



2010
COMPENSATION AND BENEFITS GUIDELINES

FOR
PASTORS
AND
ASSOCIATES IN MINISTRY

Effective January 1, 2010

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INTRODUCTION

A ministry review of the Western North Dakota Synod was conducted from April 11-13, 2008 at St John, Dickinson, House of Prayer, Bismarck, Bethany Lutheran, Minot and First Lutheran, Williston. Groups ranged from 6-19. The total number of participants was 120, with a slightly higher proportion of lay than clergy. Nearly all of the participants agreed that a **major part of addressing concerns within our synod is to place a high priority on recruitment of clergy**. The discussion groups and interviews were conducted by ELCA staff from Chicago- Marcia Johnson, Mark Grorud and Victoria Flood.

It is important for parishes in the Western North Dakota (WND) Synod to be able to attract and retain strong leaders. Compensation for all full time pastors and associates in ministry (AIM) is of major importance in accomplishing this task. Compensation includes base salary as well as monetary and non-monetary benefits.

The 2008 Western North Synod Assembly (Resolution #5) directed the synod council to form a task force to research and develop the computation of synod guidelines for clergy and associates in ministry. These compensation guidelines are provided as a starting point for determining compensation for those serving in our congregations.

The recommendations for these salary guidelines are being submitted by the task force. The compensation and benefits guidelines package also need to be revised. The task force of the WND Synod Council encourages using these guidelines as a basis for compensating pastors and AIMS. The task force encourages all parishes within the synod to prayerfully consider the guidelines provided for clergy and to use these guidelines as minimum standards. We also encourage parishes to be generous in compensating beyond these guidelines to attract and retain talented and dedicated clergy.

If meeting these guidelines would be a significant financial hardship for your parish, please contact the WND Synod staff and discuss this with them.

MUTUAL MINISTRY

The WND Synod suggests every parish have a mutual ministry committee. The purpose of the committee is to affirm and strengthen the mission of the parish and the ministry of the staff.

The model constitution of the Evangelical Lutheran Church in America (C13.04) suggests “A mutual ministry committee shall be appointed jointly by the president and the pastor.” In this way, the committee becomes officially related to the council and reports in the same manner as do other committees. The committee should reflect the age, race, gender and economic composition of the parish. The pastor should be included as part of the committee.

A mutual ministry committee provides a place to begin to define the vision for building up the body of Christ within the parish. This is done through:

- Listening and clarifying – The committee needs to listen to one another. Listen to understand! All should be listened to, the called leaders, the parish and the pastor.
- Sharing and communicating – Take time to share the joys and frustration of ministry. Luther called for “mutual conversation and consolation of Christians.” This requires a commitment of confidentiality.
- Reviewing and revising – Often the “Annual Review” is misunderstood as an evaluation of staff. The review should be of both the ministry of the pastor and the mission of the parish. The goal of the review is to “Build up the Body of Christ” (Ephesians 4;12). If sharing and communicating is taking place the reviewing and revising phase of ministry is done in an atmosphere of “no surprises”. Concerns are not “saved” for the annual review!

HOW TO START A MUTUAL MINISTRY COMMITTEE

The key to the success of a Mutual Ministry Committee is the selection process. Begin by defining expectations, purpose and job description for the committee. Characteristics and skills of the committee members should include:

- Ability to keep confidences
- Sensitivity to the feelings of others
- Ability to listen
- An understanding of the Christian faith and the vision of the ELCA as manifest in the parish, the Synod, and the churchwide
- Ability to provide constructive feedback in a caring manner

More information and resources for mutual ministry are available through the WND Synod office. Resources available include:

- *Mutual Ministry Committee, A Vision for Building Up the Body of Christ* by Reverend George E. Keck
- Performance Now. Knowledgepoint, 1129 Industrial Avenue, Petaluma, CA 94952
Web site: <http://www.knowledgepoint.com>
Email – Kp@knowledgepoint.com
- Exhibit 1 of this document titled, “Annual Summary of Compensation and Benefits.”

MINIMUM COMPENSATION AND BENEFIT GUIDELINES

OVERVIEW

When arriving at compensation and benefit levels for pastors and AIMs the fundamental question should be, “How can we best provide appropriate care for our pastors and AIMs, recognizing financial issues are an integral part of that care”? Lay leaders and pastors need to talk openly with each other about their ministry together, including details of compensation.

The compensation and benefits package is best arrived at by candid communication that takes into consideration financial realities for both pastor and parish. One financial reality that can be overlooked is the extensive investment made by pastors prior to their first call. The process of becoming a pastor in the Evangelical Lutheran Church is normally an eight-year commitment leaving most with substantial debt. Investment in ministry and faithful pastoral service ought to be recognized and compensated fairly and even generously. Creative options should be explored when resources are limited.

