



**2023/24**

**Compensation Guidelines  
for Rostered Ministers of the  
Northwestern Ohio Synod**

*"The gifts he gave were that some would be apostles, some prophets, some evangelists, some pastors and teachers, to equip the saints for the work of ministry, for building up the body of Christ" (Ephesians 4:11-12)*

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## **Introduction**

Doing God's work in the world calls for leaders who bring a variety of training, skills, interests and life experiences to the work they do in congregations, communities and partner organizations. Many of these leaders are called to serve as ministers on one of the rosters of the ELCA: Ministers of Word and Sacrament and Ministers of Word and Service.

- **Rostered Ministers of Word and Sacrament.** Ordained Pastors serve with active, courageous faith to proclaim the good news of Jesus Christ and offer the hope of the sacraments in congregations and other ministry settings. Some pastors are called to specialized ministries such as chaplaincy and campus ministry.
- **Rostered Ministers of Word and Service.** Deacons serve in congregations and other ministries of the ELCA, including family ministries, youth, administration, volunteer ministry, social services, music, or parish nursing. Deacons connect the church with the needs of the world and work to equip others to lead a living, active and caring Christian life.

Every rostered minister goes through theological training and a candidacy process. The candidacy process raises up, prepares, certifies, and approves public leaders in the ELCA. Family, friends, congregations, ministry organizations, synods, seminaries, and staff from the churchwide organization all play important roles in this process

These compensation guidelines will apply to both types of rostered ministers, however, there are some areas where they will differ, and every attempt has been made to clearly mark these areas. Please contact the synod office should you have questions about which sections apply to which roster.

The Compensation Guidelines for 2022 propose a 3% increase for both 2023 and 2024. It is recommended that congregations follow the suggested salary guidelines for rostered ministers which reflects years of experience and education as indicated in the **2023-24 Recommended Minimum Base Salaries**.

However, these are guidelines and not requirements. Congregations and ministers are encouraged to negotiate compensation packages that are mutually beneficial while addressing the unique circumstances of congregation and minister. Compensation contains more than mere cash compensation – it also entails health benefits, pension contributions, vacation, professional expenses, continuing education, housing and parsonage, or even student debt assistance. Congregations and ministers are encouraged to explore the breadth of compensation, being creative and flexible in creating compensation packages that work for both parties and address specific contexts. You may also want to visit the ELCA website ([www.elca.org](http://www.elca.org)) for further compensatory information; and the Portico Benefit services website ([www.porticobenefits.org](http://www.porticobenefits.org)) for health benefits rate information.

These compensation guidelines serve to guide conversations in budgeting for the rostered minister's compensation and to give insight into what is a fair and reasonable compensation package for trained, approved, and called leaders of our church. We often think of ministry in terms of a rostered minister's efforts on behalf of the members of a congregation. In the same way, the ministry of the laity includes the care of the rostered minister and their family. This mutual concern for one another is a witness to what we believe and practice in the life of the church.

### ***Annual Review of Compensation for Rostered Minister***

The compensation package of each rostered minister (ordained pastor or deacon) under call should be reviewed annually by the congregation's Executive Committee, Congregational Council, or other Finance team. The Congregational Council can then make recommendations to the congregation. Updated compensation agreements should be written out and recorded in the congregation's personnel files on an annual basis.

The key task of the Executive Committee (or other team) is to discuss annually with the rostered minister a fair, honorable, and equitable compensation package. Since the rostered minister depends on the church council and the congregation to make adequate provision for her or his financial needs, the rostered minister needs an opportunity to discuss those needs in an open and supportive forum. The team can receive data from the rostered minister about her or his financial needs and subsequently make recommendations to the Congregational Council for a compensation package.

At the same time, the minister should recognize the financial realities of the congregation and should make reasonable and realistic requests. If desired compensation is beyond the current means of the congregation, the minister and congregational leaders should formulate a plan to address giving and financial resources.

Both congregation and minister should evaluate their expectations of each other and seek to communicate these clearly so that the compensation package reflects the expectations reasonably. At all times, both congregation and minister should be prepared to and seek to compromise.

Included in the yearly, compensation adjustments (may be different for ordained pastor vs deacon):

1. Base Salary based on years of experience
2. Social Security Allowance (ordained pastors)
3. Housing Allowance for ordained pastors without a parsonage
4. Health and Medical Benefit adjustments consistent with \*Portico Benefit Services.  
Each congregation will need to use the Calculators found at

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[www.PorticoBenefits.org](http://www.PorticoBenefits.org) to determine the amount of the rostered minister's benefits. You will need to have your rostered minister's birth date to calculate Portico Benefits.

