

~COMPENSATION ~

Ministers of Word and Service, Deacons

A. BASE SALARY

TABLE 1 Shows the *Salary* figures for Rostered ministers.

Year	Salary
0	\$56,190
1	\$56,869
2	\$57,548
3	\$58,228
4	\$58,908
5	\$59,587
6	\$60,267
7	\$60,947
8	\$61,627
9	\$62,305
10	\$62,985
11	\$63,665
12	\$64,345
13	\$65,023
14	\$65,703
15	\$66,383
16	\$67,063
17	\$67,742
18	\$68,422
19	\$69,102
20	\$69,645
21	\$70,188
22	\$70,732
23	\$71,276
24	\$71,820
25	\$72,363
26	\$72,771
27	\$73,178
28	\$73,587
29	\$73,995
30	\$74,402
31	\$74,810
32	\$75,218
33	\$75,625
34	\$76,033
35	\$76,441
36	\$76,848
37	\$77,256
38	\$77,663
39	\$78,072
40	\$78,480

SOCIAL SECURITY (FICA) COVERAGE AND HOUSING ALLOWANCE

IRS identifies lay rostered leaders (which includes Deacons for the purpose of IRS definition) as employees. Congregations are responsible, therefore, to see that the appropriate FICA obligation is met.

The office of the ELCA Secretary advises that Deacons, due to the nature of their work and the IRS definition of clergy, are not eligible to receive as part of their pay a housing allowance.

AUTOMOBILE EXPENSES

When a Rostered Minister is required to use their automobile in carrying out their ministry and responsibilities, the use of the automobile should be considered a business expense of the congregation. The congregation may negotiate with the Rostered Minister to:

1. Lease or purchase an automobile for use by the Rostered Minister and pay all related expenses; or
2. Pay a cents-per-mile reimbursement for actual business miles driven at the current IRS rate when the Rostered Minister uses their automobile (Check the IRS website at www.irs.gov for the latest mileage reimbursement rate.); or
3. Pay the Rostered Minister an equal monthly allowance sufficient which is reported to the IRS as taxable income.

It is recommended that the congregation budget \$3,000/ year as Automotive Expenses, depending on local conditions.

PROFESSIONAL EXPENSES

Professional expenses include books, professional journals, magazines, vestments, assembly expenses, and other costs that help a Rostered Minister carry on an effective ministry in the congregation. The congregation may negotiate with the Rostered Minister to either:

1. Pay all professional expenses as they occur with no maximum; or
2. Pay all professional expenses as they occur up to a maximum allowance; or
3. Establish an expense allowance paid in equal monthly installments which must be reported as taxable income.

Reimbursing the Rostered Minister for the use of their personal phone in the conduct of day-to-day ministry needs to be considered of a professional expense.

It is recommended that the congregation budget professional expenses in these amounts:

\$400/ year — general expenses

\$1200/ year — single line cost of cell service. (\$100 per month)

Congregations may want to consider increasing professional expense allowances at certain times, such as after a move or during periods of increased continuing education. It shall be understood that purchases are the property of the Rostered Minister.

CONTINUING EDUCATION ALLOWANCE

Continuing education is an investment in the ministry of our Rostered Ministers. It is important for Rostered Ministers to improve or acquire skills, and experience personal and professional growth for a more effective ministry. The ELCA recommends that Rostered Ministers have a minimum of 50 contact hours of continuing education per year. In addition to vacation, therefore, congregations are encouraged to make available at least two weeks per year (including two Sundays) for Rostered Ministers to engage in continuing education.

It is recommended that the congregation budget a minimum of \$1,200 per year to assist the Rostered Ministers in meeting the costs of tuition, books, supplies, travel and living expenses while on educational leave, as well as continue the Rostered Minister's regular compensation.

Continuing education time and allocated funds accrue to an individual Rostered Minister in relation to a call in a particular congregation. When a Rostered Minister leaves that specific call, accrued continuing education time and funds are forfeited. Additionally, continuing education time and funds may not be transferred to a Rostered Minister who replaces a Rostered Minister in a place where such time has accrued.

PENSION, HEALTH, SURVIVOR AND DISABILITY BENEFITS

Congregations shall sponsor the Rostered Minister in the Pension and Other Benefits Program of the ELCA, Portico Benefit Services, which provides retirement, disability, survivor, and medical-dental coverage. Sponsorship will include medical-coverage for the Rostered Minister's spouse and children unless they have other employer-provided group medical insurance coverage and the Rostered Minister consents to waiving medical-dental coverage for them under the ELCA program.