Years of experience are a significant factor in determining compensation and benefits. However, many other factors should be taken into account as salary is discussed. Some of the factors include:

PARISH

- Multiple point parish
- Complexity of call
- Ratio of members to paid staff
- Programming
- Travel time required for regular visitations.

PASTOR/ASSOCIATE IN MINISTRY

- Education beyond Masters
- Prior career experience
- Staff supervision requirements
- Merit
- Churchwide or synodical experience and participation

Any of these factors may be considered a reason to pay more than the base salary guideline.

2010 Minimum base salary recommendations

Congregations are encouraged to review and become familiar with these minimum base salaries. This salary guideline represents single point parishes and does not include any benefits such as social security or housing.

<u>Ordained Ministers</u>			<u>Associates in Ministry</u>			
<u>Year</u> <u>Ordained</u>	<u>*Years of</u> <u>Service</u>	<u>Minimum</u> <u>Base</u> <u>Salary</u>		<u>Year</u> <u>Appointed</u>	<u>Years of</u> <u>Service</u>	<u>Minimum</u> <u>Base</u> <u>Salary</u>
2010	0	\$30,585	2009 WND Synod minimum	2010	0	\$26,915
2009	1	\$31,114	base salary was \$1,908 less	2009	1	\$27,380
2008	2	\$31,643	than the regional average.	2008	2	\$27,846
2007	3	\$32,172	(Regional average of \$28,908	2007	3	\$28,311
2006	4	\$32,701	minus WND \$27,000 = \$1,908)	2006	4	\$28,777
2005	5	\$33,230	Regional synods used were	2005	5	\$29,242
2004	6	\$33,759	NW & SW Minnesota,	2004	6	\$29,708
2003	7	\$34,288	West & East North Dakota,	2003	7	\$30,173
2002	8	\$34,817	Montana & South Dakota.	2002	8	\$30,639
2001	9	\$35,346	The 2010 WND Synod	2001	9	\$31,104
2000	10	\$35,875	minimum base salary	2000	10	\$31,570
1999	11	\$36,404	recommendations include	1999	11	\$32,036
1998	12	\$36,933	\$28,908 + \$1,677 (5.8% 2009	1998	12	\$32,501
1997	13	\$37,462	SS COLA X \$28,908 = \$1,677)	1997	13	\$32,966
1996	14	\$37,991	equals \$30,585. (SS COLA is	1996	14	\$33,432
1995	15	\$38,520	the Social Security Cost of	1995	15	\$33,897
1994	16	\$39,049	Living Adjustment recommended	1994	16	\$34,363
1993	17	\$39,578	by the Federal Government)	1993	17	\$34,828
1992	18	\$40,107	(Minimum Base Salary for Years	1992	18	\$35,294
1991	19	\$40,636	of Service) is \$529 per year of	1991	19	\$35,759
1990	20	\$41,165	service plus the 5.8% SS COLA.	1990	20	\$36,225
1989	21	\$41,694		1989	21	\$36,690
1988	22	\$42,223	(Associates in Ministry Minimum	1988	22	\$37,156
1987	23	\$42,752	Base Salary) is 88% of	1987	23	\$37,621
1986	24	\$43,281	ordained ministers per the	1986	24	\$38,087
1985	25	\$43,810	National ELCA recommendation.	1985	25	\$38,553
1984	26	\$44,339	When deciding the actual 2010	1984	26	\$39,018
1983	27	\$44,868	salaries, the 2010 SS COLA	1983	27	\$39,484
1982	28	\$45,397	which is available by the end of	1982	28	\$39,950
1981	29	\$45,926	October, 2009 should be	1981	29	\$40,415
1980	30	\$46,455	taken into consideration.	1980	30	\$40,880
1979	31	\$46,984	The WND Synod council will	1979	31	\$41,346
1978	32	\$47,513	annually review the regional	1978	32	\$41,811
1977	33	\$48,042	synod salaries and the SS COLA	1977	33	\$42,277
1976	34	\$48,571	before salary recommendations	1976	34	\$42,742
1975	35	\$49,100	are presented to the ELCA WND	1975	35	\$43,208
1974	36	\$49,629	Synod Assembly.	1974	36	\$43,673
1973	37	\$50,158	*Prior work experience should be	1973	37	\$44,139
1972	38	\$50,687	considered and credit given at the	1972	38	\$44,604
1971	39	\$51,216	rate of ½ year for each year of	1971	39	\$45,070

SOCIAL SECURITY

Parishes are required to pay one half of the social security taxes for all lay employees and to file federal tax Form 1099 or Form W-2 for both clergy and lay people. Because pastors are treated as self-employed (not as employees) for social security purposes, their social security tax is 15.3%. To offset this added tax burden required of pastors, the WND Synod strongly recommends and encourages all parishes to pay one half (7.65%) of the social security tax just as other employers do. The tax is applied to the social security tax base, which includes:

- Base salary
- Housing allowance (or parsonage fair market rental value)
- Furnishings allowance
- Utilities allowance
- Social security offset
- Other taxable income

HOUSING AND UTILITIES

Parishes should pay their pastor a housing allowance or provide a parsonage. If located in an area where real estate moves rapidly, serious consideration should be given to granting pastors the option of owning or renting their own home. (The IRS requires that the amount of the pastor's compensation which is to be used as housing allowance be designated as a percentage of the base salary by the parish in advance.)