**2023/24 Recommended Minimum Base Salary for Rostered Ministers (Pastors)**

**2023 Recommended Minimum  
Base Salary for Rostered  
Ministers of Word and  
Sacrament (Pastors)**  
*(for full-time ministry)*

| Years<br>Ordained | Year of<br>Ordination | Base<br>Salary<br>for 2023 |
|-------------------|-----------------------|----------------------------|
| 0                 | 2022                  | 38,325                     |
| 1                 | 2021                  | 38,881                     |
| 2                 | 2020                  | 39,480                     |
| 3                 | 2019                  | 40,057                     |
| 4                 | 2018                  | 40,677                     |
| 5                 | 2017                  | 41,253                     |
| 6                 | 2016                  | 41,842                     |
| 7                 | 2015                  | 42,421                     |
| 8                 | 2014                  | 43,068                     |
| 9                 | 2013                  | 43,652                     |
| 10                | 2012                  | 44,223                     |
| 11                | 2011                  | 44,774                     |
| 12                | 2010                  | 45,431                     |
| 13                | 2009                  | 46,019                     |
| 14                | 2008                  | 46,640                     |
| 15                | 2007                  | 47,213                     |
| 16                | 2006                  | 47,806                     |
| 17                | 2005                  | 48,429                     |
| 18                | 2004                  | 49,018                     |
| 19                | 2003                  | 49,584                     |
| 20                | 2002                  | 50,181                     |
| 21                | 2001                  | 50,793                     |
| 22                | 2000                  | 51,355                     |
| 23                | 1999                  | 52,012                     |
| 24                | 1998                  | 52,552                     |
| 25                | 1997                  | 53,166                     |
| 26                | 1996                  | 53,748                     |
| 27                | 1995                  | 54,316                     |
| 28                | 1994                  | 54,954                     |
| 29                | 1993                  | 55,530                     |
| 30                | 1992                  | 56,115                     |

*\*Add \$350 for each year of  
service beyond 30 yrs.*

**2024 Recommended Minimum  
Base Salary for Rostered  
Ministers of Word and  
Sacrament (Pastors)**  
*(for full-time ministry)*

| Years<br>Ordained | Year of<br>Ordination | Base<br>Salary<br>for 2024 |
|-------------------|-----------------------|----------------------------|
| 0                 | 2023                  | 39,475                     |
| 1                 | 2022                  | 40,047                     |
| 2                 | 2021                  | 40,665                     |
| 3                 | 2020                  | 41,259                     |
| 4                 | 2019                  | 41,897                     |
| 5                 | 2018                  | 42,490                     |
| 6                 | 2017                  | 43,097                     |
| 7                 | 2016                  | 43,694                     |
| 8                 | 2015                  | 44,360                     |
| 9                 | 2014                  | 44,961                     |
| 10                | 2013                  | 45,549                     |
| 11                | 2012                  | 46,117                     |
| 12                | 2011                  | 46,794                     |
| 13                | 2010                  | 47,399                     |
| 14                | 2009                  | 48,039                     |
| 15                | 2008                  | 48,629                     |
| 16                | 2007                  | 49,240                     |
| 17                | 2006                  | 49,881                     |
| 18                | 2005                  | 50,488                     |
| 19                | 2004                  | 51,072                     |
| 20                | 2003                  | 51,686                     |
| 21                | 2002                  | 52,317                     |
| 22                | 2001                  | 52,896                     |
| 23                | 2000                  | 53,573                     |
| 24                | 1999                  | 54,128                     |
| 25                | 1998                  | 54,760                     |
| 26                | 1997                  | 55,361                     |
| 27                | 1996                  | 55,945                     |
| 28                | 1995                  | 56,603                     |
| 29                | 1994                  | 57,196                     |
| 30                | 1993                  | 57,798                     |