Portico currently offers a range of plans to best match the Rostered Minister's healthcare needs. Some plans offer a healthcare spending account that allows both the Rostered Minister and the congregation to set aside money the Rostered Minister can spend on any medical expenses. Whichever plan the Rostered Minister believes is best fit to the Rostered Minister's family, **it is recommended that the congregation budget for Portico's GOLD level coverage, regardless of what coverage the Rostered Minister chooses.**

Portico Benefit Services adjusts contribution rates annually based on current economic and regional realities. The board sends a letter to each congregation in mid-August that delineates the figures for the next year. The most current contribution rates may be also acquired by visiting the Board of Pensions web site and following the instructions for its easy-to-use contribution rate calculator at <http://www.porticobenefits.org>. Portico Benefit Services is happy to answer questions about their benefits programs. Call them at their Service Center at 1-800-352-2876 or 1-612-333-7651.

AN EXAMPLE

As an example, let us consider a congregation which is calculating the salary and cost of a 36-year-old Rostered Minister’s ministry who is a 12-year veteran with spouse and child. Using the figures in Table 1, they would arrive with the following.

TABLE 2: A SIMPLE SALARY STATEMENT

	Negotiated Comp	Guideline
Salary	64,345	64,345
Benefits		
Health & Pension	30,470	
Continuing Education	1,200	1,200
Professional Exp	1,600	1,600
Automobile Exp	3,000	3,000
Total	36,270	
Total Compensation	100,615	

As the congregation begins the discussion with this Rostered Minister it might begin looking at this table to consider the financial implications of calling this Rostered Minister. After Rostered Minister and congregation have come to agreement on this salary the congregation must remember that it will be responsible for further costs associated with FICA.

DETAILED CALCULATIONS

Though the above example is sufficient for understanding the salary of the Rostered Minister further detail is needed for the **congregation’s treasurer**. In the following table the salary is broken down further to the proper filings with the Internal Revenue Service and FICA can be made and so that the proper contributions to Portico can be calculated.

TABLE 3: DETAILED SALARY CALCULATIONS

As noted above, the Payroll tax has to be calculated and paid to the Social Security Administration. This cost needs to be considered when determining the total cost of the call to the congregation.

Ln	Item	Negotiated Comp	Guideline	Comment
1	Salary			
2	Base	64,345	64,345	
3	Merit Increase			
4	Local Cost of Living Adj			
5	Additional Negotiated Salary			
6	Total Salary	64,345		Sum of Lines 2 to 5
7	Defined Compensation	64,345	64,345	Line 6
8	IRS Taxable Compensation	64,345		Line 6
9				
10	Benefits			
11	Health & Pension	30,470		Recommended: Portico Gold 10% Retirement using Line 7
12	Continuing Education	1,200	750	
13	Professional Exp	1,600	1,600	
14	Automobile Exp	3,000	3,000	
15	Total Benefits	36,270		
16	Total Compensation	100,615		Line 6 + Line 15
17	FICA (Payroll Tax)	4,922		7.65% of Line 6
18	Total Cost incl Payroll Tax	105,537		Line 16 + Line 17

OTHER CONSIDERATIONS

Our congregations come in many sizes, yet these guidelines use years of service as the prime factor of setting the salary. This is so because different size congregations require different skill sets, though these skill sets overlap to a certain degree. A larger congregation or one that finds itself financially well blessed might well afford to pay a higher salary than proposed in this document and can add an additional amount to line 5 in Table 3. Such a congregation is invited to prayerfully do exactly that.

When a vacancy occurs in a team ministry setting the remaining Rostered Ministers are naturally asked to shoulder extra duties and work extra hours to sustain the ministry of the congregation.

At such time a bonus for extra work is appropriate and needs to be added to the remaining Rostered Ministers' salaries for the duration of the vacancy.

***Deacons Covering Word and Sacrament Duties.**

When the congregation and the Bishop ask and commission a Deacon to take on the regular duties of a Congregational Pastor, including presiding over all sacraments, the Deacon should be compensated according to the guidelines for **Ministers of Word and Sacrament, No Parsonage Provided.**

SUPPORTING ROSTERED MINISTERS HEALTH AND WELLBEING

The church recognizes that its Rostered Ministers are gifts from God and, like all such gifts, require careful stewardship. Such care is the responsibility of every expression of the church. This section discusses the ways in which the congregation cares for its Rostered Ministers, and promotes the careful stewardship of their energies and gifts. Such careful stewardship is intentional care not only of the Rostered Minister, but also of the congregation and the larger church. People grow best in their discipleship in healthy congregations, and are best served by healthy leaders.

