



2015 Compensation Guidelines

for Rostered Leaders

Minimum Salary Recommendations for Rostered Leaders

"...the Lord commanded that those who proclaim the gospel should get their living by the gospel" (I Cor. 9:14)

Recommended **minimum** salary ranges for rostered leaders (Pastors, Diaconal Ministers, Deaconesses and Associates in Ministry) at different years of experience are indicated in the Tables below.

In addition to years of service, the following factors may be considered in setting a salary within the range, or above the range:

- special life or work experience, training, credentials, skills, the complexity of the ministry context,
- the size of the congregation, effectiveness in meeting the challenges of ministry and in accomplishing goals jointly set by the rostered person(s),
- whether the pastor will be serving as a "solo" or "senior" pastor or as an associate pastor (see page 6 "*" notation), and
- the Congregational Council/Finance Team/Personnel Team commitment to continuing education and growth in excellence in ministry, the cost of living in the area relative to other parts of the synod, provision of a parsonage for clergy, etc.

It is recommended that the Finance/Personnel Team and Congregation Council review salary annually and that the congregation annually make appropriate salary adjustments. Salaries for those being called to a new ministry context are set in partnership between the pastor, the congregation or calling agency, and the synod's Office of the Bishop.

The Leadership Support advisory committee recommends that in 2015 no salary for a full time

pastor with housing allowance be lower than \$43,877 (with parsonage, no lower than \$32,702), and that no full-time AiM or Diaconal Minister receives less than \$33,308.

Two charts are offered for 2015 as guidelines for compensation. The first is based on yearly step increases, taking into consideration the attendance at worship. The second chart proposes a range of salaries for AIMS and Diaconal Ministers within broader age parameters. It encourages discussion, negotiation, and evaluation on various criteria besides years of service and attendance at worship. It may also include those who are called to ministry contexts which offer great challenge yet have insufficient resources to compensate commensurate with years of service, education and ability. Both charts stop at 25 years of service. For years of service beyond 25, it is recommended that the step increase be 1.5% per year past the figure on the 25 year line, up to the 40th year of ministry.

Several counties in Florida have a higher than average cost of living. Churches and agencies should take this into account when setting salaries. Specific cost of living information for your county is available from the Florida Price Level Index by County produced by the Florida Department of Education.

http://www.bebr.ufl.edu/sites/default/files/FPLI_SP_2012%202-6-2012.pdf The congregation or agency is encouraged to activate the Personnel, Ministry Review Team, and Parish-Pastor Support Team as provided for in the book *Pastor and People* (Augsburg Fortress). The Ministry Review Team may set up procedures with the leader for mutually evaluating the rostered ministry, but the Personnel

Team recommends compensation increases to the Congregation Council.

The Housing Allowance for Pastors

For pastors, the housing allowance should include what is actually spent on the house. It is to the pastor's advantage to ask the congregation or agency to reduce the base salary and increase the housing allowance to cover all housing expenses.

The pastor is urged to consult one or more tax planning guides, some of which are listed in the bibliography, to take full advantage of this provision in the tax code. Setting the housing allowance to cover actual expenses incurs no additional cost to the congregation or agency. To meet IRS requirements, the agency or Congregation Council must specify the annual amount prior to the beginning of the calendar year.

When a parsonage is provided, it is recommended that congregations consider the following:

Furnishings Allowance. This is an allowance equal to the rental value of the pastor's furnishings. This would cover costs at the parsonage not otherwise reimbursed (i.e. repairs, furnishings, insurance, etc.)

Equity allowance. When pastors live in a parsonage most of their career, it can be difficult to buy a house upon retirement. The equity allowance is to help a pastor accumulate a sum of money (equity) for future use in providing housing. The agreed upon dollar amount would be held for investment purposes at the pastor's discretion. Please note that money not properly sheltered is taxable income. A rate of 3% of salary is suggested as a reasonable equity allowance.

