



Southeastern Pennsylvania Synod

Evangelical Lutheran Church in America

2023 ROSTERED MINISTRY COMPENSATION GUIDELINES

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INTRODUCTION

“Let the elders who rule well be considered worthy of compensation, especially those whose work is preaching and teaching; for the scripture says, ‘You shall not muzzle an ox while it is treading out the grain,’ and ‘The laborer deserves to be paid.’”

I Timothy 5:17-18

These Rostered Ministry Compensation Guidelines have been established to assist congregations in determining appropriate compensation for pastors and deacons. The process to determine compensation should be entered into with prayer and mutual conversation. As rostered ministers are expected to care for the members and ministry of the congregation, the laity are expected to provide for the needs of the rostered minister(s) who serve with them.

IMPORTANT NOTES FOR DETERMINING COMPENSATION

Each congregation has its own ways of making financial decisions and determining how the resources of the congregation are utilized to further their mission and ministry. But the Congregational Council (according to the ELCA Model Constitution for Congregations) has final responsibility for the governance of the congregation.

The Congregation Council is encouraged to give ample time for this annual process, and to be intentional in its appointment of carefully selected persons to engage in conversation with the Rostered Leader as a process of review, goal setting, and the determination of a compensation recommendation. Council will review this recommendation and determine the compensation package based on these guidelines for inclusion in the proposed budget of the congregation.

Should the proposed budget not be approved at a Congregation Meeting the Congregation Council would need to begin again. The Congregation Council would then need to review the needs, discuss the options, and arrive at a new budget proposal. It is *strongly* recommended that the compensation package of a Rostered Leader NOT be taken up in a Congregation Meeting, as this is often harmful and counterproductive to the mission and ministry of the congregation, and to the health and wellbeing of the Rostered Leader.

DETERMINING COMPENSATION FOR MINISTERS OF WORD AND SACRAMENT

This material is relevant for providing a compensation package for a Rostered Minister of Word and Sacrament (Pastor) in Southeastern Pennsylvania Synod, ELCA. Use **WORKSHEET A on page 21** to proceed through this process.

SECTION 1: UNADJUSTED MINIMUM SALARY

Box 1: “Unadjusted Minimum Salary”

The 2023 amount is **\$64,671** without a parsonage, enter this amount in Box 1. If the use of a parsonage is included as a portion of compensation, enter **\$46,671** in Box 1.

The “Unadjusted Minimum Salary” is set annually by the Executive Committee of Southeastern Pennsylvania Synod. It is the combination of Salary and Housing Allowance. The amount designated as “Housing Allowance” *must* be determined by the pastor and recorded as a vote of the Congregation Council prior to the beginning of each year.

SECTION 2: COST OF LIVING MODIFIER

Congregations typically prefer having the pastor live in the same area as most of the members. The Southeastern Pennsylvania Synod covers a large, economically diverse area where the cost of living varies widely between areas. This cost-of-living modifier aims to address the wide-ranging cost in our area. The cost-of-living salary modifier *does not* generally change from year to year.

Box 2: Median Housing Cost

Enter in Box 2 the median single-family home price using the postal code of the congregation. The figure can be obtained by contacting a realtor or by using the following website: www.realtor.com/realestateandhomes-search/Philadelphia_PA/overview.

In circumstances in which the pastor lives outside the parish community in which most members live, figure the cost-of-living modifier by averaging the median housing cost associated with the congregation’s postal code and the pastor’s actual postal code.

Box 3: Cost Over Threshold

If the figure in Box 2 exceeds \$268,840, subtract \$268,840 from Box 2 and enter the resulting figure in Box 3. If the figure is less than \$268,840, enter “0”.

Box 4: Housing Cost Adjustment

Multiply Box 3 by .03 (3%) and enter the result in Box 4.

Example: The median price of a single-family home in area served by congregation is \$300,000. $\$300,000 - \$268,840 = \$31,160$
 $\$31,160 \times .03 = \934.80 record this amount in Box 4

If the use of a parsonage is included as a portion of compensation, the congregation is expected to establish a Housing Equity Allowance Fund. The amount provided should be 2-5% of the pastor's defined compensation and should be paid annually into an account in the name of the pastor. It is recommended that a congregation begin with a 2% Housing Equity Allowance and works towards 5%. In no case should this be less than the Equity Allowance the pastor is already receiving.

Box 5: Minimum Baseline Salary

ADD Box 1 and Box 4 to determine the Minimum Baseline Salary, enter this amount in Box 5.

SECTION 3: ADDITIONAL SALARY ADJUSTMENT

This section seeks to compensate for the value of experience, education, and unique skills a pastor may possess and any unique aspects of the congregation. These factors will help determine the Minimum Adjusted Salary.