Housing Allowance

If the pastor is given a housing allowance in lieu of a parsonage, the allowance should be enough to provide housing that is adequate for the pastor's family needs. The minimum standard recommended is a three bedroom house with garage. Also, the housing allowance should provide for the cost of heat and all utilities.

Parsonage

When a parish provides a parsonage, the parish should assume all costs for maintenance (including replacement of major appliances), and utilities (electricity, gas, oil, telephone, cable TV, water, etc.). Utility and repair/replacement costs should be paid directly by the parish to the vendor/supplier. If not handled in this manner, those amounts are to be included in the pension contribution calculations.

The parish should work through the guidelines for the provision and use of parsonages with the pastor and establish a covenant for parsonage use. The parish should arrange for a regular program for upkeep and maintenance of the parsonage and property, including an annual assessment and walk through with the appropriate council representative. For more information see Exhibit 3 called, "Guidelines for the Provision and Use of Parsonages."

Housing Equity Allowance

When a parsonage is provided, the parish should share with the pastor a modest portion of the equity being gained on the parsonage. It is strongly recommended the equity allowance be equal to four percent of the pastor's current base salary. This equity allowance should be paid monthly and be placed in a fund that will accumulate interest in the pastor's name. It is recommended the investment be made in either the ELCA Optional Pension Fund or other appropriate investment that will be available for the use of the pastor when purchase of a home becomes necessary. This benefit assists pastors in gaining equity for future housing needs. Without this benefit, pastors who live in parsonages may be unable to accumulate equity in a home and at retirement would have limited funds to provide for their housing needs.

Furnishings Allowance

Under IRS rules, a parish may designate a portion of the base salary as a furnishings allowance for furnishing purposes. For example, if the pastor's base salary is \$20,000 and \$2,000 of that is designated for furnishing allowance, the amount the pastor uses for furnishing the parsonage up to \$2,000 may be excluded from taxable income.

NOTE: In all tax matters, pastors and parishes are urged to obtain expert and up-to-date advice for guidance in tax reporting.

PENSION AND MEDICAL/DENTAL

The ELCA has a pension and benefit plan for pastors and AIMs that includes pension, medical and dental coverage, survivor benefits, and disability coverage. The rate for this coverage is based on defined compensation. The definition of “defined compensation” used for figuring payments for this plan is:

$$\text{Base salary} + \text{Social Security Allowance} + \text{Housing Allowance} = \text{Defined Compensation}$$

Or when a parsonage is provided:

$$(\text{Base salary} + \text{Social Security Allowance}) \times 1.3 = \text{Defined Compensation}$$

2010 contribution rates for sponsored members (sponsor paid)			
Type of coverage	Rate¹	Minimum	Maximum
Medical and Dental Benefits			
- Member only	13.10%	\$514	\$ 695
- Member and spouse	22.90%	899	1,216
- Member and children	22.90%	899	1,216
- Member, spouse and children	32.80%	1,285	1,737
- Coverage waived	0		
Regular Pension	10.0 to 12.0 ^{2,3,4}		
Disability Benefits	2.60		
Survivor Benefits	0 ⁵		
Administration and Retiree Support	0.7 ⁶		

1. Rates are a percent of defined compensation.
2. Contribution for employees of ELCA church institutions is 6% to 12% as determined by the institution.
3. Contribution for lay employees of ELCA congregations is 6% to 12% as determined by the congregation.
4. If a member participated in a predecessor plan on Dec. 31, 1987, was at least age 45 on that date and continuously been a sponsored member of an ELCA retirement plan since Jan. 1, 1988, the total retirement contribution must be at least 11%.
5. Survivor Benefit Plan contribution is suspended.
6. Retiree support contribution helps provide health coverage during retirement for members who served one of the ELCA predecessor church bodies.

NOTE: Current rates reflected in this table may change annually!

For current rates and more information on pension and other ELCA benefits visit the website: <http://www.elcabop.org/> or call 1-800-352-2876.