*\*Add \$350 for each year of  
service beyond 30 yrs.*

**2023/24 Recommended Minimum Base Salary for Rostered Ministers (Deacons)**

**2023 Recommended Minimum Base Salary for Rostered Ministers of Word and Service (Deacons)**  
*(for full-time ministry)*

| Years Ordained | Year of Ordination | Base Salary for 2023 |
|----------------|--------------------|----------------------|
| 0              | 2022               | 45,643               |
| 1              | 2021               | 46,212               |
| 2              | 2020               | 46,766               |
| 3              | 2019               | 47,451               |
| 4              | 2018               | 48,018               |
| 5              | 2017               | 48,589               |
| 6              | 2016               | 49,154               |
| 7              | 2015               | 49,812               |
| 8              | 2014               | 50,381               |
| 9              | 2013               | 50,949               |
| 10             | 2012               | 51,596               |
| 11             | 2011               | 52,173               |
| 12             | 2010               | 52,743               |
| 13             | 2009               | 53,310               |
| 14             | 2008               | 53,503               |
| 15             | 2007               | 54,564               |
| 16             | 2006               | 55,132               |
| 17             | 2005               | 55,701               |
| 18             | 2004               | 56,342               |
| 19             | 2003               | 56,635               |
| 20             | 2002               | 57,477               |
| 21             | 2001               | 58,121               |
| 22             | 2000               | 58,704               |
| 23             | 1999               | 59,271               |
| 24             | 1998               | 59,944               |
| 25             | 1997               | 60,527               |
| 26             | 1996               | 61,080               |
| 27             | 1995               | 61,691               |
| 28             | 1994               | 62,097               |
| 29             | 1993               | 62,871               |

\*Add \$350 for each year of service beyond 29 yrs.

**2024 Recommended Minimum Base Salary for Rostered Ministers of Word and Service (Deacons)**  
*(for full-time ministry)*

| Years Ordained | Year of Ordination | Base Salary for 2024 |
|----------------|--------------------|----------------------|
| 0              | 2022               | 47,012               |
| 1              | 2021               | 47,598               |
| 2              | 2020               | 48,169               |
| 3              | 2019               | 48,874               |
| 4              | 2018               | 49,458               |
| 5              | 2017               | 50,046               |
| 6              | 2016               | 50,629               |
| 7              | 2015               | 51,307               |
| 8              | 2014               | 51,893               |
| 9              | 2013               | 52,478               |
| 10             | 2012               | 53,144               |
| 11             | 2011               | 53,738               |
| 12             | 2010               | 54,325               |
| 13             | 2009               | 54,909               |
| 14             | 2008               | 55,108               |
| 15             | 2007               | 56,201               |
| 16             | 2006               | 56,786               |
| 17             | 2005               | 57,372               |
| 18             | 2004               | 58,032               |
| 19             | 2003               | 58,334               |
| 20             | 2002               | 59,201               |
| 21             | 2001               | 59,865               |
| 22             | 2000               | 60,465               |
| 23             | 1999               | 61,049               |
| 24             | 1998               | 61,742               |
| 25             | 1997               | 62,343               |
| 26             | 1996               | 62,913               |
| 27             | 1995               | 63,542               |
| 28             | 1994               | 63,960               |
| 29             | 1993               | 64,757               |

\*Add \$350 for each year of service beyond 29 yrs.



## **Step 1: Determining Salary Compensation**

A rostered minister's (ordained pastor or deacon) salary compensation is made up of two components: base salary and additional / merit compensation.

### ***Line A: Base Salary***

Congregations are encouraged to utilize this synod's recommended base salary guidelines as a starting place in determining base salary. These guidelines can be found on pages 7 and 8 of these guidelines.

This figure will be entered on **Line A** of the Compensation Worksheet.

### ***Line B: Additional / Merit Compensation***

Other factors may be taken into consideration when determining additional / merit compensation for the rostered minister (ordained pastor or deacon). These factors may include:

1. Additional relevant education, certifications, or degrees
2. Relevant prior work experience (ie second career ministers)
3. Additional job expectations
4. Size of the congregation
5. Expected supervision of staff
6. Length of service to the parish
7. Merit and performance
8. Educational debt load
9. Other

This figure will be entered on **Line B** of the Compensation Worksheet.

### ***Line C: Total Salary***

To arrive at Total Salary Compensation (**Line C**), add together **Line A** and **Line B**

### ***Honoraria and Other Fees***

Honoraria or other fees received for weddings, funerals, outside speaking engagements, or from any other source should *not* be taken into account when setting the base salary or additional / merit compensation, nor should any income received by the spouse be a consideration.

## **Step 2: Determining Housing Allowance**

Congregations should provide *Rostered Ministers of Word and Sacrament* (pastors) housing through a parsonage, and/or a housing allowance.

