Northwestern Ohio Synod
Evangelical Lutheran Church in America

2027/28
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)

*Approved by Synod Assembly on May 30, 2026

Contents

Introduction 4
Base Salary Adjustments – Rostered Ministers of Word and Sacrament (Pastors) 4
Base Salary Adjustments – Rostered Ministers of Word and Service (Deacons) 4
Future Salary Adjustments 5
Housing Allowance 5
Housing Equity Allowance 5
Congregation Recommendations 5
A Note on Clergy Couples 6
Annual Review of Compensation for Rostered Minister 6
Base Salary Guidelines – Rostered Ministers of Word and Sacrament (Pastors) 8
Base Salary Guidelines – Rostered Ministers of Word and Service (Deacons) 9
Compensation Spreadsheet and Worksheet 10
Step 1: Determining Salary Compensation 10
Base Salary 10
Additional/Merit Compensation 10
Total Salary 10
Honoraria and Other Fees 11
Step 2: Determining Housing Allowance for Rostered Ministers of Word and Sacrament (Pastors) 12
Calculating Housing Allowance 12
Parsonage Utilities and Maintenance 13
Furnishings Allowance for Pastors Living in a Parsonage 13
Total Housing Allowance 14
Step 3: Determining Defined Compensation for Deacons and Pastors 15
Defined Compensation for Rostered Ministers of Word and Service (Deacons) 15
Defined Compensation for Rostered Ministers of Word and Sacrament (Pastors) 15
Social Security Allowance 15
Total Defined Compensation 16
Step 4: Determining Portico Benefits 18
Pension and Health Benefits 18
Housing Equity Allowance for Pastors Living in a Parsonage 18
Waiving Coverage and Health Waiver Bonus 18
Total Benefits 19

Sick Leave, Disability, and Workers' Compensation 19
Disability Insurance 19
Workers' Compensation 19
Step 5: Determining Additional Congregational Expenses 20
Mileage Reimbursement and Automobile Expenses 20
Continuing Education 20
Professional Expenses 21
Additional Covered Expenses 21
Estimating Employer FICA Taxes for Deacons 22
Total Additional Expenses 22
Step 6: Determining Total Financial Cost to Congregation 22
Total Compensation Package 22
Step 7: Determining Intangible Benefits 24
Weekly Time Off 24
Vacation 24
Deferred Paid Holidays 25
Family Leave 25
Sabbatical/Renewal Leave 25
Churchwide and/or Synodical Commitment 26
Pulpit Supply (for vacation and other absences) 27
Congregations (Parishes) in Transition 27
Pulpit Supply 27
Transition Consultation Team Member 28
Interim Pastor 28
Separation/Severance Guidelines 30

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 (Pastors) and Ministers of Word and Service (Deacons).

- **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.** Ordained 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.

Base Salary Adjustments – Rostered Ministers of Word and Sacrament (Pastors)

The base salary guidelines for Ministers of Word and Sacrament were reviewed and adjusted in 2025 to better align with our neighboring synods to provide more equitable compensation across the region. This adjustment included an increase of 10 percent plus a cost-of-living allowance (COLA). In order to continue providing equitable compensation across the region, the Compensation and Guidelines Task Force is proposing an increase of no less than 5 percent (or COLA) for 2027, and no less than 3 percent (or COLA) for 2028. For each year of ordination, a consistent increment of $600 will be added to the base salary in recognition of years of experience.

Base Salary Adjustments – Rostered Ministers of Word and Service (Deacons)

Guidelines for Ministers of Word and Service are currently more in line with our neighboring synods. For 2027/28, we recommend annual increases of no less than 5 percent or (COLA) for 2027 and no less than 3 percent (or COLA) for 2028. For each year of ordination, a consistent increment of $600 will be added to the base salary in recognition of years of experience.

Future Salary Adjustments

Base salary adjustments are based on a Cost of Living Adjustment (COLA) to the base salary for zero years of ordination. The Social Security Administration releases this percentage in the Fall of each year.

Synod Council may take action to increase, but not decrease, the percentage applied to Base Salary Guidelines in years when there is no synod assembly.