DISABILITY

In the event of a pastor or AIM disability due to accident, illness, surgery, etc., it is expected that the parish will continue to pay the full salary, housing (or housing allowance), pension and benefit contributions for the first 60 days of disability. Then the ELCA disability plan provides for a payment of 2/3 of the defined compensation reduced by any social security benefit, beginning in the third month of disability. The plan also provides for continuation of pension and benefit plan contributions for the duration of the disability.

WORKERS COMPENSATION

Parishes are not required by law to pay into North Dakota worker's compensation for employees or ordained pastors. However, it could be a definite liability to the ministry of the parish in the event of accidental death or disability during the course of employment.

It is recommended that all parishes carry a general "umbrella" insurance plan that covers all types of liability a parish may encounter including personal injury and professional liability.

WORK WEEK

Pastors are expected to take at least one weekday off each week as well as an additional day whenever a parish schedule interferes with taking a holiday off. Five and one-half days should be the normal maximum workweek for clergy.

VACATION

Pastors are expected to receive and use four weeks (including Sunday's) of vacation per year. After completion of 20 years of service (and in the fifth year of their call) it is recommended that pastors and AIMs receive a fifth week of vacation annually.

Annual vacation time may be taken periodically during the year, at the mutual convenience of the pastor and parish, including the pastor's initial year of ministry to the parish. Since it is important that all staff use their vacation each year, accrued vacation time normally should not be carried over from one year to the next.

HOLIDAYS

The following should be considered paid holidays:

- New Years Day
- President's or Martin Luther King Day
- Easter
- Memorial Day
- Fourth of July
- Labor Day
- Thanksgiving Day
- Christmas Day

PERSONAL LEAVE

Reasonable time off may be granted due to illness or a death in the family. Pastors and AIMs should discuss needs and reach a mutual understanding with their parish leadership. This time would not normally be charged against vacation.

SICK LEAVE

Reasonable time away from work due to personal illness may be provided to professional staff without recording as vacation. For extended illnesses pastors should discuss needs with parish leadership and reach a mutual understanding.

PARENTAL LEAVE

Time off is important for pastors and AIMs in the event of the birth or adoption of a child. Parishes are expected to provide paid parental leave for up to six weeks.

MOVING EXPENSES

It is expected that when a pastor or AIM accepts a new call or appointment, reasonable moving expenses are to be paid by the parish or agency extending the call.

PROFESSIONAL EXPENSE REIMBURSEMENT

Professional expenses designated by the parish and acknowledged by the IRS including books, robes, periodicals, professional dues, entertaining and hospitality costs incurred in the performance of the duties of the pastoral office should be shared by the parish. A minimum of \$250 should be provided annually.

AUTO EXPENSE REIMBURSEMENT

The cost of travel as part of the responsibilities of the pastor's call or appointment are considered business expenses of the parish and may be paid in one of three different ways.

- Reimburse the pastor or AIM each month for actual miles driven at a rate of at least the current IRS rate.
- Pay a set travel allowance of at least the estimated mileage x the IRS mileage rate
- Purchase or lease a car for this use and pay all expenses. The pastor would be responsible for taxes for personal miles driven.

MEETING EXPENSES

Pastors are expected to attend various meetings called by the synod and its conferences, especially, the annual Medora Clergy and Spouse Conference and the Synod Assembly. The costs for attending these meetings, when not reimbursed by the synod, are to be paid by the parish.

OTHER COMPENSATION OPTIONS

A parish may wish to provide additional compensation in one of the following forms:

- Reimbursement of medical and dental expenses not paid for by the ELCA benefit plan. The recommended range for reimbursement is \$1000 to \$1,500.
- Additional pension contributions beyond the minimum required by the ELCA Pension and Benefit Plan.
- Additional personal holidays.
- Additional time off, including creative ways for occasional weekends when the pastor and family can leave without using vacation time.
- Flexible work hours.
- Creative methods to allow pastors to work less than full-time and receive pension and medical benefits that are similar to full-time.
- Creative methods to assist Pastor's and AIM to reduce education debt.
- Hiring and retention bonuses. For example, pay the pastor \$1,000 upon acceptance of the call and \$1,000 for each additional year of service to the parish.

CONTINUING EDUCATION

Pastors and AIMs are expected to keep up with the current scholarship in their field, to grow in their faith and to improve their skills for ministry. They are expected to seek out continuing education opportunities appropriate for them and the setting in which they serve. This education program may be of a variety of formats. It may involve structured education programs available in the Synod and region or it may involve travel to other areas to observe faith and ELCA programs in action. Both the pastor or AIM and the parish shall agree to the format for the education program.

The parish should allow for a minimum of two weeks of continuing education per year. The program should be funded by both the parish and the pastor or AIM per the following guidelines:

- Parish provides approximately 70% of funding.
- Pastor or associate provides approximately 30% of funding.
- For year 2002 the minimum recommendations are \$550 from parish and \$250 from pastor. These minimums shall rise as costs warrant changes.