Box 6: Years of Pastoral Experience

As per most professional salary systems, we seek to reflect the value of acquired skills, wisdom and experiences that can only come from actual pastoral experience. Credit 0.5 points for each year of service as an ordained pastor, up to 8 points, and enter in Box 6.

Box 7: Worship Attendance

Pastors of large congregations often bear increased responsibilities and expectations. We seek to acknowledge these responsibilities with this adjustment. Credit is given for primary leadership in congregations where the average weekly worship attendance exceeds 100 persons at a rate of one point for each 12 persons over the 100-worshiper threshold.

To calculate the figure for Box 7, subtract 100 from the average number of worshipers (as reported on the congregation's annual parochial report). Divide that difference by 12, round to the nearest whole number, and enter the figure in Box 7.

Example: Congregation reports an average of 175 worshipers
 $175 - 100 = 75$ $75/12=6.25$ Round down to 6 points

Associate pastors would receive half the points in the Pastor's Box 7.

Box 8: Continuing Education

We have long expected our pastors to be well-educated, and now more than ever it is critically important they engage in ongoing continuing education on the latest trends, dynamics in ministry and organizational leadership for today's changing world. We want to encourage life-long continuing education among our leaders and to equip them to better serve their congregations. Two points should be given to those who have received any relevant advanced degrees, and one point to those who have received any relevant advanced certificates in addition to the Master of Divinity (not per degree or certificate). Additionally, one point should be given to those who have worked with their congregational council to create and fulfill the goals of an annual professional development plan, focused on the continued improvement of the rostered minister as a leader, to a maximum of four (4) points in Box 8.

Box 9: Longevity in Current Call

Research has established that longer term pastorates are often associated with congregational health and stability. This adjustment seeks to reflect the shared valuing of healthy, longer-tenured pastorates. Credit 0.5 points for each year of service in the pastor's current call in Box 9, to a maximum of 5 points.

Box 10: Prior Non-Pastoral Experience

Increasingly, persons with prior experience in related fields are entering rostered ministry in our church. This adjustment seeks to acknowledge the value of prior experience in related fields that are helpful to the ministry (e.g. full-time lay ministry work, counseling, teaching, executive leadership, administration, etc.). Credit is given for each year of prior experience in a related field up to ten years. Multiply the pastor's years of significant prior experience by 0.5 (# years x 0.5) and enter either that amount, to a maximum of five (5) points in Box 10.

Box 11: Related Non-Parish Experience

Additionally, over the course of a pastor's ministry they sometimes accrue significant experience outside of their normal ministry functions that significantly adds to their capacity as leaders in their congregations and communities. Such activities would include serving on non-profit, seminary, or synodical Boards of Directors, significant time spent serving on a large organization or synod's finance committee or fundraising team, and other similar experiences. As with non-pastoral service prior to entering Rostered Ministry, similar standards should be used while evaluating what experience should be included in this category. Credit is given for each year of related non-pastoral experience up to twenty years. Multiply the pastor's years of significant prior experience by 0.25 (# years x 0.25) and enter that amount, to a maximum of five (5) points in Box 11.

Box 12: Total Points

Add together the credits in Boxes 6 through 11 and enter that point total in Box 12.

Box 13: Salary Adjustment

Multiply the number recorded in Box 12 by an adjustment factor of **\$625**, enter this dollar amount to Box 13.

SECTION 4: TOTAL DEFINED COMPENSATION

As each congregation works to appropriately compensate its pastors, it is recognized that some pastors exhibit exemplary leadership traits and significant skills that are not reflected in the preceding calculations. Therefore, we recommend each congregation consider a range of compensation levels.

Box 14: Minimum Adjusted Salary

By adding the Minimum Baseline Salary (Box 5) and the Salary Adjustment (Box 13) amounts together, the appropriate Minimum Adjusted Salary amount is determined. Enter this amount in Box 14.

Box 15: Enhanced Adjusted Salary

The Enhanced Adjusted Salary is calculated by multiplying Box 14 by 1.15 (15 %). Enter that figure in Box 15.

Box 16: Superior Adjusted Salary

The Superior Adjusted Salary is calculated by multiplying Box 14 by 1.3 (30%). Enter that figure in Box 16.

Box 17: Mutually Negotiated Pastoral Salary

Using the amounts entered in Box 14 and Box 16 to establish a range, the Council should then consider the following questions as discussion points:

- Does our pastor bring any unique or special skills to the position?
- What ways has our pastor grown and thrived in their ministry in the past year?
- Do we expect our pastor to take on any significant additional responsibilities as a leader of our congregation in the next year?
- Does the pastor face any unique financial issues that ought to be addressed?
- Does our pastor have additional responsibilities that go beyond the normal expectations for a pastor of our size congregation, such as the primary administration of a congregationally affiliated non-profit organization, sizeable school or preschool, or other such ministry?
- Are there ways, financially or through other means such as additional Sundays off or increased vacation time, that we can ensure we fairly compensate our pastor?