Housing Allowance

To calculate the housing allowance for a Rostered Minister of Word and Sacrament not living in a parsonage, congregations will find the Median Home Value (MHV) for their town, city, or county. The compensation worksheets have helpful links to Zillow or the National Realtors Association to find this number. You can also ask a local realtor for their expertise in finding the MHV.

The MHV is then multiplied by 1.25% to find the monthly allowance amount and multiplied by 12 months for an annual amount. The percentage can be increased at the discretion of parish leadership.

Please see the worksheets below for step-by-step instructions on how to properly calculate housing allowance.

Housing Equity Allowance

Congregations may provide a parsonage for Ministers of Word and Sacrament, which is an advantage to both congregation and pastor in some housing markets. However, a pastor living in a parsonage does not have the opportunity to accrue equity in a home. A housing equity allowance is designed to address this situation, so that when a pastor moves from a parsonage and either retires or moves to a new call, they will have the equity they might have accrued while owning a home. For Ministers of Word and Sacrament who live in a parsonage, the method for calculating Housing Equity Allowance has been adjusted to be more in line with the calculation method based on median home value.

Congregation Recommendations

It is recommended that congregations follow the suggested salary guidelines for rostered ministers which reflect years of experience and education as indicated in the *2027/28 Base Salary Guidelines.*

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 includes 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 elements, 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) for further compensatory information; and the Portico Benefit services website (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 family. This mutual concern for one another is a witness to what we believe and practice in the life of the church.

A Note on Clergy Couples

Each member of a clergy couple is seen as their own entity which should be compensated fully by their calling congregation. Base salary, housing allowance, and other benefits should be calculated for each member of the couple individually when filling out a compensation worksheet. A congregation is responsible for the health insurance of the Rostered Minister and family. Health Insurance costs might be adjusted or shared through Portico when calling a member of a sponsored couple. However, there should be wording in compensation worksheets to assure health insurance coverage in the case that the call status of either spouse changes.

Annual Review of Compensation for Rostered Minister

The compensation package of each rostered minister (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 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 congregational council and the congregation to make adequate provision for their financial needs, the rostered minister should have an opportunity to discuss those needs in an open and supportive forum. The team can

receive data from the rostered minister about his or her 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 those expectations reasonably. At all times, both congregation and minister should be prepared to and seek to compromise.

Items included in the yearly compensation adjustments (may be different for pastor vs deacon):

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

A congregation that finds it cannot meet the compensation amount called for in these guidelines and thus cannot compensate its rostered minister fairly and adequately, should consider alternatives such as shared ministry with neighboring congregations, a shared rostered minister, a part-time rostered minister, or other arrangement. It should be noted that cutting back a full-time rostered minister's hours to part-time hours invalidates the original letter of call and requires negotiating a new call. Congregations facing any of these situations should contact the Office of the Bishop for advice and assistance.

Base Salary Guidelines – Rostered Ministers of Word and Sacrament (Pastors)

2027				2028*	
Years Ordained	*Year of ordination*	*Base Salary*	*Years Ordained*	*Year of ordination*	*Base Salary*
0	2027	$48,665.00	0	2028	$50,125.00
1	2026	$49,265.00	1	2027	$50,725.00
2	2025	$49,865.00	2	2026	$51,325.00
3	2024	$50,465.00	3	2025	$51,925.00
4	2023	$51,065.00	4	2024	$52,525.00
5	2022	$51,665.00	5	2023	$53,125.00
6	2021	$52,265.00	6	2022	$53,725.00
7	2020	$52,865.00	7	2021	$54,325.00
8	2019	$53,465.00	8	2020	$54,925.00
9	2018	$54,065.00	9	2019	$55,525.00
10	2017	$54,665.00	10	2018	$56,125.00
11	2016	$55,265.00	11	2017	$56,725.00
12	2015	$55,865.00	12	2016	$57,325.00
13	2014	$56,465.00	13	2015	$57,925.00
14	2013	$57,065.00	14	2014	$58,525.00
15	2012	$57,665.00	15	2013	$59,125.00
16	2011	$58,265.00	16	2012	$59,725.00
17	2010	$58,865.00	17	2011	$60,325.00
18	2009	$59,465.00	18	2010	$60,925.00
19	2008	$60,065.00	19	2009	$61,525.00
20	2007	$60,665.00	20	2008	$62,125.00
21	2006	$61,265.00	21	2007	$62,725.00
22	2005	$61,865.00	22	2006	$63,325.00
23	2004	$62,465.00	23	2005	$63,925.00
24	2003	$63,065.00	24	2004	$64,525.00
25	2002	$63,665.00	25	2003	$65,125.00

For each year of ordination above 25, $600 should be added.