Social Security Allowance for Pastors

As self-employed persons, pastors will pay 15.30% of their salary and housing allowance for social security benefits. Many congregations provide an allowance for part of this expense. This allowance, if provided, is part of the taxable income for the pastor. Since congregations are required to pay 7.65% of a lay employee's salary for social security

benefits, it would be fair to pay this amount as a social security allowance for the pastor.

Portico Pension and Benefits for Rostered Leaders

It is an expectation that the congregation will provide for the rostered person's participation in the Pension and Other Benefits Plan of the ELCA. This plan includes coverage for Retirement Pension Benefits, Medical and Dental Benefits, Disability Benefits, and Death Benefit for the rostered person. If coverage is not provided for dependents by another employer, the congregation is expected to provide coverage as part of the rostered person's benefits package. The 2014 Health Care Law introduced various options of health care coverage for individuals. The recommended plan for pastors and church workers is at minimum, the Gold Plan offered by Portico.

Portico Benefits (ELCA Board of Pensions) provides a memorandum to members and congregational treasurers each year (usually August or September) which outlines the percentage of defined compensation which will be required for each category of benefits for the following year. The rates can be found at <https://porticobenefits.org> The Board of Pensions also has calculators available to assist in determining contribution amounts, defined compensation and total compensation.

Sick Leave for Rostered Leaders

Sick leave of up to two months with full salary, housing and benefits should be provided for the rostered leader. (The ELCA Disability Plan provides for 2/3 of defined compensation, including Social Security benefits, to be paid beginning in the third month.)

Maternity and Parenting Leave for Rostered Leaders

A specific Maternity and Parenting Leave Plan should be carefully drawn up in open consultation with your rostered leader.

Maternity leave is directed towards the birth or adoption of a child. Such leave should include up to six weeks full salary, housing and benefits. The number of weeks of leave before or after the birth or adoption of a child should be negotiated and specified in advance. Up to two weeks leave for the father is also desirable.

Parenting leave is directed towards illness or other special needs. Such leave should include up to two weeks full salary and benefits. Any other specific conditions should be clearly defined in writing.

Vacation for Rostered Leaders

The guideline of the Florida-Bahamas Synod regarding vacation for full-time and part-time rostered leaders is four weeks (including four Sundays for all clergy and lay rostered leaders whose position descriptions include expectations for regular Sunday responsibilities.)

Vacation is normally to be taken during the fiscal year in which that vacation is budgeted. With the prior approval of the congregation or congregation council, vacation time may be carried over into the following year thus allowing for an extended vacation time in that year. Absent prior approval by the congregation or congregation council, unused vacation time of a previous year is lost.

Upon the ending of call or employment, compensation or provision for accrued vacation time for the present fiscal year is to be provided the rostered leader.

Automobile Expense Reimbursement for Rostered Leaders

The congregation/agency should reimburse miles traveled in carrying out duties as a rostered leader at the rate allowed by the IRS. Check IRS guidelines (http://www.irs.gov/taxpros/article/0,,id=156624_00.html). The rostered leader should submit a signed report each pay period or no less than monthly to the responsible financial officer of the church. It may be advantageous for the congregation to lease a car for the rostered leader.

Continuing Education for Rostered Leaders

It is the expectation of the ELCA and the Florida-Bahamas Synod that every rostered leader will engage in at least 50 hours of continuing education per year. This continuing education is intended to benefit both the rostered leader and the congregation through ongoing development of biblical/theological understanding and ministry skills. To assist the rostered leader in meeting this ELCA and synodical expectation, \$1000 is suggested with a minimum of \$700 (with expenditures verified by receipts) and two weeks (including two Sundays) will be provided by the congregation for every rostered leader, accruable for up to three years. Persons within their first three years in ministry are expected by the ELCA to commit their continuing education time and congregational continuing education allowance to fulfilling the expectations of First Call Theological Education.