For tax reasons it may be beneficial for the pastor's or AIM's contributions to continuing education be moved out of salary and into continuing education. This should be done with mutual agreement of pastor or AIM and parish.

Both parish and pastor shall agree to the accumulation of unused funds and days from year to year. It is recommended that unused funds provided by the parish be allowed to accumulate for future education uses. In the event that a pastor leaves a parish, all unused funds contributed by the parish shall remain with the parish.

All newly ordained pastors participate in programs of theological education during their first three years of service under call. The purpose of First Call Theological Education is to enhance the transition from seminary to parish. It is recommended that the parish support the pastor's participation in this synod program by providing the time for and reimbursement of costs incurred by the pastor while participating.

SABBATICAL LEAVE

Because continuing education of professional staff is a priority of the ELCA, parishes in the WND Synod are challenged to encourage professional staff to participate in sabbatical programs for renewal that will promote healthy and effective long-term relationships.

- One to three months of sabbatical after five years should be allowed with parish permission and agreement.
- Compensation during the sabbatical should be mutually agreed upon.
- The pastor is encouraged to make a commitment to return to the parish for at least one year following the sabbatical.

* Some policy examples are on file at the synod office.

COMPENSATION WORKSHEET

On the following two pages is a worksheet to assist in making annual compensation and benefit calculations for pastors and AIMs.

COMPENSATION WORKSHEET

STEP 1: Figuring the annual defined compensation for ELCA pension and benefits. (Formula used to base ELCA pension and benefits costs on.)

STEP 2: Housing Equity (if parsonage is provided)

STEP 3: Determining the ELCA pension and benefits expense

STEP 4: Other congregational expenses

STEP 5: Computing the total Pastoral expense (The cost for your pastoral position.)

STEP 1: Annual Defined Compensation *For ELCA Pension and Benefits calculation

	Current	Projected	Guidelines
1. Base Salary	_____	_____	_____
2. Social Security Allowance			
a. .0765 x [Base salary + housing allowance (if parsonage is not provided)]	_____	_____	_____
Or			
b. .0765 x [Base salary + fair rental value of the parsonage (if parsonage is provided)]	_____	_____	_____
3. Total Salary (line 1 + line 2a or line 2b)	_____	_____	_____
4. Housing Allowance (if parsonage is not provided)	_____	_____	_____
5. 30% of line 3 (if parsonage is provided) *This is not a direct cost to the congregation, and is only used to figure out ELCA pension and benefits costs.	_____	_____	_____
6. Household furnishings or utilities allowance (only if parsonage is provided, and Pastor pays the bills directly)	_____	_____	_____
7. Annual Defined Compensation (line 3 + line 4 + line 5 + line 6) *This figure is only used to calculate ELCA pension and benefits costs.	_____	_____	_____

STEP 2: Housing Equity

1. Housing Equity, if parsonage is provided (4% of cash salary)	_____	_____	_____
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STEP 3: ELCA Pension & Benefits

*Current contribution percentage rates can be obtained by calling the ELCA Board of Pensions at 1-800-352-2876 or visit the web site at <http://www.elcabop.org/>. Also, be aware that there are minimum and maximum amounts charged for the medical portion. Remember to ask for those figures when calling.

1. Annual Defined Compensation (line 7 on Step 1)	_____	_____	_____
2. a. Pension _____ % of line 1	_____	_____	_____

b. Medical	_____ % of line 1	_____	_____	_____
c. Disability & Survivor Plan	_____ % of line 1	_____	_____	_____
d. Administration	_____ % of line 1	_____	_____	_____
3. Total Pension and Benefits (line 2a + line 2b + line 2c + line 2d)		_____	_____	_____

STEP 4: Other Congregational Expenses

1. Travel Expense		_____	_____	_____
2. Professional Expense		_____	_____	_____
3. Meeting Expense		_____	_____	_____
4. Continuing Education (\$550 expected)		_____	_____	_____
5. Additional Compensation (additional pension, etc.)		_____	_____	_____
6. Other (misc.)		_____	_____	_____
7. Total Other Expenses		_____	_____	_____

STEP 5: Total Pastoral Expense (Salary, Housing Equity, Pension & Benefits, and Other Expenses

1. Base Salary (line 1 on Step 1)		_____	_____	_____
2. Social Security Allowance (line 2 on Step 1)		_____	_____	_____
3. Housing Allowance – if no parsonage is provided (line 4 on Step 1)		_____	_____	_____
4. Housing Equity – if parsonage is provided (line 1 on Step 2)		_____	_____	_____
5. ELCA Pension & Benefits (line 3 on Step 3)		_____	_____	_____
6. Other congregational Expenses (line 7 on Step 4)		_____	_____	_____
7. Total Expense (line 1 + line 2 + line 3 + line 4 + line 5 + line 6)		_____	_____	_____

Definition of Terms

Housing Allowance – Funds paid to the pastor to rent or purchase a home or apartment, when a parsonage is not provided.