*2028 base salaries in this chart reflect a minimum 3% increase on the base with 0 years of ordination, but it is recommended that the COLA for 2028 be used when it is released.

Base Salary Guidelines – Rostered Ministers of Word and Service (Deacons)

2027				2028*	
Years Ordained	*Year of ordination*	*Base Salary*	*Years Ordained*	*Year of ordination*	*Base Salary*
0	2027	$54,075.00	0	2028	$55,700.00
1	2026	$54,675.00	1	2027	$56,300.00
2	2025	$55,275.00	2	2026	$56,900.00
3	2024	$55,875.00	3	2025	$57,500.00
4	2023	$56,475.00	4	2024	$58,100.00
5	2022	$57,075.00	5	2023	$58,700.00
6	2021	$57,675.00	6	2022	$59,300.00
7	2020	$58,275.00	7	2021	$59,900.00
8	2019	$58,875.00	8	2020	$60,500.00
9	2018	$59,475.00	9	2019	$61,100.00
10	2017	$60,075.00	10	2018	$61,700.00
11	2016	$60,675.00	11	2017	$62,300.00
12	2015	$61,275.00	12	2016	$62,900.00
13	2014	$61,875.00	13	2015	$63,500.00
14	2013	$62,475.00	14	2014	$64,100.00
15	2012	$63,075.00	15	2013	$64,700.00
16	2011	$63,675.00	16	2012	$65,300.00
17	2010	$64,275.00	17	2011	$65,900.00
18	2009	$64,875.00	18	2010	$66,500.00
19	2008	$65,475.00	19	2009	$67,100.00
20	2007	$66,075.00	20	2008	$67,700.00
21	2006	$66,675.00	21	2007	$68,300.00
22	2005	$67,275.00	22	2006	$68,900.00
23	2004	$67,875.00	23	2005	$69,500.00
24	2003	$68,475.00	24	2004	$70,100.00
25	2002	$69,075.00	25	2003	$70,700.00

For each year of ordination above 25, $600 should be added.

*2028 base salaries in this chart reflect a minimum 3% increase on the base with 0 years of ordination, but it is recommended that the COLA for 2028 be used when it is released.

Compensation Spreadsheet and Worksheet

Below is an in-depth explanation of our Compensation Worksheet steps. For an easy tool to help determine compensation numbers, you can find an Excel document at this link: https://nwos-elca.church/resources/compensation-guidelines/

You can use the spreadsheet to fill out the final compensation worksheet, which can be found at this link: https://nwos-elca.church/resources/compensation-guidelines/

Please be sure to determine if you need the worksheet for a Rostered Minister of Word and Sacrament WITHOUT a parsonage or WITH a parsonage or for a Rostered Minister of Word and Service, as those documents are adjusted according to each situation.

Step 1: Determining Salary Compensation

The salary compensation of a rostered minister (pastor or deacon) is made up of two components: base salary and additional/merit compensation.

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 9 and 10 of these guidelines.

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

Additional/Merit Compensation

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

1. Additional relevant education, certifications, or degrees
2. Relevant prior work experience (i.e. second career ministers)
3. Additional work expectations
4. Size of the congregation/multiple congregations
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.

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 for Rostered Ministers of Word and Sacrament (Pastors)

Congregations should provide housing for pastors through a parsonage and/or a housing allowance.