If a congregation does not provide a parsonage, the congregation should provide a housing allowance which can be calculated one of two ways:

### ***Line D: Method 1 for Calculating Housing Allowance Without a Parsonage***

Method 1, Median Home Value:

$$\begin{aligned} & \text{median home value of congregation's zip code} \\ & \times 1.35\% \text{ to } 1.75\% \\ & \underline{\times 12 \text{ months}} \\ & = \text{Housing Allowance (E)} \end{aligned}$$

*Note – this method provides a more accurate housing allowance determination based on the particular geographic context of the congregation.*

This figure will be entered on **Line D** of the Compensation Worksheet

### ***Line E: Method 2 for Calculating Housing Allowance Without a Parsonage***

Method 2, Percentage of Base Salary:

$$\begin{aligned} & \text{Base Salary} \\ & \underline{\times 35\% \text{ (suggested minimum)}} \\ & = \text{Housing Allowance (D)} \end{aligned}$$

*Note – this method may be best suited for ministers who rent or who are otherwise in a housing transition. It is additionally recommended that this calculation method be phased out, as Method 1 offers a more geographically accurate approach.*

This figure will be entered on **Line E** of the Compensation Worksheet

Once Housing Allowance is determined, the amount designated as Housing Allowance can be adjusted to the needs of the rostered minister (ordained pastor) so long as the *Total Defined Compensation remains the same*. In other words, the pay designated as salary on the W2 can decrease (or increase) and the part designated as Housing Allowance can increase (or decrease). This provides tax savings to the pastor at no additional cost to the congregation.

In IRS Publication 517, the IRS states that “The church or organization that employs you must officially designate the payment as a housing allowance before the payment is made. A definite amount must be designated. The amount of the housing allowance cannot be determined at a later date.” (*A sample resolution for designating housing*

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*allowance is available through the synod's website).* Designation of housing allowance can be made through a separate line item on the budget, or through action recorded in council minutes.

***Parsonage Utilities and Maintenance***

A congregation that provides a parsonage is responsible for the cost of utilities and maintenance, and it is strongly recommended that congregations directly pay utility companies.

***Line F: Furnishings Allowance for a Parsonage***

Ordained, rostered ministers (pastors) living in parsonages may be provided with a "furnishings allowance." Even in a parsonage, every pastor has some expense in maintaining his or her home.

When the furnishings allowance is designated in advance, and to the extent it is actually used for housing expenses, it is a non-taxable source of income for the pastor.

This figure will be entered on **Line F** of the Compensation Worksheet

***Line G: Total Housing Allowance***

The total housing compensation is determined by adding **lines D or E, or line F.**

### **Step 3: Determining Defined Compensation**

In order to determine Defined Compensation – which is utilized in determining benefits – you must first determine the Social Security Allowance.

#### ***Line H: Social Security Allowance***

Under most circumstances, an employer pays one half of the FICA tax (Social Security and Medicare combined), and the employee pays the other half. Clergy (ordained pastors) are in a unique situation because the Internal Revenue Code mandates that ordained pastors are classified not as 'employees', but as 'self-employed' for Social Security taxes, meaning ordained pastors pay the entire 15.3% FICA tax (employee portion plus the employer portion).

But according to the Internal Revenue Service clergy (ordained pastors) are NOT considered self-employed, but instead viewed as employees for income tax purposes and are thereby issued a W-2 like all other employees.

Throughout the ELCA, Synods strongly recommend that all congregations pay the additional 7.65%, as a congregation would for all other employees. This additional 7.65% is termed a "**Social Security Allowance**" and is calculated as follows:

Note: the calculation is different for parsonage and non-parsonage.

Social Security Allowance for an *ordained* rostered minister (pastor) receiving a **housing allowance** (non-parsonage):

$$\begin{aligned} & \text{Total Salary Compensation (C)} \\ & + \text{Housing Allowance (G)} \\ & = \text{Social Security Base} \\ & \times 7.65 \% \text{ (employer rate)} \\ & = \text{Social Security Allowance (H)} \end{aligned}$$

Social Security Allowance for *ordained* rostered minister (pastor) living in **parsonage**:

$$\begin{aligned} & \text{Total Salary Compensation (C)} \\ & \times 1.3 \text{ (Housing Equivalency Factor)} \\ & = \text{Subtotal} \\ & + \text{Furnishings Allowance (F)} \\ & = \text{Social Security Base} \\ & \times 7.65 \% \text{ (employer rate)} \\ & = \text{Social Security Allowance (H)} \end{aligned}$$

This figure will be entered on **Line H** of the Compensation Worksheet.

