

2009 MINIMUM COMPENSATION GUIDELINES

For Pastors, Associates in Ministry, and Diaconal Ministers Serving in Congregations in the Southeastern Iowa Synod, ELCA

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

"This church affirms the universal priesthood of all its baptized members. In its function and its structure this church commits itself to the equipping and supporting of all its members for their ministries in the world and in this church. It is within this context of ministry that this church calls or appoints some of its baptized members for specific ministries in this church." (ELCA Constitution 10.11)

Congregations support those called/appointed in various ways: prayer, encouragement, various events of appreciation and financial support. For purposes of staff support, each congregation is expected to have a staff support committee as specified in the Model Constitution for Congregations, C13.04: "This committee should be appointed jointly by the president and the pastor, term of office shall be two years, with three members being appointed each successive year. Committee members will hold no other office in the congregation during their term." Congregations may wish to make variations of this guideline as they deem fit.

The Staff Support Committee (sometimes called a Mutual Ministry Committee) includes in its function elements of support, clarifying mutual expectations, enabling communication, conflict resolution, review, and continuing education planning. Materials to assist with the function of this committee are available from the Synod Office.

The following document has been created for the purpose of financial support--giving guidelines to congregations in their careful consideration of the pay levels that they will make in consideration of ordained pastors, associates in ministry and diaconal ministers. These guidelines have grown out of an awareness of both rural and urban circumstances in our synod and of the surrounding synods of Northeastern Iowa, Western Iowa, Northern Illinois, South Central Illinois, Metro Chicago, and Nebraska. These synods are striving toward uniformity in guidelines, although the dollar amounts may vary.

These guidelines were approved by the Synod Leadership Support Committee before submission to the Synod Assembly 2008.

Leadership Support Committee members:

Pr. Karl Divine-Koch, chair	Dave Koch
Dean Beckman	Pr. Linda Livingston
Catherine Goddard	Pr. Janelle Osbeck
Pat Kane, Diaconal Minister	Pr. Erick Swanson
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PART I SALARY

INTRODUCTION – DETERMINING SALARIES

It is strongly recommended that salaries be set by the congregation council which is delegated the responsibility and authority to manage the fiscal affairs of the congregation. The salaries of pastors, associates in ministry and diaconal ministers require careful study and deliberation. *The congregation is too large a body to be deliberative.* Facts necessary for an intelligent decision regarding the rostered leader's salary are not available to all members of the congregation. It is embarrassing to the staff person to discuss salary at a congregation meeting. The staff person should have the privilege of discussing salary and related matters with the congregation council. For all practical purposes, the staff person is deprived of this privilege when salary and benefits are debated and set by the congregation as a whole.

When calling a rostered person whose spouse is also rostered, the full spirit of these guidelines shall be applied in the formulation of each person's compensation package, irrespective of the compensation package of the other spouse.

A Compensation Committee (i.e. Personnel Committee/Finance Committee) is strongly recommended. (A committee with compensation responsibilities is recommended in addition to a staff support committee.) Such a committee should be appointed by the congregation council in consultation with the rostered leader to meet at least once a year to review with the professional the effectiveness of the ministry and compensation. This committee should provide input regarding compensation to the council or to the budget committee as requested. This is in addition to the expected Staff Support Committee which may provide recommendations on compensation.

Pastor's Salary

Base Salary: The beginning point of any compensation package is the base salary figure. This figure is established by the Leadership Support Committee for a new seminary graduate serving his or her first year in parish ministry. It was established to remain competitive with surrounding synods so that we can continue to attract quality pastors to our synod. The minimum base compensation for clergy is \$750 higher in 2009 than in 2008.

Defined Compensation: It is increased numerically according to cost of living factors. The base figure, including compensation for experience, is added to housing, social security and Medicare allowance to determine the Defined Compensation. No pastor serving full time in this synod should be paid less than the minimum Defined Compensation.

Additional salary for years of experience: (see line 2 on worksheet) Pastors with experience need to be compensated accordingly by this schedule. Compensation for those with less than 10 years of experience are paid at a rate of an additional 2% X years of experience. EXAMPLE: A pastor with 8 years of experience would receive an additional \$4,912 on top of the base salary (2% X 8 X \$30,700). Pastors with more than 10 years of experience would receive an additional 1.5% per year increase for years 11 and beyond. EXAMPLE: A pastor with 15 years of experience would receive an additional \$6,140 for the first 10 years (2% X 10 X \$30,700) plus an additional \$2,303 for years 11-15 of experience (1.5% X 5 X 30,700).