If a congregation provides a parsonage, this number is still calculated to help calculate the Housing Equity Allowance placed later on the worksheet. If a congregation does not provide a parsonage, the congregation should provide a housing allowance which can be calculated as shown below

Calculating Housing Allowance

Median Home Value
x 1.25% (minimum)
x 12 months
= Housing Allowance (E)

Housing allowance is based on the median home value of where the majority of parishioners are based. To find this value you can use the zip code at the Zillow link below, use the county value from the National Realtors Association link below or ask a local realtor that is familiar with the housing costs where you are located. That number is then multiplied by a rate of at least 1.25 percent that is chosen by your congregation.

Links to find Median Home Value:

Zillow (by zip code)
https://www.zillow.com/home-values/44/oh/

National Realtors Association (by county) https://www.nar.realtor/research-and-statistics/housing-statistics/county-median-home-prices-and-monthly-mortgage-payment

These figures will be entered on **Lines D-F** of the Compensation Worksheet for Pastors WITHOUT a parsonage.

These figures will be entered on **Lines N-P** on the Compensation Worksheet for Pastors WITH a parsonage, to aid in calculating Housing Equity Allowance (see step 4 below).

Once Housing Allowance is determined, the amount designated as Housing Allowance can be adjusted to the needs of the 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 allowance is available below)*. Designation of housing allowance can be made through a separate line item on the budget, or through action recorded in council minutes.

Sample Resolution

The following resolution was duly adopted by the church council/board of directors of [Name of Church] at a regularly scheduled meeting held on [Day, Month, Year], a quorum being present:

Whereas, ministers who own or rent their home do not pay federal income taxes on the compensation that their employing church designates in advance as a housing allowance, to the extent that the allowance represents compensation for ministerial services, is used to pay housing expenses, and does not exceed the fair rental value of the home (furnished, plus utilities); and

Whereas, Pastor [First and Last Name] is compensated by [Name of Church] exclusively for services as a minister of the gospel; and

Whereas, [Name of Church] does not provide Pastor [First and Last Name] with a parsonage; therefore, it is hereby

Resolved, that the total compensation paid to Pastor [First and Last Name] for calendar year _____ shall be [$_____], of which [$_____] is hereby designated to be a housing allowance; and it is further

Resolved, that the designation of [$_____] as a housing allowance shall apply to calendar year ____ and all future years unless otherwise provided.

Parsonage Utilities and Maintenance

A congregation that provides a parsonage is responsible for the cost of utilities (gas, water, electric, trash, internet, etc.) and maintenance, and it is strongly recommended that congregations directly pay utility companies.

Furnishings Allowance for Pastors Living in a Parsonage

Pastors living in parsonages may be provided with a "furnishings allowance." Even in a parsonage, every pastor has some expense in maintaining their 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.

Total Housing Allowance

The total housing compensation is determined by entering **line F,** whether that is an actual housing allowance or only a furnishing allowance.

Step 3: Determining Defined Compensation for Deacons and Pastors

Defined Compensation for Rostered Ministers of Word and Service (Deacons)

For a deacon, defined compensation is equal to the deacon's total salary (Line C).

Please consult Step 5 for guidance in estimating employer expenses for FICA.

Defined Compensation for Rostered Ministers of Word and Sacrament (Pastors)

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

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 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 (7.65% employee portion plus the 7.65% employer portion, known as SECA for self-employed persons).

But according to the Internal Revenue Service 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 housing arrangements.

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

Total Salary Compensation (C)
+ Housing Allowance (F)
= Social Security Base
x 7.65 % (employer rate)
= Social Security Allowance (G)

Social Security Allowance for a pastor living in **parsonage**:

Total Salary Compensation (C)
x 1.3 (Housing Equivalency Factor)
= Subtotal
+ Furnishings Allowance (F)
= Social Security Base
x 7.65 % (employer rate)
= Social Security Allowance (G)

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

Under current law, congregations are prohibited from directly paying social security tax for pastors. 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.

If a pastor requests it and the congregation is willing, a congregation may withhold voluntary federal and state tax contributions. Otherwise, pastors are required to make quarterly estimated tax payments.

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 housing arrangements.

For a pastor receiving a **housing allowance** (non-parsonage):

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

For a pastor living in a **parsonage**:

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

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

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 (pastors or deacons) 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.

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 I, J, K, L, and M** on the Compensation Worksheet.