Book/Periodical Expense for Rostered Leaders

The congregation/ agency is encouraged to provide an allowance for the purchase of or subscriptions to books and periodicals, enabling the rostered leader to keep abreast of developments in the ministerial profession. A suggested minimum amount is \$300, with expenditures verified by receipts.

Other Professional Expense for Rostered Leaders

With an appropriate policy statement, a congregation/ agency may reimburse a rostered leader for other professional expenses, such as those outlined in the Bibliography below.

Day Off/Time Management for Rostered Leaders

A full-time rostered leader is encouraged to take at least one full day off per 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 fourteen or fifteen of those segments, equaling approximately 45 hours, is suggested as the norm. During the

Christmas and Easter seasons, more may be required. Correspondingly, some seasons of the Church Year may require less. It is recommended that rostered leaders take two consecutive days off at least once a month in order to compensate for on-call time and other special events.

Severance for Rostered Leaders

In situations where a call is terminated by the rostered leader, Congregation Council, or appointing agency, without another call or other employment being in place, the congregation or agency is encouraged to consider a severance package of three to six months. Unless covered by another employer, medical and pension benefits are to be included as well. Excluded would be any other allowances, e.g. auto, book, education.

Since the church understands itself as a community and not simply as an institution, it is important for severance policy to reflect concern for the person.

Part-time Rostered Leaders

Part-time rostered leaders shall receive proportionate remuneration based on a 45-hour workweek for full-time rostered leaders.

Interim Pastors

All interim pastors in the Florida-Bahamas Synod have received, at the minimum, Synod Interim Training. An appointed interim pastor shall receive a remuneration of \$200 per day, mileage reimbursement at the current IRS rate (<http://www.irs.gov/taxpros/article/0,,id=156624,00.html>) and related business expenses (e.g. telephone, postage, meals, hotel, etc.) Those with advanced Interim Ministry Network training (or comparable), and advanced interim ministry experience and skills regularly receive remuneration ranging from \$200 to \$250 per day. A full-time interim pastor (five or more days per week) shall receive remuneration comparable to the previous pastor (or what is anticipated will be provided for the next pastor). Either a parsonage or housing allowance is to be provided, as well as

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pension and medical benefits, if applicable, reimbursement for mileage at the current IRS rate (<http://www.irs.gov/taxpros/article/0,,id=156624,00.html>) and related business expenses (e.g. telephone, postage, meals, etc.)

Supply Pastors

A supply pastor shall receive:

1. Preaching:
One service -- \$150 or higher
Two services -- \$175 or higher
Three services -- \$200 or higher
2. Mileage shall be reimbursed at the current IRS (<http://www.irs.gov/taxpros/article/0,,id=156624,00.html>) rate per mile
3. All reasonable hotel and meal costs shall be reimbursed.

Sabbatical/Extended Study Leave for Pastors and Rostered Lay Leaders

It is recommended that congregations and agencies consider a sabbatical/extended study leave for their pastor or rostered lay leader.

Rationale: Roy Oswald, senior consultant at the Alban Institute, indicates that studies identify the ordained ministry as the #1 “burnout” profession in the country. The primary cause is what pastors refer to as “compassion fatigue:” being on call 24 hours with a workday that is 12-14 hours long, taking only one day off per week when most other working people take two, working on holidays such as Christmas and Easter.

Sabbaticals have a way of renewing perspectives and revitalizing ministries.

Benefits:

- A GRATEFUL pastor/rostered lay leader who returns to God’s calling with renewed vigor, insight, appreciation and vision.
- A probably even MORE GRATEFUL pastor/rostered lay leader’s spouse.
- Pastor/rostered lay leader’s children who may be thoroughly delighted at the change that has come over their parents.

- A pastor/rostered lay leader better equipped for leadership and service to their ministry setting.
- Sabbaticals also enable congregations to discover resources, perhaps formerly unexpressed when the pastor/rostered lay leader was present.

