favorable way when dealing with taxes.
515 ○ If used, income per month needs to be added to salary at year-end.

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

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

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

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

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

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

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

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

538 Computers

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

545 Cell Phones

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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

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

564 **D. Paid Time Off**

565

566 **Weekly Time Off**

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

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

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

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

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

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

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

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

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

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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

622

623 Churchwide / Synodical Commitments

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

637

638

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

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

650

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

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

658

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

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

665

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

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

680

681

North/West Lower Michigan Synod - 2024 Compensation Guidelines

682 **Leave of Absence**

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

685

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

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

698

699 **Separation Guidance (Appendix D)**

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

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

720

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

724

725 **Pastors or Deacons Under Contract**

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

- 728 • \$225 per day plus expenses
729 ○ Meals and mileage at the current IRS rate (i.e., 65.5 cents/mile in 2023).
730 • If a full day is not required, a congregation may contract based on an hourly rate of \$30 per
731 hour, with minimum pay of two hours or \$60.

732

733 **Supply Pastors and Deacons**

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

- 736 • \$225 for one worship service
737 • \$50 for each additional worship service
738 • Mileage at the current IRS rate (i.e., 65.5 cents/mile in 2023)
739 • When an additional worship service is scheduled for Saturday or Sunday evening, the
740 congregation is also responsible for supplying overnight lodging upon the request of the
741 supply rostered minister.
742 • The congregation may also compensate the supply rostered minister for meals while in town.
743 • When services are not held on consecutive days, the supply rostered minister will be
744 compensated each day as a separate event.

745

746 • **Base Compensation**

- 747 ○ Whenever possible, the Base Salary will conform to the 2024 Yearly Suggested Base Salary
748 Grid for Pastors (Section I) or Deacons (Section III), according to the rostered minister's
749 years of service.
750 ○ For Ministers of Word and Sacrament (Pastors): A Housing Allowance equal to 30% of the
751 Base Salary or as agreed upon with the pastor will be provided (the pastor may allocate
752 some salary to housing). Alternatively, housing may be provided by the congregation as
753 negotiated with the interim pastor.
754 ○ A self-employed Social Security payment allowance will be provided.

755

756

North/West Lower Michigan Synod - 2024 Compensation Guidelines

- 757
- 758 • **Pension and Insurance Benefits**
 - 759 ○ The congregation will sponsor the rostered minister in the Pension and Other Benefits
 - 760 Program of the ELCA, including health, retirement, disability, and retiree support (see
 - 761 Section I or III).
 - 762 ○ The rostered minister may choose to waive health coverage if he or she has coverage
 - 763 from another source.
 - 764 • **Expenses**
 - 765 ○ If the rostered minister will be commuting more than forty miles (one way), the
 - 766 congregation is encouraged to provide additional salary to offset the additional expense
 - 767 of a lengthy commute. Mileage from home to office is not a reimbursable business
 - 768 expense.
 - 769 ○ The congregation will reimburse the rostered minister for miles driven in service to the
 - 770 congregation in accordance with IRS guidelines (i.e., 65.5 cents/mile in 2023) up to an
 - 771 established maximum number of miles.
 - 772 ○ The congregation will pay for the rostered minister’s attendance at official synod
 - 773 meetings.
 - 774 ○ A continuing education allowance shall accrue at the rate of \$83.33 per month for
 - 775 ministers of Word and Sacrament (pastors) or \$58.34 per month for ministers of Word
 - 776 and Service (deacons). The rostered minister shall also accrue one day per month paid
 - 777 leave of absence to attend continuing education. Any unused time and funds will move
 - 778 with the rostered minister to the next appointment.
 - 779 ○ If the rostered minister will be lodging overnight in the community served, the
 - 780 congregation will provide for suitable lodging.
 - 781
 - 782 • **Paid Time Off**
 - 783 ○ Vacation with pay shall accumulate at the rate of one week (based on a typical work week;
 - 784 including one Sunday) for every 3 months of service. Some or all of the earned vacation
 - 785 may be taken at the conclusion of the pastor’s term of service.
 - 786 ○ Sick leave with pay shall accumulate at the rate of one day for every month served,
 - 787 cumulative to 30 days of sick leave. Unused accumulated sick leave will not be
 - 788 compensated at the end of service.
 - 789 ○ Short-term or long-term disability concerns shall be handled according to Portico
 - 790 guidelines.
 - 791
 - 792

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

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

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

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

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

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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

840

841 **A. Base Compensation**

842

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

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

845

- 846 • The 2024 Yearly Minimum Base Salary Grid for Deacons (see below)
- 847 • Performance evaluation to include an overview of duties performed during the year, scope
848 of responsibility, any expanded ministries, meeting the objectives of the congregation or
849 organization, etc.
 - 850 ○ Our Staff: Building Our Human Resources (available from www.augsburgfortress.org) has a
851 section on Performance Reviews that may be helpful.
- 852 • Education (degree or non-degree)
- 853 • Length & breadth of experience*
- 854 • Full-time/Part-time status
- 855 • Certification by ELCA or predecessor church bodies
- 856 • Quality of performance
- 857 • Job description / complexity of responsibilities
- 858 • Involvement in continuing education
- 859 • Cost of living in a particular geographical area
- 860 • Educational debt
- 861 • Compensation for comparable level positions in the community or geographical area

862

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

866

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

- 868 • A **6% increase to the Base Salary Model for 2024** is recommended based on the following:
 - 869 ○ **Cost of Living Allowance (COLA):** The most recent COLA increases were **8.7%** (2023),
870 **5.9%** (2022), **1.3%** (2021), and **1.6%** (2020) (see
871 <http://www.socialsecurity.gov/news/cola/> (keyword COLA)).
 - 872 ○ **ELCA Region 6 Assessment:** For 2024, the recommended % increase to the base salary
873 model provides continued consistency and competitiveness between our synod's base
874 salaries and those of other synods in our region to ensure fair compensation for
875 rostered leaders and to support congregations in attracting new and/or keeping
876 experienced rostered leaders to our synod within competitive Call processes.
- 877 • It is recognized that some congregations may not be able to fully include this strategic
878 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