Under current law, congregations are prohibited from directly paying social security tax for clergy (Rostered Ministers of Word and Sacrament – Pastor). To remedy this, congregations should provide the allowance as an additional cash component that runs through the congregation's payroll system. The allowance must be considered as salary in reporting to the IRS, and is also considered income when computing pension plan contributions.

**Line I: Total Defined Compensation**

Defined compensation is not synonymous with cash compensation. Defined compensation is the base amount on which benefits are calculated and is different for parsonage and non-parsonage:

For an *ordained* rostered minister (pastor) receiving a **housing allowance** (non-parsonage):

Total Salary Compensation (C)  
+ Total Housing Allowance (G)  
+ Social Security Allowance (H)  
= Total Defined Compensation (I)

For a Rostered Minister of Word and Sacrament (pastor) living in a **parsonage**:

Total Salary Compensation (C)  
+ Social Security (H)  
= Subtotal  
x 1.3 (Housing Equivalency Factor)  
= Subtotal  
+ Total Housing Allowance (G)  
= Total Defined Compensation (I)

For a Rostered Minister of Word and Service (**deacon**), defined compensation is equal to the deacon's total salary (Line C).

This figure will be entered on **Line I** of the Compensation Worksheet

### **Step 4: Determining Portico Benefits**

ELCA associated employers and those recognized by the ELCA as eligible employers may sponsor their employees in the ELCA Pension and Other Benefits Program offered by the ELCA – Portico Benefit Services. The program is available to rostered ministers (pastor or deacon) scheduled to work **15** or more hours per week for 6 or more consecutive months per year.

For all Portico benefits related information and questions, please contact Portico for the most up-to-date information.

### ***Lines J – N: Pension and Health Benefits***

Because of the variety and complexity of factors involved in determining healthcare and benefit rates, please use the Portico Benefit Calculator to determine benefit figures: (<https://employerlink.porticobenefits.org/Home/Resources/Calculators.aspx>).

These figures will be entered into **lines J, K, L, M, and N** on the Compensation Worksheet.

### ***Line O: Housing Equity Allowance for a Parsonage***

It is recommended that congregations with a parsonage also provide for a housing equity allowance equal to 3% of defined compensation for their *ordained* rostered minister (pastor). Housing equity should not be paid directly to pastor, but rather invested in a Portico account for that purpose. The purpose of this allowance is to provide financial resources for a pastor to purchase housing upon retirement and/or as described by Portico policy or applicable law.

This figure will be entered on **Line O** of the Compensation Worksheet

### ***Line P: Waiving Coverage and Health Waiver Bonus***

Sometimes a rostered minister may elect to waive Portico coverage and receive coverage through their partner's health benefit plan. In these cases, the congregation is strongly encouraged to provide a Waiver Bonus to the rostered minister to help defray the cost of insurance. The rostered minister will also need to provide Portico with a signed waiver.

If applicable, this figure will be entered on **Line P** of the Compensation Worksheet

### ***Line Q: Total Benefits***

Add **lines J – P** to arrive at the total benefit cost, and enter this figure on **Line Q**.

***Sick Leave, Disability, and Workers' Compensation***

Sick leave of up to two months per year with full salary, housing, and benefits should be provided by the congregation when needed. This is not accumulated and should not be abused. Congregations may desire to have conversation with their rostered minister or establish their own policies outlining how this may be used.

Unused sick days are not paid out upon separation.

***Disability Insurance***

Portico Benefit Services Disability Benefits Plan does not pay a benefit during the first two months of disability. During the first two months the congregation/ organization provides full compensation including housing. Beginning with the third month the employee is entitled to receive from Portico Benefit Services a monthly benefit equal to: 2/3 of the employee's "Monthly Defined Compensation" minus any Social Security benefits to which employee and family members are deemed to be entitled based on employee's earning record (check limited Portico Benefit Services interpretation), and minus any other governmental disability program benefits payable to the employee and family members based on the employee's disability.

***Workers' Compensation***

NWOS strongly recommends that all congregations elect workers' compensation coverage for their *ordained* rostered ministers (pastors) by filing Form U-3S. Ohio requires coverage for deacons.