Evangelical Outreach and Congregational Mission

The Florida-Bahamas Synod recommends that the ELCA Congregational and Synodical Mission Unit follow these guidelines as it establishes compensation for pastor-developer.

Recommended Length: The Bishop and the Florida-Bahamas Synod recommends that each full time pastor and rostered lay leader receive two months of sabbatical leave after four years of service in the same ministry setting.

Sabbatical Experience: The Bishop suggests that sabbatical time be devoted to rest, personal study and reflection, and study that will directly benefit the ministry setting. **Financial Considerations:** The ELCA recommends full salary plus benefits (excluding business expenses) be continued while the pastor/rostered lay leader is on sabbatical.

Other expenses might include the salary and business related expenses of a “Sabbatical Associate Pastor.” After mobilizing lay leaders and faithful volunteers most congregations discover that their pastoral care and worship needs require only part time coverage during a sabbatical leave. Cost for part time coverage can range between \$150-200 per day plus business expenses. Full time coverage will often include salary, housing and a full benefit package.

The congregation is under no obligation to fund a sabbatical in any other way.

Resources: Limited scholarships and grants are available through the Lilly Endowment Foundation www.clergyrenewal.org or through Wheatridge Ministries www.wheatridge.org click on “apply for a grant.”

Bibliography

Portico Benefits (ELCA Board of Pensions) has tax planning and other tips on their website:

<https://porticobenefits.org/>

Congregational Leader Series *Pastor and People and Our Staff* (Augsburg Fortress, 2002)

Hammar, Richard, *Church and Clergy Tax Guide* for current year as found at <http://amzn.to/16F5BeA>

**Suggested Minimum Salary Guidelines
For Pastors Florida-Bahamas Synod, 2015**

These amounts include a housing allowance

Year	Weekly attendance 1-99 or special circumstances	Weekly attendance 100-199 or special circumstances	Weekly attendance 200-299 or special circumstances	Weekly attendance 300-399 or special circumstances
Entry	43,877	48,265	52,126	55,775
1	44,536	48,989	52,908	56,612
2	45,204	49,724	53,702	57,462
3	45,883	50,471	54,509	58,324
4	46,572	51,229	55,328	59,200
5	47,270	51,997	56,157	60,088
6	47,978	52,776	56,998	60,987
7	48,699	53,569	57,854	61,904
8	49,427	54,370	58,719	62,830
9	50,170	55,187	59,602	63,774
10	50,922	56,014	60,495	64,730
11	51,686	56,854	61,403	65,701
12	52,462	57,708	62,325	66,687
13	53,248	58,573	63,259	67,687
14	54,048	59,453	64,210	68,704
15	54,858	60,344	65,171	69,733
16	55,683	61,251	66,152	70,782
17	56,517	62,168	67,142	71,842
18	57,362	63,099	68,147	72,917
19	58,224	64,047	69,171	74,013
20	59,097	65,006	70,207	75,121
21	59,984	65,982	71,261	76,249
22	60,884	66,972	72,330	77,393
23	61,797	67,977	73,415	78,554
24	62,725	68,997	74,517	79,733
25	63,665	69,969	75,567	80,856

Note for after 25 years: Based on the 25 year line, add 1.5% for each additional year of ministry up to year 40

* For Associate Pastors, the suggested minimum salary guideline should be within the range of weekly attendance columns 1-3 in line with the appropriate years in ministry.

Recommended Ranges for Rostered Lay Leaders

Years	Rostered Lay Leaders B.A. equiv.	Rostered Lay Leaders Masters
Entry - 5	33,308-35,415	35,925-37,573
6-10	35,877-38,154	39,277-40,478
11-15	38,727-41,175	42,305-43,608
16-20	41,584-44,295	45,583-46,977
21-25	44,952-47,712	49,110-51,103

Note for after 25 years: Based on the 25 year line, add 1.5% for each additional year of ministry up to year 40