879 it is recommended that congregations develop a multi-year plan (in consultation with the
880 bishop as needed) to bring compensation packages for full-time or part-time deacons in line
881 with the minimum base salary recommendations.
882

883 **2024 Minimum Base Salary Recommendations for Ministers of Word and Service (Deacons)**

884 The salaries below are the minimum recommended annual salaries based on a full-time position.
885 Salaries for less-than-full-time (includes long term part-time) positions should be based on a
886 corresponding percentage of these guidelines. A full-time call is based on 50 hours/week (on
887 average). Congregations cannot change a deacon's call more than 10% without consulting the
888 bishop and issuing a new Letter of Call.
889

Years of Service *	Recommended Base Salary (\$) **
0-1	43,010
2	43,510
3	44,010
4	44,510
5	45,010
6	45,510
7	46,010
8	46,510
9	47,010
10	47,510
11	48,010
12	48,510
13	49,010
14	49,510
15	50,010
16	50,510
17	51,010
18	51,510
19	52,010
20+	52,510 **

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

892 ** NWLM Salary Model for Deacons: A 6% Increase was applied to the base salary for 0-1 Years of
893 Service; add \$500 for each additional Year of Service.
894

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

896 In consideration of deacons whose work meets or exceed expectations and the congregation's
897 goals for ministry, congregations are encouraged to consider appropriate merit increases
898 (typically 1-3%) in addition to the base salary increase each year.
899

North/West Lower Michigan Synod - 2024 Compensation Guidelines

900 **Social Security**

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

903

904 **Housing**

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

907

908 **B. Pension and Insurance Benefits**

909

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

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

913

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

917

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

925

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

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

932

933 What remains the same:

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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

954

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

958

959 **C. Expenses**

960

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

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

- 964 • This can be done on a cents per mile basis. Such reimbursement should be consistent with
965 the current IRS mileage rate (i.e., 65.5 cents/mile in 2023).
- 966 • This can also be done on the basis of specific reimbursement costs. In order to claim the IRS
967 rate the employee must own his or her automobile.

968

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

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

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

975

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

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

980

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

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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

985 Computer

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

991

992 Cell Phone

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

1002

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

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

1009

1010 **D. Paid Time Off**

1011

1012 **Weekly Time Off**

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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

1030

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

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

1038

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

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

1046

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

1064

1065

North/West Lower Michigan Synod - 2024 Compensation Guidelines

1066 Churchwide / Synodical Commitments

- 1067 • There are times when a deacon is called upon to serve in ways that take her/him beyond the
- 1068 congregation. Examples may include church-related activities such as serving as chaplain at
- 1069 a church camp; serving on a synodical or ELCA council, committee or task force; or filling a
- 1070 short-term teaching commitment at a college or seminary. Serving beyond one's home
- 1071 congregation in these or other ways is an integral part of public ministry. This "extended
- 1072 ministry" is encouraged at appropriate levels and should be considered in consultation with
- 1073 the rostered leader's Congregation Council or equivalent leadership body. This type of
- 1074 ministry beyond the congregation should not be considered as vacation time for the deacon.
- 1075 • As required by the synod constitution and based on the Letter of Call, all rostered ministers
- 1076 are required to attend the Synod Assembly as voting members. It is the responsibility of the
- 1077 congregation or sponsoring organization to provide the financial support necessary for the
- 1078 rostered minister to attend the Synod Assembly each year.

1079

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

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

1091

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

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

1099

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

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

1106

1107

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

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

1123

1124 **Leave of Absence**

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

1127

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

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

1140

1141 **Separation Guidance (Appendix D)**

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

North/West Lower Michigan Synod - 2024 Compensation Guidelines

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

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

1161
1162 **Synodically Authorized Ministers**

1163 Synodically Authorized Ministers (SAMs) are non-rostered lay leaders who have successfully
1164 completed the synod’s SAM training program and have been approved by the Bishop to serve in
1165 this capacity.

- 1166
- 1167 • From a salary perspective, it is recommended that Synodically Authorized Ministers be
1168 compensated using the supply pastor (one-time or short-term assignment), deacon
1169 guidelines (longer term assignment) or other equivalent employee guidelines used by a
1170 congregation.
 - 1171 • Consideration should be given to education, degree, life and/or parish experience, and the
1172 distance between the SAM’s home and the congregational site(s).
 - 1173 • Note: Any questions on compensation of a Synodically Authorized Minister should be
1174 directed to the office of the Synod Bishop. Synodically Authorized Ministers do not receive a
1175 Definition of Compensation. If contracted to serve, a sample contract may be provided by the
1176 Bishop’s office.
 - 1177 • See Synodically Authorized Ministry Guidelines (available at www.elca.org using the
1178 following link:
1179 [https://download.elca.org/ELCA%20Resource%20Repository/Guidelines Synodically Autho
1180 rized Ministries.pdf? ga=2.169978976.1543437135.1591019415-850960564.1568489365](https://download.elca.org/ELCA%20Resource%20Repository/Guidelines%20Synodically%20Authorized%20Ministries.pdf?ga=2.169978976.1543437135.1591019415-850960564.1568489365))
1181

1182 **Other Non-Rostered (“At Will”) Employees**

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

1200

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.

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

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

Cost to the Congregation or Synod Organization

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

Planning

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

Commitments Following the Sabbatical

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

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

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

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

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

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