## **Step 5: Determining Additional Congregational Expenses**

Congregations should cover additional expenses that are integral to the job functions of the rostered minister (ordained pastor or deacon).

### ***Line R: Mileage Reimbursement and Automobile Expenses***

The congregation should reimburse miles traveled in carrying out duties as a rostered minister (ordained pastor or deacon) at the rate allowed by the IRS (Check IRS guidelines at: <http://www.irs.gov/taxpros/article/0..id=156624.00.html>).

The rostered minister should submit a signed report monthly to the responsible financial officer of the congregation. Under the new tax law, it is important that automobile expenses be paid on a reimbursement basis as a flat sum automobile allowance will be fully taxable to the rostered minister.

This figure will be entered on **Line R** of the Compensation Worksheet.

### ***Line S: Continuing Education***

It is the expectation of the ELCA and the Northwestern Ohio Synod that every rostered minister (ordained pastor or deacon) will engage in at least **50 hours** of continuing education per year. This continuing education is intended to benefit both the rostered minister and the congregation through ongoing development of biblical/theological understanding and ministry skills. Continuing education time is not to be regarded as vacation, nor should it be used by the rostered minister for vacation.

To assist the rostered minister in meeting this expectation, it is suggested that congregations provide a continuing education reimbursement of at least **\$1,200** (with expenditures verified by receipts), and at least **two weeks** (a total of 14 days including two Sundays) **accruable for up to three years**. Rostered Ministers should annually report to their council, their used and unused continuing education days. This should be maintained in the congregation's personnel records.

Continuing education may range from a single day seminar to enrollment in a formal program at an educational institution. Scheduling of continuing education opportunities should be determined by the rostered leader in consultation with the congregation's staff support team (Mutual Ministry Committee) and the congregational council.

Unused continuing education days or allowances are not paid out upon separation.

This figure will be entered on **Line S** of the Compensation Worksheet.



**Line T: Professional Expenses**

Congregations may elect to provide the rostered minister (ordained pastor or deacon) with a professional expense reimbursement account to cover additional miscellaneous expenses such as:

- Dues to professional organizations
- Work related Books, periodicals, subscriptions
- Vestments
- Business meals

Congregations are strongly encouraged to develop written policies that outline acceptable use of a professional expense reimbursement account.

If applicable, this figure will be entered on **Line T** of the Compensation Worksheet

Unused professional expense allowances are not paid out upon separation.

**Line U: Additional Covered Expenses**

Congregations and rostered ministers may negotiate that additional specific events be covered. Two examples are listed below:

**First Call Theological Education (FCTE)** is an ELCA three-year structured program designed to support and strengthen the newly rostered minister (ordained pastor and deacon) in terms of:

- (1) ministry skills,
- (2) pastoral identity; and
- (3) discernment of context.

FCTE is experiential learning designed to meet participants at their point of need as they encounter the demands and expectations of ministry. This program will consist of a portion of the needed continuing education, contact hours.

Costs for this can come out of a rostered minister's continuing education reimbursement, professional expense reimbursement account, or congregations may choose to cover this in addition to these existing reimbursements.

If applicable, this figure will be entered on **Line U** of the Compensation Worksheet.

**Spiritual Retreat**

Congregations may provide paid time and expenses for each rostered minister (ordained pastor and deacon) to spend at least one week a year on intentional, disciplined **spiritual retreat**. This is an addition to the continuing education time already provided and may be covered out of a rostered minister's continuing

education reimbursement, professional expense reimbursement account, or congregations may choose to cover this in addition to these existing reimbursements.

If applicable, this figure will be entered on **Line U** of the Compensation Worksheet.

**Line V: Estimating Employer FICA Taxes for Deacon**

While Rostered Ministers of Word and Sacrament (pastors) pay self-employment tax (outlined in Step 2: Determining Defined Compensation), rostered ministers of Word and Service (**Deacon**) are treated as employees for tax purposes. This means that the congregation as the employer must pay the employer side of FICA tax which is 7.65%.

$$\begin{array}{r} \text{Total Salary (C)} \\ \times 7.65\% \\ \hline = \text{FICA cost to congregation} \end{array}$$

This figure will be entered on **Line V** of the Compensation Worksheet.

**Line W: Total Additional Expenses**

Add lines S thru V to arrive at total additional expenses.

This figure will be entered on **Line W** of the Compensation Worksheet.