Previous Experience: (see line 2 on worksheet) As more and more "second career" people enter this ministry the question of what is a fair and equitable salary takes on some new ramifications. In most cases the previous experience is relevant to the work of this ministry. Pastors who enter the rostered ministry after years of work in other occupations should not be compensated at the beginning of the scale, but rather at a rate which recognizes the value of their work experience and maturity. Congregations are expected to give experience credit for previous work (e.g., for each three years of previous work, the person would be credited with one year of professional experience on the schedule, with a maximum of 15 years equaling 5 years of ministry experience).

Additional Compensation Issues: Congregations are urged to offer larger salaries based on factors which may differ from congregation to congregation and should include other consideration increases under our new simplified system. Examples of these increases include: increased professional competency; complexity of ministry; advanced degrees; length of service; size of staff, cost of living in area, etc. These bases will be adjusted annually according to the preceding year's consumer price index.

HOUSING PROVISIONS

Parsonage Provided: For clergy being provided housing by the congregation (parsonage), a calculation should be made to determine the value of this non-cash compensation. The congregation council should determine a fair rental value of parsonage considering actual costs. Costs for furnishings, maintenance and utilities should be provided by the congregation and would be added to the rental value. The Housing Allowance is limited to the fair market rental value of the house, including furnishings and appurtenances (such as a garage), plus the cost of utilities. When a parsonage is provided, it is recommended that the larger of either Base Salary multiplied by 30% or actual estimated tax deductible housing expenses be considered and included as non-cost compensation (see appendix page for "**Parsonage Guidelines**").

Housing Equity: When a parsonage is provided, it is deserving for the congregation to consider compensation for the loss of equity buildup associated with not owning a home. This equity would be applicable towards housing in the future upon a change in call or appointment. This equity allowance can be determined in various ways, but most common is a percentage of Total Base Salary. A minimum of 5% is suggested. Unless the equity allowance is invested in a tax shelter account for the individual, it becomes taxable income as received.

Own Home: When a pastor owns his/her own home, the congregational council should allow the pastor to set a designated housing allowance based on actual expenses or fair market rental value of the home for the purpose of maximizing the allowable tax deduction. The pastor has the responsibility for justification of the allowable portion.

Where a parsonage is not provided the congregation would offer a housing allowance computed on the basis of the average value of homes in the community with the minimum being 30% of salary.

"A housing allowance provides a special tax benefit for the pastor. A housing allowance is exempted from 1040 income, (but *not* exempted from social security income) and the interest paid on a mortgage is deductible on Schedule A. Pastors who own or rent their homes must have an agreement on file clearly stipulating the amount of the *Housing Allowance* before receiving Housing Allowance income." This is an IRS requirement. This housing allowance, recommended by the clergy person, should be adopted by a congregational council resolution at your December meeting and must be set before the new calendar year.

In those situations where a pastor needs to purchase his/her own home, the congregation may desire to set aside a fund to provide mortgage assistance. When a congregation sells a parsonage, it is recommended that the assets be retained to assist in financing pastor-owned housing.

SOCIAL SECURITY ALLOWANCE

Pastors are self-employed persons for social security purposes. Pastors, as farmers, must pay the full amount of their own social security tax at the rate of 15.3%. Employees on the other hand, pay the employee portion of 7.65%. The wage bases for the two parts of Social Security tax (Social Security and Medicare) are different. The wage base for Social Security is \$102,000 in 2008 and the rate is 6.2%. There is no cap for Medicare and the rate is 1.45%. Congregations are to pay this compensation to offset the tax.

Since congregations pay half of the total Social Security tax for lay employees at least the same is to be paid to the pastor. Please note that a congregation cannot pay the pastor's Social Security tax directly, but designates the amount as an allowance which is *additional taxable income and reported on W-2*.

NOTE: Associates in ministry/diaconal ministers are considered employees for whom the employer's share of social security and Medicare is paid at the rate of 7.65%.

Associate in Ministry/Diaconal Minister Salary

As with a pastor, the beginning point is a base salary figure.

Base Salary: This figure is established by the Leadership Support Committee for a new seminary graduate serving his or her first year in parish ministry. It was established to remain competitive with surrounding synods so that we can continue to attract quality rostered persons to our synod. The minimum base compensation for Associates in Ministry and Diaconal Ministers is \$750 higher in 2009 than in 2008.