Housing Equity Allowance for Pastors Living in a Parsonage

It is recommended that congregations which provide a parsonage also provide for a housing equity allowance for their pastor. Housing equity should not be paid directly to the 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, when moving calls and/or as described by Portico policy or applicable law. To find an equitable number, your congregation must first determine housing allowance for your area based on the Median Home Value of the zip code or county where the parsonage is located. The Median Home Value is then multiplied by a percentage of at least 1.25% and multiplied by 12 to find what annual housing allowance would be for a pastor with a housing allowance. This was covered back in step 2 in this document. The numbers for Median Home Value and chosen percentage are added into **Lines N and O** on the compensation worksheet. **Line P** is then those numbers multiplied by 12 to account for an annual number. Equity allowance is then calculated as 13% of line P.

Housing Equity allowance will be entered on **Line Q** of the Compensation Worksheet

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 N** (pastors with no parsonage and deacons) OR **Line R** (pastors with parsonage) of the Compensation Worksheet.

Total Benefits

For deacons or pastors without a parsonage, add **lines I – N** to arrive at the total benefit cost, and enter this figure on **Line O.**

For pastors with a parsonage, add **lines I, J, K, L, M, Q and R** to arrive at the total benefit cost, and enter this figure on **Line S.**

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 (pastor or deacon).

Mileage Reimbursement and Automobile Expenses

The congregation should reimburse miles driven in carrying out duties as a rostered minister 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. 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 P** (pastors with no parsonage and deacons) OR **Line T** (pastors with parsonage) of the Compensation Worksheet.

Continuing Education

It is the expectation of the ELCA and the Northwestern Ohio Synod that every rostered minister 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 **$2,000** (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 Q** (pastors with no parsonage and deacons) OR **Line U** (pastors with parsonage) of the Compensation Worksheet.

Professional Expenses

Congregations may elect to provide the rostered minister 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 R** (pastors with no parsonage and deacons) OR **Line V** (pastors with parsonage) of the Compensation Worksheet.

Unused professional expense allowances are not paid out upon separation.

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 in terms of:

(1) ministry skills,
(2) ministerial 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 meets a portion of the expected continuing education contact hours.

Costs for this can come out of a rostered minister's continuing education reimbursement or 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 S** (pastors with no parsonage and deacons) OR **Line W** (pastors with parsonage) of the Compensation Worksheet.

Spiritual Retreat

Congregations may provide paid time and expenses for each rostered minister to spend at least one week a year on intentional, disciplined **spiritual retreat**. This is in 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 also be entered on **Line S** (pastors with no parsonage and deacons) OR **Line W** (pastors with parsonage) of the Compensation Worksheet.

Estimating Employer FICA Taxes for Deacons

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 (deacons) 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%.

Total Salary ©
x 7.65%
= FICA cost to congregation

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

Total Additional Expenses

For **deacons**, add lines P thru T to arrive at total additional expenses. This figure will be entered on on **Line U.**

For **pastors** without a parsonage, add lines P thru S to arrive at total additional expenses. This figure will be entered on on **Line T.**

For **pastors** with a parsonage, add lines T thru W to arrive at total additional expenses. This figure will be entered on on **Line X.**

Step 6: Determining Total Financial Cost to Congregation

Total Compensation Package

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

Total Salary Compensation (C)
+ Total Benefits (O)
+ Total Additional Expenses (U)
= Total Financial Cost (V)

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

The total financial cost to the congregation for **pastors** without a parsonage can be determined as:

Total Salary Compensation (C)
+ Housing Allowance (F)
+ Social Security Allowance (G)
+ Total Benefits (O)
+ Total Additional Expenses (T)
= Total Financial Cost (U)

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

The total financial cost to the congregation for **pastors** with a parsonage can be determined as:

Total Salary Compensation (C)
+ Furnishing Allowance (F)
+ Social Security Allowance (G)
+ Total Benefits (S)
+ Total Additional Expenses (X)
= Total Financial Cost (Y)

This figure will be entered on **Line Y** 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 (pastors and deacons), like anyone else, need time off from work to replenish and re-energize.