**Step 6: Determining Total Financial Cost to Congregation**

**Line X: Total Compensation Package**

The total financial cost to the congregation can be determined as:

$$\begin{array}{r} \text{Total Salary Compensation (C)} \\ + \text{Housing Allowance (G)} \\ + \text{Social Security Allowance (H)} \\ + \text{Total Benefits (Q)} \\ + \text{Total Additional Expenses (W)} \\ \hline = \text{Total Financial Cost (X)} \end{array}$$

This figure will be entered on **Line X** of the Compensation Worksheet

## **Step 7: Determining Intangible Benefits**

Similar to many other jobs, rostered ministers receive several intangible benefits.

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

Rostered ministers (ordained pastors and deacons), like anyone else, need some time off from work to replenish and re-energize.

Congregations should ensure that each rostered minister has **two full days off per week**. The pastor's weekly schedule (days/hours) may be negotiated as necessary. For the well-being of the rostered minister and health of the congregation, such a schedule **should not exceed 50 hours in a work week**. This should be viewed as an upper limit for hours worked, and not an average. The work of a minister will oftentimes be variable and change in relation to the church calendar. For example, Lent and Advent may be busier times averaging 50 hours a week, while a summer schedule may average 30 hours a week.

In managing time at work and time off it might be helpful to consider each day as having three segments: morning, afternoon, and evening. Each week contains twenty-one such segments. Working ten of those segments, equaling approximately 40 hours, is suggested as the norm.

### ***Vacation***

It is important for rostered ministers (ordained pastor or deacon) to have a period of time away from the call-in order to refresh and recreate. Congregations ordinarily provide a minimum of **four weeks vacation** per year (28 days or 20 "work days"), including four Sundays for full-time ministers.

The accrual (or no accrual) of unused vacation time should be set by a congregation's own personnel policies which should outline how many vacation days can be accrued and the maximum vacation days allowed in a calendar year. If allowed by personnel policies, accrued vacation days should be carefully recorded and detailed in the annually updated compensation agreement.

Regardless of accrual, the minister should annually report to the council, their used and unused vacation days and a record of this should be maintained in the congregation's personnel files.

All costs and procurement of supply ministries during vacation times, including Sunday supply, are the responsibility of the congregation and the congregational council. A list of available pulpit supply may be secured from the synod web site ([www.nwos-elca.org](http://www.nwos-elca.org)).

### ***Deferred Paid Holidays***

Rostered ministers ordinarily work on holidays that many secular workers have off, such as Christmas Eve or Good Friday. Congregations should provide a “deferred paid holiday” that allows the minister additional time off without depleting vacation time. These deferred holidays should be listed in the annually-updated compensation agreement.

### ***Family Leave (Maternity/Parental)***

The church places a high value on family, and congregations should offer family leave when appropriate. These guidelines are offered to help congregations approach situations requiring maternal/parental/family leave in a caring manner and apply for all rostered ministers (ordained pastor and deacon):

**Paternal leave** following the birth of a child – **Eight (8) weeks** of paid **parental leave** should be available to mothers immediately following the birth of a child. The needs of each rostered minister and congregation may vary. It is recommended that the congregation pay full salary and benefits during this time. At a minimum, full benefits for the rostered minister should be maintained during a parental leave. Some factors that may be considered in determining salary and benefits during such a leave are the rostered minister's length of service with the congregation, vacation time available, housing costs, and the hardship to the rostered minister or the congregation.

**Adoption leave** should be offered to parents who are adopting children. A minimum of **eight (8) weeks** should be offered. The number of weeks of leave before and after the adoption should be specified in advance, and with mutual discussion with the pastor.

**Family leave** at other times may be granted by the congregation. There are times in our lives when leave is needed for families. Examples would be during times of severe illness, trauma, or death of a child, spouse or parent. The length of the leave and the salary and benefits which the congregation will provide the rostered minister should be negotiated by the rostered minister and the congregation. It is recommended that the congregation, at a minimum, provide full benefits for the rostered minister during any family leave granted.

In the event a sponsored member of the ELCA benefits program is unable to perform the material duties of her or his normal occupation for any employer as a direct result of injury or physical or mental disorder resulting in disability, the member is covered by disability benefits.

### ***Sabbatical***

Congregations may offer their rostered minister (ordained pastor or deacon) **sabbatical** leave for spiritual and professional renewal. Typically, rostered ministers are eligible for a sabbatical after serving a congregation for 6 years.