Housing Equity – Funds placed in an equity fund such as an optional pension plan to build up funds, so that the pastor will be able to afford housing whenever a parsonage is not provided.

OTHER INFORMATION AND EXHIBITS

EXHIBIT 1: Annual Summary of Compensation and Benefits

EXHIBIT 2: Interim and Contracted Ministries

EXHIBIT 3: Guidelines for Provision and Use of Parsonages

EXHIBIT 4: Salary Survey of Ordained Ministers Serving in Congregations

EXHIBIT 5: Pastoral Ethics

EXHIBIT 1

ANNUAL SUMMARY OF COMPENSATION AND BENEFITS

Prepared by _____

For _____ For the period _____ to _____

A. COMPENSATION

The parish will provide the following annual compensation:

- 1. Base Salary (including cash housing allowance, if any) \$ _____
- 2. Self-employed Social Security payment allowance (if provided) \$ _____
- 3. If parsonage is provided:
 - a. Utilities allowance \$ _____
 - b. Furnishings allowance \$ _____
 - c. Housing equity allowance \$ _____

B. PENSION AND OTHER BENEFITS

The parish will sponsor the pastor in the Pension and Other Benefits Program of the Evangelical Lutheran Church in America, which provides retirement, disability, survivor, and medical/dental coverage. (*Sponsorship will include medical/dental coverage for the Pastor's spouse and children unless they have other employer-provided group medical insurance coverage and the pastor consents to waiving medical/dental coverage for them under the ELCA Pension and Other Benefits Program.*)

- 1. ELCA Pension at _____%
- 2. ELCA Medical and Dental Insurance (circle one):
 - a. Member only b. Member and spouse c. Member and children d. Member, spouse, and children e. Coverage waived
- 3. Other insurance or benefits: _____ \$ _____

C. AGREEMENT

- 1. Vacation time of _____ per year, including _____ Sundays;
- 2. Continuing education time of _____ weeks per year (recommended minimum of two weeks per year that may be accumulated up to three years);
- 3. Up to two months of continued salary, housing, and contributions to the ELCA Pension and Other Benefits Program in a 12-month period in the event that the pastor is physically and mentally disabled¹.

D. EXPENSES

The parish will provide for the following expenses related to this Pastor's ministry.

- 1. Automobile and travel allowance \$ _____
- 2. Other professional expenses \$ _____
- 3. Expenses for official meetings of the synod \$ _____
- 4. Continuing Education \$ _____
- 5. Other (_____) \$ _____
- 6. Pay the moving expenses to this field of service as follows: _____

¹Provision may be made for further unpaid time for disability recovery as agreed by the parish.

EXHIBIT 2

INTERIM AND CONTRACTED MINISTRIES

PASTORAL VACANCIES

- ◆ When a pastoral vacancy occurs in a parish, a synod representative (bishop or bishop's appointee) confers with the church council regarding the appointment of a vice-pastor or interim pastor.
- ◆ During this period of service, the vice-pastor or interim pastor:
 - Have the rights and duties of a regularly called pastor,
 - With consultation with the bishop and approval of the church council, may arrange for certain pastoral duties (like pulpit supply, confirmation, visitation) to be done by a supply pastor or other qualified person,
 - Must be present at council and parish meetings, including meetings at which pastoral candidates are interviewed and recommendations made to the parish, except:
 - Council meetings where the vice-pastor or interim pastor requests or consents to be absent and has given prior approval to an agenda of routine matters which shall be the only business of the meeting,
 - Parish meetings if the bishop appoints someone else as his representative.
 - Shall work with the church council in providing for worship leadership, response to emergency calls, hospital visitation, maintenance of official parish records,
 - Shall refrain from exerting influence in the selection of the next pastor and shall not be under consideration as the next pastor.
 - Assist synod staff in working with the council and parish through the call process and encourage preparation for the arrival of a pastor.
 - Offer care, encouragement and support to the new pastor after the call process is complete to facilitate integration in the parish, community and Western North Dakota.

CONTRACTED REIMBURSEMENT

- ◆ Compensation for interim pastors, in consultation with the bishop or his appointed representative, shall be negotiated on an individual basis that takes into consideration:
 - Housing provided to the pastor, spouse, and family.
 - Previous pastor salary and benefits as well as future pastor salary and benefits.
 - ELCA pension and benefits to all pastors not retired.
 - Expenses incurred in service to the parish (mileage at IRS rates, supplies, etc.)