Congregations should ensure that each rostered minister has **two full days off per week**. The rostered minister'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 of 4 hours: 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 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 rostered ministers.

The accrual (or non-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 rostered 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).

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

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 family leave in a caring manner and apply for all rostered ministers:

Parental leave following the birth or adoption of a child – Twelve (12) weeks of paid parental leave should be available to parents immediately following the birth or adoption 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. In the case of adoption, the number of weeks of leave before and after the adoption should be specified in advance, and with mutual discussion with the rostered minister.

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.

Disability

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/Renewal Leave

Congregations may offer their rostered minister sabbatical/renewal leave for spiritual and professional renewal. Rostered ministers are eligible for sabbatical/renewal leave

after serving in ministry for 6 years (during the seventh year), regardless of a change in call.

Usually lasting 3 months (13 weeks) in length, sabbatical/renewal leave is intended to refresh the rostered minister's spiritual life and 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 may want to include in the budget and accrue funds each year toward sabbatical/renewal leave (so costs might be spread over several years).

Alternative sabbatical/renewal leave arrangements, (perhaps 6 weeks after 3 years), may also be considered in conversation with the rostered leader and parish leadership. For more guidance, please contact the Synod Office.

During sabbatical/renewal leave, the congregation continues to provide normal compensation, and pays for pulpit supply, visitation, and related congregational ministerial expenses. The rostered minister is typically 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 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 may be called upon 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, 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.

Pulpit Supply (for vacation and other absences)

A supply minister ordinarily receives:

1. Preaching:
   One weekend service – $225 or higher
   Each additional matching service (Ex: 2nd service on Sunday morning, a Saturday evening/Thursday evening, etc.) – $50
   Weekday service (i.e. Wednesdays in Lent) – $225 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.

A list of current supply ministers can be found here: https://nwos-elca.church/resources/supply-list/

Congregations (Parishes) in Transition

When a season of ministry changes by the movement of the Holy Spirit and a pastoral leader moves on, Synod staff and a "Journey Team" (a group of two or more Synod leaders, lay and ordained) will come alongside the parish to help them travel through their "New Ministry Journey".

The compensation for the Journey Team will depend on the roles of the team members.

Pulpit Supply

A supply minister is one who fills in one Sunday at a time.
A supply minister ordinarily receives:

4. Preaching:
   One weekend service – $225 or higher
   Each additional matching service (Ex: 2nd service on Sunday morning, a Saturday evening/Thursday evening, etc.) – $50
   Weekday service (i.e. Wednesdays in Lent) – $225 or higher
5. 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)
6. All reasonable hotel and meal costs may be reimbursed if needed and agreed upon.

A list of current supply ministers can be found here: https://nwos-elca.church/resources/supply-list/

Transition Consultation Team Member

A group of two or more Synod leaders, lay and ordained will come alongside the parish to assist with the phases of the New Ministry Journey. More information about the New Ministry Journey can be found on the NWOS web site.

Compensation for the team:

1. A minimum of $45 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 – $225 or higher
   Each additional matching service (Ex: 2nd service on Sunday morning, a Saturday evening/Thursday evening, etc.) – $50
   Weekday service (i.e. Wednesdays in Lent) – $225 or higher

Interim Pastor

The Northwestern Ohio Synod has the discretion to appoint an Interim Pastor when a congregation enters a time of transition. 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 approved by Synod Council.

A full-time Interim Pastor (five 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 in the traditional Rostered Minister Guidelines spreadsheet. This includes deductions for those who are not full-time interims.

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

5. A minimum of $45 per hour for visitation and other related ministry
6. Mileage reimbursement for performing congregational responsibilities at the current IRS rate (http://www.irs.gov/taxpros/article/0..id=156624.00.html)
7. Reimbursements for congregational expenses (e.g. telephone, postage, meals, hotel, etc.)
8. Preaching:
   One weekend service – $225 or higher
   Each additional matching service (Ex: 2nd service on Sunday morning, a Saturday evening/Thursday evening, etc.) – $50
   Weekday service (i.e. Wednesdays in Lent) – $225 or higher

Separation/Severance Guidelines

There are varied circumstances in which a rostered 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/severance 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.