This discussion will arrive at a suggested compensation amount, which is then discussed with the pastor to arrive at the Mutually Negotiated Salary. Enter this amount in Box 17.

Box 18: Social Security Allowance

Unlike most salaried professionals, pastors are considered “self-employed” by the federal government and therefore *must pay 15.3% of their Mutually Negotiated Pastor Salary* (as recorded in Box 17) as their Social Security/Medicare tax.

It is an expectation of the congregations of our synod that they cover at least 7.65% of their pastor’s Social Security/ Medicare tax liability (this parallels an employer’s portion of this cost). This allowance is taxable income to the pastor and must be reported as part of their salary in box 1 on their W-2 form (“Wages, Tips and Other Compensation”). Use the following formula to calculate the appropriate Social Security Allowance for your pastor.

If your congregation does not provide a parsonage, multiply the total of Box 17 by .0765 (7.65 %), then enter this amount into Box 18. This is your pastor’s Social Security Allowance.

If your congregation does provide a parsonage, multiply the total of Box 17 by .10131 (10.131 %), then enter this amount into Box 18. This is your pastor’s Social Security Allowance.

Box 19: Total Defined Compensation

Add the amounts in Box 17 and Box 18, to determine **Total Defined Compensation**, enter in Box 19.

PASTOR BENEFITS

Major Medical

Congregations are expected to provide major medical coverage and pension. We recommend participation in the ELCA Pension and Other Benefits Plan: Portico’s Gold+ Plan for the Pastor, their spouse, and dependent children.

Disability Insurance is included as a member of the ELCA Pension and Other Benefits Plan. The ELCA Disability Plan will pay 66 2/3% of defined compensation less any social security and worker’s compensation disability benefits received. As part of the plan, the parish will provide full defined compensation – including Social Security tax Coverage allowance, and housing allowance – for the first two months of disability on a self-insured basis. The parish also is expected to pay the medical, dental, and survivors insurance contributions during the first two months of disability. Current contribution rates for the ELCA’s Portico coverage can be found at <https://porticobenefits.org>.

Should the pastor waive participation in the ELCA medical and dental program, the congregation must be prepared to pick-up coverage at any time. This should not primarily be considered a way to minimize a congregation’s expenses, but a decision that the pastor makes to provide the best coverage for their family.

When coverage of the pastor is waived due to other coverage, the congregation and the pastor should create a plan to mutually share in any financial savings. This is the case only when coverage is waived for the pastor, not when it is waived for a spouse or dependents. If coverage is waived and then later needed by the pastor, the amount paid as additional compensation to the pastor shall be forfeited. If there are two rostered ministers in a family called by different congregations, Portico should be consulted. There is a formula to determine the fair share payments for medical coverage to be paid by each congregation based on the compensation paid to each rostered minister.

Pension

Congregations are expected to provide pension contributions at 12% of total defined compensation. If a parsonage is provided, total defined compensation plus an additional 30% of the unadjusted minimum salary plus any household furnishings or utilities allowance paid to the pastor is utilized to calculate the 12% pension amount.

Vacation

The congregation shall provide a minimum of four weeks of vacation, including four Sundays.

Continuing Education

The congregation shall provide a minimum of two weeks paid continuing education time annually, in addition to the time that is given as vacation.

Parental/Family Leave

It is recommended that congregations develop a program for parental leave which includes childbearing and childcare leave. The program should include both the birth and adoption of children and cover full salary, housing, and benefits with the understanding that the individual would return to work for a minimum of six months after taking the leave.

It is recommended that any time a child is added to the household of a pastor, the congregation provides at least twelve (12) paid weeks of child-bearing leave for the birthing caregiver and at least eight (8) paid weeks of childcare leave for the non-birthing caregiver. This allows time to recover from the physical demands of childbirth, as well as for parents to spend time bonding with the child. **A minimum of 6 weeks leave with full compensation is strongly encouraged.**

Congregations are also encouraged to consider the provisions of the federal Family Medical Leave Act (FMLA) which allow for up to 12 weeks leave (which can be a combination of paid and unpaid leave). FMLA leave can be used for personal or family member care situations.

Sabbatical

An extended leave/sabbatical of one to three months may be granted after the pastor has served a congregation for more than five years. When and how this sabbatical is negotiated should be determined through conversation between the pastor and congregational council. Additional guidance is available by contacting the Office of the Bishop.

PROFESSIONAL EXPENSE REIMBURSEMENT

Automobile Expense

Pastors using personal cars for business may be reimbursed for the actual costs they incur for church business, based upon the Internal Revenue Service (IRS) guidelines. Alternately, an agreed upon auto allowance of not more than \$4,000 may be paid to the pastor annually and should be taxed as normal salary. If a lump sum allowance is selected, there are tax repercussions that should be considered in conversation with a tax professional.