- ◆ Vice-pastors, for minimum duties including attendance at church council meetings, assistance in arranging pulpit supply and other pastoral services, visitation in hospitals where the vice-pastor's own parish also has patients, and managing the official parish records:
 - \$150 per month.
 - Current IRS mileage and other professional expenses.
 - Other services (weddings, funerals, etc.) at \$85 per service plus IRS mileage.
- ◆ Pulpit supply and additional duties for vice-pastor or GIFTS program members:
 - Pulpit supply: \$85 for first service, \$35 for each additional service plus IRS mileage.
 - Additional duties (teaching confirmation or other classes): \$15 per hour (\$45 minimum), including preparation time and time in the parish plus IRS mileage.
 - Housing and meals if needed.

GIFTS ROLE IN CONGREGATION

- ◆ Pastoral and vice-pastor's supervision of GIFTS program members:
 - GIFTS members are to assist in the ministry of the parish.
 - Assignment of presiding duties of the ordained including: funerals, weddings, baptism, and Holy Communion cannot be assigned to GIFTS members without the consultation and approval of the synod office.

EXHIBIT 3

GUIDELINES FOR THE PROVISION AND USE OF PARSONAGES

To enhance the ministry of the Gospel among us, the congregation and the pastor covenant to work with the following guidelines, which are established to provide a common understanding of expectations for both the congregation and the pastor.

CONGREGATIONAL RESPONSIBILITIES

- ◆ When selecting a parsonage, consideration should be given to its size and type, so it will serve a variety of ages and sizes of pastoral families.
- ◆ The parsonage's primary purpose is to provide housing for the pastor and the pastor's family, and not to provide additional meeting space for the congregation.
- ◆ Where a parish office must, of necessity, be within the parsonage, means should be taken to provide adequate privacy for both the parishioners and family.
- ◆ It is the congregation's responsibility to provide the parsonage with major appliances.
- ◆ It is the congregation's responsibility to provide and maintain in working order a hot water heater and a furnace or other means of heating the parsonage, and if deemed necessary by water conditions, also a water softener.
- ◆ It is the congregation's responsibility to provide for normal maintenance and repair so that the parsonage is free from hazards to the health of the pastor's family. Examples are as follows:
 - Electrical, water and sewer systems should be adequate.
 - Windows, doors and roof should be weather proofed against wind and water.
 - The basement should be checked for the presence of radon gas and corrective measures taken if the gas is present.
 - Measures should be taken to ensure the basement does not flood.
 - Smoke alarms should be installed and maintained in working condition.
 - Insulation should be checked for asbestos, and if present, corrective measures taken.
 - If the parsonage has lead water pipes for domestic use, those pipes should be checked for high lead concentration, and the pipes replaced if the lead concentration is higher than EPA standards.
 - If the services of an exterminator are required for pest control, the congregation should provide those services.
 - The parsonage should be in compliance with fire codes, which include two (2) means of escape from each level and smoke detectors.
- ◆ The congregation should provide for a utilities allowance that covers the cost of heat, lights, water, sewer, and garbage removal. The recommended method is for these bills to be paid directly by the congregation.

PASTOR'S RESPONSIBILITIES

- ◆ The pastor should repair any damage done to the parsonage or property that is not considered normal wear, including damage done by pets.
- ◆ The pastor shall act as caretaker of the parsonage and provide the following:

- Ensure the parsonage is properly heated to prevent damage.
- Make minor repairs (i.e. leaky faucets)
- Provide for normal housekeeping and cleaning.
- Provide for maintaining the lawn and grounds in a neat and orderly manner.
- Clear sidewalks and driveway of snow and maintain the lawn and grounds equipment in good working order.
- ◆ The pastor shall report needed repairs promptly to the parsonage committee.
- ◆ The pastor shall make arrangements to invite the parsonage committee in to inspect the parsonage at least once per year.
- ◆ The pastor shall make reasonable arrangements to allow the congregation to make needed repairs and do required maintenance.
- ◆ The pastor is responsible for providing renter's insurance on personal contents.
- ◆ The pastor shall clean the parsonage before leaving as follows:
 - The stove and oven must be left clean.
 - The refrigerator should be cleaned, turned off and door left open.
 - Provisions should be made for the disposal of unwanted items.
- ◆ In general the pastor should leave the parsonage in as good or better condition than it was upon arrival.

EXHIBIT 4 These figures also include Churchwide, synod and seminary personnel.