Usually lasting **12 weeks in length**, sabbaticals are intended to sharpen the rostered minister's skills and to refresh both spiritual life and a sense of calling. The request, specific description and purpose of the sabbatical leave is ordinarily submitted to and approved by the Congregational Council at least six months prior to the time it begins. Congregations might want to include in the budget and accrue funds each year toward the sabbatical (so costs might be spread over several years).

During sabbatical leave, the congregation continues to provide normal compensation, and pays for pulpit supply and related congregational ministerial expenses. The rostered minister is responsible for expenses related to the sabbatical such as additional living expenses, tuition, books, and supplies. Normal vacation time may be used to extend the sabbatical leave. A report of his/her sabbatical activities is to be submitted to the church council. A rostered minister taking a sabbatical is expected to continue to serve the congregation granting the sabbatical for at least one year following the leave.

### ***Churchwide and/or Synodical Commitment***

There are times when a rostered minister (ordained pastor or deacon) may be called upon to serve in ways that take her/him beyond the congregation. Examples may include church-related activities such as serving as a Bible study leader or chaplain at a church camp, on a syndical or ELCA committee or task force, or short-term teaching at a college or seminary. In any case, this "extended ministry" should be fully negotiated through the congregation's staff support team (Mutual Ministry Committee) and with the approval of the Congregation Council. Such outside ministry should not be considered as vacation time.

Rostered ministers are constitutionally required to attend the Northwestern Ohio Synod assembly when held, along with voting members from the congregation.

## **Pastoral Vacancy**

### ***Supply Pastor***

A supply pastor is one who fills in one Sunday at a time (e.g., while the pastor is on vacation).

A supply pastor ordinarily receives:

1. Preaching:

One weekend service -- \$150 or higher  
Each additional weekend service--\$50  
Weekday service (i.e. Wednesdays in Lent)--\$150 or higher

2. Mileage is ordinarily reimbursed at the current IRS rate per mile (check the IRS website for current rates: <http://www.irs.gov/taxpros/article/0..id=156624.00.html>)
3. All reasonable hotel and meal costs may be reimbursed if needed and agreed upon.

### ***Interim Pastor***

The Northwestern Ohio Synod has the discretion to appoint an Interim Pastor whenever there is a pastoral vacancy and will often work with a Congregation's Council to determine who would best serve in that position. An Interim Pastor may serve under an agreement which can range from just a few hours on Sunday morning to full-time ministry. In some cases, the Interim Pastor may be issued a term call, but this must be done in consultation with the Northwestern Ohio Synod Bishop and Synod Council.

A full-time Interim Pastor (five or more days per week) will ordinarily receive compensation according to their years of experience as indicated by the guidelines or comparable to the previous pastor. Either a parsonage or housing allowance is normally provided, as well as pension and medical benefits, if applicable, mileage reimbursement for performing congregational responsibilities at the current IRS rate and reimbursement for any other ministry related costs incurred (e.g. telephone, postage, meals, etc.).

Compensation for an interim pastor serving less than full-time may be determined as outlined above, and reduced in proportion of time worked:

1. For  $\frac{3}{4}$  time – determine a full-time package and reduce by 25%
2. For  $\frac{1}{2}$  time – determine a full-time package and reduce by 50%
3. For  $\frac{1}{4}$  time – determine a full-time package and reduce by 75%

Alternatively, and more applicable for sporadic interim work, an Interim pastor may be compensated on an hourly basis:

1. A minimum of \$35 per hour for visitation and other related ministry,
2. Mileage reimbursement for performing congregational responsibilities at the current IRS rate (<http://www.irs.gov/taxpros/article/0..id=156624.00.html>),
3. Reimbursements for congregational expenses (e.g. telephone, postage, meals, hotel, etc.),
4. Preaching:  
One weekend service -- \$150 or higher  
Each additional weekend service--\$50  
Weekday service (i.e. Wednesdays in Lent)--\$150 or higher

## **Separation Guidelines**

There are varied circumstances in which a minister may resign their call with a congregation: local difficulties, conflict, vocational changes, continued education, or even changes in family or other unforeseen circumstances. If these or similar events occur, ministers and congregations are encouraged to be in conversation with each other about creating separation arrangements. Parties should consult with the synod regarding the Separation Guidelines approved by the Synod Council, and parties are encouraged to seek mediation if there are difficulties arriving at a separation agreement.