Continuing Education

As part of every congregational call in Southeastern Pennsylvania, a continuing education plan should be created by conversation between the pastor and congregational leadership to provide for the shared investment in the congregation's leaders. A pooled Continuing Education Fund of \$1000 from the congregation and \$300 from the pastor should be gathered annually and used for continuing education costs incurred by the pastor. Required events such as the SEPA Synod Assembly and Rostered Minister Equipping Event should NOT be paid for from this fund. Any unused funds shall be carried forward each year. When a pastor completes their service in the congregation, 30% of the unused pooled fund will be returned to the pastor.

Conventions, Assemblies, and Pastoral Conferences

The congregation shall cover the costs for official meetings where the pastor is expected to attend – annually the SEPA Synod Assembly and Rostered Minister Equipping Event.

Books and Supplies

A book and supplies allowance of at least \$300 per year is recommended.

Phone Plan

The congregation should cover the costs of a cell phone plan. The phone should be purchased by the pastor and remain their property.

Planning for an Associate Pastor

Calling an Associate Pastor is a unique and special process, different in nature from the calling of a Solo or Senior Pastor. This is equally true when establishing a compensation package. The information for salary minimums, ranges, and packages in Sections 1-4 is all equally applicable for establishing a compensation package for an Associate Pastor. The only calculation that is different in determining the salary minimum and range for an Associate Pastor is when determining the points assigned in Box 7: Worship Attendance.

Benefits, retirement contributions, and all other package guidelines are identical for an Associate Pastor.

DETERMINING COMPENSATION FOR MINISTERS OF WORD AND SERVICE

This material is relevant for providing a compensation package for a Rostered Minister of Word and Service (Deacon). Deacons are non-ordained persons who are on the roster of the Southeastern Pennsylvania Synod, ELCA who are employed at least 15 hours per week in a paid position with programmatic responsibilities. Use **WORKSHEET B on page 22** to proceed through this process.

SECTION 1: UNADJUSTED MINIMUM SALARY

Box 1: “Unadjusted Minimum Salary”

The 2023 amount is \$ **48,072**, enter this amount in Box 1.

The “Unadjusted Minimum Salary” is set annually by the Executive Committee of Southeastern Pennsylvania Synod.

SECTION 2: COST OF LIVING MODIFIER

It is not a requirement that the congregation consider the cost of housing when determining a deacon’s baseline salary, as Ministers of Word and Service (Deacons) are not paid a housing allowance. However, it is strongly recommended that the cost of living and housing should be considered so the congregation clearly understands the cost of living in their community. Including these factors in determining the Minimum Baseline Salary would help a congregation retain these gifted partners in ministry.

Box 2: Median Housing Cost

Enter in Box 2 the median single-family home price using the postal code of the congregation. The figure can be obtained by contacting a realtor or by using the following website: www.realtor.com/realestateandhomes-search/Philadelphia_PA/overview.

Box 3: Cost Over Threshold

If the figure in Box 2 exceeds \$268,840 (the average cost of housing within the synod, as determined using tool described above), subtract \$268,840 from Box 2 and enter the resulting figure in Box 3. If the figure is less than \$268,840, write “0”.

Box 4: Housing Cost Adjustment

Multiply Box 3 by .03 (3%) and write the result in Box 4.

Example: The median price of a single-family home in area served by congregation is \$300,000. $\$300,000 - \$268,840 = \$31,160$. $\$31,160 \times .03 = \934.80 is recorded in Box 4.

Box 5: Minimum Baseline Salary

ADD Box 1 and Box 4 to determine the Minimum Baseline Salary, enter this amount in Box 5.

SECTION 3: ADDITIONAL SALARY ADJUSTMENT

This section seeks to quantify the value of experience, education, and unique skills a deacon may possess and any unique aspects of the congregation. These factors will help determine the Minimum Adjusted Salary.

Box 6: Years of Experience

As per most professional salary systems, the synod seeks to reflect the value of acquired skills, wisdom and experience that can only come from actual rostered ministry experience. Credit 0.5 points for each year of rostered service as a deacon, up to 8 points, and enter in Box 6.

Box 7: Worship Attendance

Deacons of large congregations often bear increased responsibilities and expectations. We seek to acknowledge these responsibilities with this adjustment. Credit is given for leadership in congregations where the average worship attendance exceeds 100 persons at a rate of 0.5 points for each 12 worshipers over the 100-worshiper threshold.

To calculate the figure for Box 7, subtract 100 from the average number of worshipers (as reported on the congregation's annual parochial report). Divide that difference by 12, round to the nearest whole number, and multiply by 0.5. Then enter the figure in Box 7.