SALARY SURVEY OF ORDAINED MINISTERS SERVING IN CONGREGATIONS

As Of June 1, 2009

SYNOD	NUMBER OF PASTORS	AVERAGE SALARY*	MEDIAN SALARY*
Region 1			
Alaska	23	\$57,670	\$61,894
Northwest Washington	120	63,180	65,437
Southwestern Washington	100	58,472	55,866
Eastern Washington-Idaho	87	50,236	50,165
Oregon	118	54,985	54,766
Montana	104	48,497	47,666
Region 2			
Sierra Pacific	177	\$60,873	\$59,700
Southern California (West)	114	63,246	62,954
Pacifica	127	70,675	70,471
Grand Canyon	119	67,349	65,913
Rocky Mountain	154	59,267	60,182
Region 3			
Western North Dakota	84	\$46,497	\$46,253
Eastern North Dakota	122	49,083	48,113
South Dakota	176	52,517	52,342
Northwestern Minnesota	166	48,415	47,782
Northeastern Minnesota	127	49,460	49,090
Southwestern Minnesota	216	53,762	54,640
Minneapolis Area	245	66,129	63,770
St. Paul Area	165	63,185	61,812
Southeastern Minnesota	180	52,034	51,513
Region 4			
Nebraska	188	\$52,807	\$50,667
Central States	132	51,742	49,916
Arkansas-Oklahoma	38	47,789	52,105
Northern Texas/Louisiana	86	57,264	59,213
Southwestern Texas	132	54,550	54,846
Texas-Louisiana Gulf Coast	94	58,936	58,833
Region 5			
Metropolitan Chicago	202	\$61,196	\$59,512
Northern Illinois	142	57,953	58,222
Central/Southern Illinois	111	54,333	53,040
Southeastern Iowa	149	55,796	55,563
Western Iowa	109	51,455	52,759
Northeastern Iowa	141	55,032	54,847
Northern Great Lakes	61	49,748	47,268
Northwest Wisconsin	159	52,700	53,403
East-Central Synod of Wisconsin	138	55,334	55,427
Greater Milwaukee	151	57,851	55,677
South-Central Synod of Wisconsin	154	54,274	57,763
LaCrosse Area	62	62,789	53,509

SYNOD	NUMBER OF PASTORS	AVERAGE SALARY*	MEDIAN SALARY*
<i>Region 6</i>			
Southeast Michigan	108	\$62,789	\$62,827
North/West Lower Michigan	105	55,914	53,035
Indiana-Kentucky	166	54,695	53,702
Northwestern Ohio	162	55,791	57,507
Northeastern Ohio	148	54,030	55,284
Southern Ohio	178	60,986	60,794
<i>Region 7</i>			
New Jersey	151	\$60,263	\$61,750
New England	171	57,553	54,516
Metropolitan New York	143	59,571	57,109
Upstate New York	134	48,815	49,827
Northeastern Pennsylvania	200	53,175	52,244
Southeastern Pennsylvania	157	57,471	55,877
Slovak Zion	15	49,197	50,055
<i>Region 8</i>			
Northwestern Pennsylvania	46	\$43,914	\$44,117
Southwestern Pennsylvania	129	51,125	49,766
Allegheny	61	47,800	46,871
Lower Susquehanna	201	54,371	55,257
Upper Susquehanna	64	48,306	48,195
Delaware-Maryland	160	57,031	56,920
Metropolitan Washington DC	83	70,752	70,286
West Virginia-Western Maryland	38	46,930	46,949
<i>Region 9</i>			
Virginia	120	\$56,645	\$55,668
North Carolina	201	56,394	55,978
South Carolina	128	58,515	57,615
Southeastern	132	62,776	60,475
Florida/Bahamas	180	60,678	59,367
Caribbean	19	26,328	25,260
Total Clergy	8,376		
Average Salary		\$55,246	
Median Salary			\$55,257
Previous Totals			
2007	8,249	\$54,652	\$53,555
2006	8,394	\$53,350	\$52,188
2005	8,531	\$52,024	\$50,933
2004	8,665	\$50,638	\$49,788
2003	8,749	\$49,436	\$48,595
2002	8,753	\$48,162	\$47,242
2001	8,802	\$46,519	\$45,175
2000	8,921	\$44,910	\$44,045
1999	9,040	\$43,261	\$42,460
1998	9,127	\$41,826	\$41,000
1997	9,106	\$40,440	\$39,786
1996	9,129	\$39,127	\$38,436
1995	9,161	\$37,970	\$37,270
1994	9,194	\$36,735	\$36,108

*These figures include the base salary, the actual housing allowance paid to the pastor or the value assigned to the church-owned parsonage (30% of the base salary), and any amount designated as a Social Security Allowance.

EXHIBIT 5

PASTORAL ETHICS

Pastors retiring or returning to a previously served parish must respect the integrity of the ministry of the parish they no longer serve. They should be cautious and should not exercise ministerial functions therein unless invited to do so by the present pastor, or if there is no duly called pastor, then by the interim or vice-pastor in consultation with the parish council.

Also, pastors are encouraged to respect the pastor and ministry of parishes they no longer serve. Pastors should not exercise ministerial functions affiliated with that parish unless invited to do so by the presiding pastor or vice-pastor.