HEALTHY LEADERS: Resilient Leaders Shape Healthy Faith Communities

Healthy, resilient leaders shape healthy, resilient faith communities. Congregation members and organizations are called upon to provide their leaders with sustainable livelihoods as well as time to tend their well-being. The ELCA has long advocated for a careful stewardship of our Rostered Ministers' health and wholeness. As stated on the ELCA website regarding health and wellness: "Physical and mental health is an essential component of a Christian vocation and is God's intention for every human being. It is vital to our well-being and helps strengthen relationships and enhance our Christian service in our communities and world. Promoting good health is our shared endeavor with God, just as caring for our neighbor's health is an expression of Christian love and service."

Many Rostered Ministers suffer from stress, overweight, high blood pressure and/or high cholesterol, much of which stems from their vocational responsibilities. These unhealthy conditions not only reduce their effectiveness and quality of life, but also contribute directly to the rising cost of the congregation's cost for healthcare benefits. To ensure healthy ministers and to help control rising insurance costs, Rostered Ministers are encouraged to participate in Portico's annual wellness program.

Rostered Ministers and congregations are encouraged to work together to identify methods of safeguarding and improving the physical, emotional, social, intellectual, vocational, and spiritual health and well-being of their Rostered Ministers. Such a discussion should define specific and mutually beneficial practices that respect a Rostered Minister's personal time, establish reasonable work schedules, and encourage a healthy lifestyle. Additionally, congregations are encouraged to promote self-care to ensure healthy congregations and healthy leaders.

WORK WEEK

It often seems that the work of ministry is “never done” and that there are never enough hours in the week. However, Rostered Ministers, like anyone else, need time off from work to replenish and re-energize.

- Rostered Ministers should have two full days off per week. These days off should be granted and encouraged to be free from ministry-related responsibilities.
- For the well-being of the rostered minister and health of the congregation, Rostered Ministers should not schedule work that exceed 50 hours in a single work week.
- The Rostered Minister’s schedule (days/hours) may be negotiated as necessary.

HOLIDAYS

The responsibilities of Rostered Ministers often means that they are unable to take advantage of the three-day weekends and other holidays, such as Christmas and Easter, that most other people are able to observe.

- It is recommended, therefore, that the nine to eleven holidays observed by the general public, plus three floating personal days, should be designated as observed holidays by the congregation.
- Considerations should then be given, and Rostered Ministers should be encouraged, to take these days off at another time during the week whenever they cannot be observed because of pastoral responsibilities.

VACATION

- A minimum of four weeks of paid Vacation (including four Sundays) per year is recommended.
- Additional vacation time may be considered and negotiated between the rostered minister and their congregation.

PERSONAL LEAVE FOR FAITH AND SABBATICAL LEAVE

Time for Personal Leave for Faith or Sabbatical Leave may be offered by the Congregation for all Rostered Ministers.

- For Rostered Ministers serving in the Southern Ohio Synod please see the Personal Leave for Faith for guidance in planning for this special time away for faith renewal.
- Personal Leave for Faith for faith renewal is designed to offer means for planning for time away for faith renewal in congregations that do not have Sabbatical leave policies or for whom extended leave may not be feasible. Personal Leave for Faith does not override any Sabbatical leave policies a congregation may already have in place.
- Some congregations offer guidelines for Sabbatical Leave for Rostered Ministers. This time away is to be negotiated and planned in these congregations between the Councils and the Rostered Ministers.

HEALTH AND FAMILY LEAVE

Rostered Ministers shall be provided with six work-weeks (additional time may be negotiated) of paid leave, per year, with full salary and benefits for any of the following reasons:

- For the birth of a child, and to care for the newborn child,
- For the adoption of a child, and to care for the newly adopted child,
- For the care of an immediate family member with a serious health condition, and
 - For a personal serious health condition in which the Rostered Minister is unable to work,
- Bereavement Leave to grieve and heal from the loss of a family member.*

*Rostered Ministers self-care is important to maintaining personal and professional health, therefore, it is recommended that Rostered Ministers take one week to ten days, per incident.

CHURCHWIDE AND OTHER COMMITMENTS

It is important to remember that Rostered Ministers are called by and to the whole church for service in both the church and in the world; this is the connectional nature of our church, serving together.

- Rostered Ministers may be called to serve in ways that take them beyond the congregation.
- Examples may include church-related activities such as serving as a Bible study leader or chaplain at a church camp, or on a synodical or ELCA committee or task force.
- In any case, this “extended ministry” should be carefully and prayerfully considered with the congregation council so that these duties do not disrupt the care for the congregation.
- This time should be regarded as an extension of the congregation's ministry and should not be considered as vacation time.
- Additional responsibilities outside the congregation may include, National Guard/Reserve duty, or a teaching assignment at a college or seminary, are not seen as an extension of the congregational ministry, but a personal responsibility of the Rostered Minister.
- These responsibilities are often not negotiable in time and scope. The Rostered Minister and the ministry setting will need to address these in a case-by-case basis to ensure that leadership and pastoral care coverage is available during these times.