Example: Congregation reports average worship attendance of 155 worshipers
 $155-100=55$ $55/12=4.4$ Round to 4, and multiply by 0.5 = 2 points

Box 8: Continuing Education

We have long expected our leaders to be well-educated, and now more than ever it is critically important that our leaders participate in ongoing continuing education on the latest trends, dynamics in ministry and organizational leadership for today's changing world. We want to encourage life-long continuing education among our leaders and to equip them to better serve their congregations. Two points should be given to those who have received any relevant advanced degrees, and one point to those who have received any relevant advanced certificates in addition to their seminary Master degree (not per degree or certificate). One final point should be given to those who have worked with their congregational council to create and fulfill the goals of an annual professional development plan, focused on the improvement of the deacon as a leader, up to a maximum of four (4) points in Box 8.

Box 9: Longevity in Current Call

Research has established that longer terms of service are often associated with congregational health and stability. This adjustment seeks to reflect the shared valuing of longer calls. Credit 0.5 points for each year of service in their current call in Box 9, to a maximum of five (5) points.

Box 10: Prior Non-Rostered Experience

Increasingly, persons with prior experience in related fields are entering rostered ministry in our church. This adjustment seeks to acknowledge the value of prior experience in related fields that are helpful to the ministry (e.g. full-time lay ministry work, counseling, teaching, executive leadership, administration, etc.). Credit is given for each year of prior experience in a related field up to ten years. Multiply the deacon's years of significant prior experience by 0.5 (# years x 0.5) and enter that amount, to a maximum of five (5) points in Box 10.

Box 11: Related Non-Parish Experience

Additionally, over the course of a deacon's ministry they sometimes accrue significant experience outside of their normal ministry functions that significantly adds to their capacity as leaders in their congregations and communities. Such activities would include serving on non-profit, seminary, or synodical Boards of Directors, significant time spent serving on a large organization or synod's finance committee or fundraising team, and other similar experiences. As with non-rostered service prior to entering Rostered Ministry, similar standards should be used while evaluating what experience should be included in this category. Credit is given for each year of related non-rostered experience up to twenty years. Multiply the deacon's years of significant prior experience by 0.25 (# years x 0.25) and enter that amount, to a maximum of five (5) points in Box 11.

Box 12: Total Points

Add together the credits in Boxes 6 through 11 and write that point total in Box 12.

Box 13: Salary Adjustment

Multiply the number recorded in Box 12 by an adjustment factor of **\$425**, enter this dollar amount in Box 13.

SECTION 4: TOTAL DEFINED COMPENSATION

As each congregation works to appropriately compensate its deacons, it is recognized that some deacons exhibit exemplary leadership traits and significant skills that are not reflected in the preceding calculations. Therefore, we recommend each congregation consider a range of compensation levels.

Box 14: Minimum Adjusted Salary

By adding the Minimum Baseline Salary (Box 5) and the Salary Adjustment (Box 13) amounts together, the appropriate Minimum Adjusted Salary amount is determined. Enter this amount in Box 14.

Box 15: Enhanced Adjusted Salary

The Enhanced Adjusted Salary is calculated by multiplying Box 14 by 1.15 (15 %). Enter that figure in Box 15.

Box 16: Superior Adjusted Salary

The Superior Adjusted Salary is calculated by multiplying Box 14 by 1.3 (30%). Enter that figure in Box 16.

Box 17: Mutually-Negotiated Pastoral Salary

Using the amounts entered in Box 14 and Box 16 to establish a range, the Council should then consider the following questions as discussion points:

- Has the deacon appropriately managed the various duties and responsibilities described by the position during the past year?
- Does our deacon bring any additional or special skills to the position?
- What ways has our deacon grown and thrived in their ministry in the past year?
- Does our deacon have additional responsibilities that go beyond the normal expectations of a deacon for our size congregation, such as the primary administration of a congregationally affiliated non-profit organization, sizeable school or preschool, or other such ministry?
- Do we expect our deacon to take on any significant additional responsibilities in our congregation in the coming year?

This discussion will arrive at a suggested compensation amount, which is then discussed with the deacon in order to arrive at the Mutually Negotiated Salary, enter this amount in Box 17.

DEACON BENEFITS

Major Medical

Congregations are expected to provide major medical coverage and pension. We recommend participation in the ELCA Pension and Other Benefits Plan: Portico's Gold+ Plan for the Pastor, their spouse and dependent children.

Disability Insurance is included as a member of the ELCA Pension and Other Benefits Plan. The ELCA Disability Plan will pay 66 2/3% of defined compensation less any social security and worker's compensation disability benefits received. As part of the plan, the parish will provide full defined compensation – including Social Security tax Coverage allowance, and housing allowance – for the first two months of disability on a self-insured basis. The parish also is expected to pay the medical, dental, and survivors insurance contributions during the first two months of disability. Current contribution rates for the ELCA's Portico coverage can be found at <https://porticobenefits.org>.

Should the deacon waive participation in the ELCA medical and dental program, the congregation must be prepared to pick-up coverage at any time. This should not primarily be considered a way to minimize a congregation's expenses, but a decision the deacon makes to provide the best coverage for their family.

When coverage of the deacon is waived due to other coverage, the congregation and the deacon should create a plan to mutually share in any financial savings. This is the case only when coverage is waived for the deacon, not when it is waived for a spouse or dependents. If

coverage is waived and then later needed by the deacon, the amount paid as additional compensation to the deacon shall be forfeited. In the event that there are two rostered ministers in a family called by different congregations, Portico should be consulted. There is a formula to determine the fair share payments for medical coverage to be paid by each congregation based on the compensation paid to each rostered minister.

Pension

Congregations are expected to provide pension contributions at 12% of annual defined compensation.

Vacation

The congregation shall provide a minimum of four weeks of vacation, including four Sundays.

Continuing Education

The congregation shall provide a minimum of two weeks paid continuing education time annually, in addition to the time that is given as vacation.

Parental/Family Leave

It is recommended that congregations develop a program for parental leave which includes childbearing and childcare leave. The program should include both the birth and adoption of children and cover full salary, housing, and benefits with the understanding that the individual would return to work for a minimum of six months after taking the leave.

It is recommended that any time a child is added to a household of a deacon, the congregation provides at least twelve (12) paid weeks of child-bearing leave for the birthing caregiver and at least eight (8) paid weeks of childcare leave for the non-birthing caregiver. This allows time to recover from the physical demands of childbirth, as well as for parents to spend time bonding with the child. **A minimum of 6 weeks leave with full compensation is strongly encouraged.**

Congregations are also encouraged to consider the provisions of the federal Family Medical Leave Act (FMLA) which allow for up to 12 weeks leave (which can be a combination of paid and unpaid leave). FMLA leave can be used for personal or family member care situations.

Sabbatical

An extended leave/sabbatical of one to three months may be granted after the deacon has served a congregation for more than five years. When and how this sabbatical is negotiated should be determined through conversation between the deacon and congregational council. Additional guidance is available by contacting the Office of the Bishop.

PROFESSIONAL EXPENSE REIMBURSEMENT

Automobile Expense

Deacons using personal cars for business may be reimbursed for the actual costs they incur for church business, based upon the Internal Revenue Service (IRS) guidelines. Alternately, an agreed upon auto allowance of not more than \$4,000 may be paid to the deacon annually and should be taxed as normal salary. If a lump sum allowance is selected, there are tax repercussions that should be considered in conversation with a tax professional.

Continuing Education

As part of every congregational call in Southeastern Pennsylvania, a continuing education plan should be created by conversation between the deacon and congregational leadership to provide for the shared investment in the congregation's leaders. A pooled Continuing Education Fund of \$1000 from the congregation and \$300 from the deacon should be gathered annually and used for continuing education costs incurred by the deacon. Required events such as SEPA Synod Assembly and Rostered Minister Equipping Event should NOT be paid for from this fund. Any unused funds shall be carried forward each year. When a deacon completes their service in the congregation, 30% of the unused pooled fund will be returned to the deacon.

Conventions, Assemblies, and Pastoral Conferences

The congregation shall cover the costs for official meetings where the deacon is expected to attend – annually the SEPA Synod Assembly and Rostered Minister Equipping Event.

Books and Supplies

A book and supplies allowance of at least \$300 per year is recommended.

Phone Plan

The congregation should cover the costs of a cell phone plan. The phone should be purchased by the deacon and remain their property.

A CHOICE: FULL TIME OR PARTIAL TIME

Under the right circumstances, a partial time arrangement can be a wonderful and fruitful partnership, providing meaningful ministry with a congregation and community at the needed scale. This conversation should always begin with prayer, as well as the ongoing mission, vision, and goals of the congregation. This will usually include discussions on stewardship, congregational giving, opportunities in the neighborhood, and alternative ways of doing ministry. Some congregations can support a full time pastor or deacon, others do not have such financial resources. In some situations, a congregation may have the financial resources but a lack the desire to grow their mission or adapt their church to our changing world. In all cases congregations should consider what God is calling them into at this time.

Congregations are experiencing shifts in congregational giving, changing neighborhoods, aging membership, decreasing participation, and rapidly rising costs. Congregations may conclude they simply cannot fund the expense of a full time rostered minister. This does not signal a lessening of the ministry of the congregation, and it is not a first step toward closure. It is simply a shift to a partial time pastoral relationship. There are always areas of flexibility that can be navigated to successfully ensure that the mission of the congregation is maintained AND the rostered minister is compensated appropriately.

If the circumstances of the congregation with a Rostered Leader in an existing call have changed to such a degree that significant alterations to the compensation package are needed (i.e. changing from full time to partial time) this MUST occur in consultation with your conference Dean and the Office of the Bishop, as this breaks the terms of the existing call and will require the issuance of a new mutually agreeable call.

NAVIGATING PARTIAL TIME COMPENSATION

When exploring partial time arrangements with Rostered Ministers, there are some important things to keep in mind.

1. For a Rostered Minister to serve under call in the Southeastern Pennsylvania Synod, ELCA a minimum of fifteen (15) hours per week is required. Should a congregation desire less hours than this, please refer to “Contracted Service” on page 19.
2. It is the responsibility of the Congregation Council to ensure the amount of work desired is appropriately aligned with the compensation provided. Please reference **WORKSHEET C on page 23** of this document to determine appropriate financial compensation.
3. Some costs remain unaltered for those serving partial time (mileage, annual Synod Assembly, annual Rostered Minister Equipping Event, etc.)
4. At the time of a call, the Rostered Minister, the congregation, and the Office of the Bishop enter into a contractual agreement which included the “DEFINITION OF COMPENSATION, BENEFITS, AND RESPONSIBILITIES.” Any significant alteration of these terms voids the agreement and requires a new call be issued.
5. The Congregation Council and the Rostered Minister will need to establish and support clear boundaries. It will be important to monitor the actual number of hours of service and accessibility to ensure fairness for all parties.
6. The following are some additional ways a Rostered Minister might be compensated if they are found to be mutually agreeable:
 - a. additional vacation time and Sundays off to supplement the congregation’s level of financial compensation.
 - b. non-financial ways that a congregation can compensate their Rostered Minister for some of their work. There is a limit to how this can be utilized, but when mutually agreeable there are ways that this can be done.
 - c. partnering with a nearby Lutheran or ecumenical full communion partner congregation for a Rostered Minister to serve both congregations – or to collaborate in the work of a part of their ministry. (i.e., calling a Rostered Minister to serve one congregation $\frac{3}{4}$ time, and contract with a neighboring congregation $\frac{1}{4}$ time)

INTERIM MINISTRY

Interim Pastors serve the congregation as pastor, with all of those duties and responsibilities, while facilitating an established process of reflection and conversation to assist the congregation during their time of transition. The specific areas reviewed and discussed are helpful in the congregation's preparation for calling a new pastor. The congregation is expected to use these Guidelines to establish appropriate compensation for a full-time Interim Pastor.

If, considering the financial situation of the congregation, there exists a significant difference between these Guidelines and the budgeted compensation for the pastor, a conversation will take place involving the congregational leadership, the interim pastor, and a synod representative to determine appropriate compensation and level of service. This conversation may lead to a partial-time Interim, an Interim Consultant, or other arrangements.

If it becomes apparent during the transition that the congregation will not be able to make the financial commitment needed to call a full time pastor, there will need to be conversation with the Dean and the Office of the Bishop. When this is the case, the interim arrangement may be modified to reflect the financial and missional realities of the congregation, as determined in consultation with the guidelines on "Navigating Part Time Ministry Arrangements" (page 18 of this document).

CONTRACTED SERVICES

Rostered Ministers in the ELCA typically serve under call. Contracted services arrangements may be made in consultation with the Conference Dean and the Office of the Bishop. Such arrangements **MUST BE** for situations in which it is mutually determined a regular call is not possible.

Contracted services of a deacon or pastor should not be open ended, rather they are for a specified period of time. An option for renewal may be written into the contract. Such arrangements will be for less than 15 hours per week, as this is the minimum required for a regular call in our synod.

The rate is \$ 35.00 per hour for a deacon's services and \$ 45.00 per hour for pastoral services. At this rate the deacon or pastor receives no additional compensation for housing or health care. Ministry expenses (mileage, synod assembly, etc.), however, are the responsibility of the congregation above the hourly compensation.

Preparation time for teaching or preaching is compensated in addition to the time spent teaching the class or delivering the sermon. Time spent at church functions or interacting with members is considered work time unless it is mutually agreed that the deacon or pastor is not expected to be present or will not be compensated for that specific activity.

Contracted work agreements shall specify the range of hours that the deacon or pastor is expected to work. Additionally, a procedure should be established to address situations where circumstances require more hours than are covered by the contract.

When a contracted pastor is serving as a solo pastor in a congregation care must be taken to make provisions for emergencies, when the need is urgent, and the pastor may not be available.

SUPPLY PASTORS / DEACONS

Compensation for supply pastors is the responsibility of the congregation. Congregations should consider the following to be a guideline in compensating supply pastors:

One Service \$225.00

Each Additional Service \$ 50.00

Preparing for and Teaching Classes or Learning Hours \$ 100.00

Mileage over 25 miles round trip should be paid at the IRS rate for business travel.

WORKSHEET A

2023 MINISTER OF WORD AND SACRAMENT

COMPENSATION WORKSHEET

Southeastern Pennsylvania Synod of the ELCA

Section 1: Unadjusted Minimum Salary

Unadjusted Minimum Salary..... 1

Section 2: Cost of Living Modifier

Median Housing Cost 2

Cost Over Threshold (subtract \$268,840 from box 2) 3

Housing cost adjustment (multiply box 3 by 0.03)..... 4

Minimum Baseline Salary (add boxes 1 and 4)..... 5

Section 3: Additional Salary Adjustment

Years of Pastoral Experience (maximum 8 points) 6

Worship Attendance 7

Continuing Education (maximum 4 points)..... 8

Longevity in Current Call (maximum 5 points) 9

Prior Non-Pastoral Experience (maximum 5 points)..... 10

Related Non-Parish Experience (maximum 5 points)..... 11

Total Points (Add boxes 6 through 11) 12

Salary Adjustment (multiply box 12 by \$625)..... 13

Section 4: Total Defined Compensation

Minimum Adjusted Salary (add boxes 5 and 13)..... 14

Enhanced Adjusted Salary (multiply box 14 by 1.15)..... 15

Superior Adjusted Salary (multiply box 14 by 1.30)..... 16

Mutually Negotiated Pastoral Salary 17

Social Security Allowance 18

Total Defined Compensation (add boxes 17 and 18) 19

WORKSHEET B

2023 MINISTER OF WORD AND SERVICE

COMPENSATION WORKSHEET

Southeastern Pennsylvania Synod of the ELCA

Section 1: Unadjusted Minimum Salary

Unadjusted Minimum Salary 1

Section 2: Regional Cost of Living Salary Modifier (optional)

Median Housing Cost 2

Cost Over Threshold (subtract \$268,840 from box 2) 3

Housing cost adjustment (multiply box 3 by 0.03) 4

Minimum Baseline Salary (add boxes 1 and 4) 5

Section 3: Additional Salary Adjustment

Years of Experience (maximum 8 points) 6

Worship Attendance 7

Continuing Education (maximum 4 points) 8

Longevity in Current Call (maximum 5 points) 9

Prior Non-Rostered Experience (maximum 5 points) 10

Related Non-Parish Experience (maximum 5 points) 11

Total Points (Add boxes 6 through 11) 12

Salary Adjustment (multiply box 12 by \$425) 13

Section 4: Total Defined Compensation

Minimum Adjusted Salary (add boxes 5 and 13) 14

Enhanced Adjusted Salary (multiply box 14 by 1.15) 15

Superior Adjusted Salary (multiply box 14 by 1.30) 16

Mutually Negotiated Salary (Total Defined Compensation) 17

WORKSHEET C

2023 PARTIAL TIME COMPENSATION WORKSHEET (15 hours per week or more)

Section 1: Minimum Adjusted Salary

From completed Appendix A (pastor) or Appendix B (deacon)

enter amount from Box 14	1	<input type="text"/>
for Pastors: Social Security Allowance (see page 7).....	2	<input type="text"/>
Total Defined Full Time Compensation (Total of Box 1 and 2)	3	<input type="text"/>

Section 2: Determining Rate for Partial-Time

Hourly Rate - Box 3 divided by 2340 (45 hours week X 52 weeks)	4	<input type="text"/>
Number of hours desired (hours per week X 52 weeks).....	5	<input type="text"/>
Total Defined Partial Time Compensation (Box 4 X Box 5)	6	<input type="text"/>

For example, assume the congregation is making a partial time arrangement with a pastor who should receive a minimum full-time salary of \$62,180 (Box 14). And a Social Security Allowance of \$4,757, for a Total Defined Full-Time Compensation of \$66,937.

To determine the appropriate hourly rate for this pastor, divide this annual amount by 2,340 (45 hours a week x 52 weeks in a year). While many pastors work significantly more than 45 hours a week, for the purposes of establishing a fair minimum rate for part-time pastors, the number 45 should be used.

$$\text{Example: } \$66,937 / 2340 = \$28.60 \text{ appropriate hourly rate}$$

This appropriate hourly rate is then multiplied by the number of hours the Rostered Leader is expected to work weekly, then by 52 to determine the Total Defined Partial Compensation.

$$\text{Example: } \$28.60 \times 20 \text{ hours a week} \times 52 \text{ weeks per year} = \$ 29,744.00$$

NOTE: The congregation is also responsible for benefits (major medical, pension, vacation, continuing education, family leave, etc.) as well as all expenses incurred (mileage, phone, required synodical gatherings, etc.)