For lay rostered leaders, the base salary is the Defined Compensation used for figuring Board of Pension amounts. Congregational leaders are reminded that income taxes and Social Security taxes must be withheld from salaries of non-ordained employees.

Additional salary for years of experience: (see line 2 on worksheet) Associates in Ministry and Diaconal Ministers with experience need to be compensated accordingly by this schedule. \$700 X years of service between 1 and 7 years; \$600 X years of service between 8 and 15 years; and \$525 X years of service greater than 15 years.

EXAMPLE: An associate in ministry or diaconal minister with 5 years of experience would receive an additional \$3,500 ($\$700 \times 5 \text{ years} = \$3,500$).

Previous Experience: (see line 2 on worksheet) As more and more "second career" people enter this ministry the question of what is a fair and equitable salary takes on some new ramifications. In most cases the previous experience is relevant to the work of this ministry. Those who enter the rostered ministry after years of work in other occupations should not be compensated at the beginning of the scale, but rather at a rate which recognizes the value of their work experience and maturity. Congregations are expected to give experience credit for previous work (e.g., for each three years of previous work, the person would be credited with one year of professional experience on the schedule, with a maximum of 15 years equaling 5 years of ministry experience).

PART II
REIMBURSEMENT AND SUPPLEMENT BENEFITS FOR ROSTERED LEADERS

A. REIMBURSEMENT OF PROFESSIONAL EXPENSES

Automobile

Automobile expense and other related travel are a business expense for the congregation and should not be reported to the congregation as a part of a salary package. Reimbursement for travel and car expense can be handled in one of three ways:

- 1) Reimbursement for *actual* business miles driven at the IRS established rate per mile (50.5 cents per mile in 2008) and paid in monthly installments. These guidelines recommend this policy and recommend that all professional expenses be reimbursed at cost.
- 2) Payment of a lump sum per year pro-rated to a monthly basis. This process requires the rostered person maintain accurate records of *actual* business mileage and provide that documentation for IRS inspection. Under this method the entire car allowance must be reported as income to all rostered persons on their W-2's. This would appear as an addition to the salary amount.
- 3) The congregation purchases or leases a car and assumes the total automobile expense. All rostered persons will assume some IRS liability for non-business use of the vehicle.

Continuing Education

Rationale:

The ELCA has set high standards for its pastors/associates in ministry/diaconal ministers. A fundamental expectation for all rostered persons in the Church is to continually grow in competence and understanding in order to be faithful in discipleship.

Partnership:

Continuing education enriches both the ministry of the pastor, associate in ministry, diaconal minister and the congregation, therefore, continuing education is a shared venture. Evaluation, planning and commitment of time and funds for continuing education should be shared by the rostered person and the congregation.

Time:

Time for continuing education of two weeks per year coordinated with funding for it is recommended in the call document/letter of appointment. The ELCA expects a *minimum of 50 contact hours* annually in continuing education time. (A contact hour is defined as a typical 50-minute classroom session or the equivalent.) The congregation and rostered leader must reach a mutual agreement on the number of Sundays away and coverage of worship service during continuing education.

Continuing education may be accumulated for up to three years to make possible more extended study. The decision to enter a study program covering several weeks is to be made jointly by the rostered person and the congregation council and how to handle congregational ministry during the absence of the leader should be negotiated.

Funds:

An expected *minimum* contribution of \$850 per year from the congregation and \$300 from the rostered leader is recommended to cover costs of continuing education. Funds may be

accumulated for up to three years to cover costs for extended study. If the rostered leader accepts another ELCA position, all continuing education contributions are transferred to the new congregation. If the rostered leader terminates service with the ELCA, only the individual's past contributions are transferred.

Books, Periodicals and Other Expenses:

A reimbursement of up to \$500 per year should be allowed for the purchase of books, journals, vestments or other resources which remain the property of the professional. Allowances for these items are taxable, while a straight reimbursement of costs is not.

Financial Award:

Financial scholarship awards are available through the synod for all rostered members of this synod. A Continuing Education Covenant must also be filled out to receive an award. Financial awards are available for those rostered persons not receiving the \$1150 minimum (\$300 from the individual and \$850 from congregation) and for those planning sabbatical experiences. Contact the synod office for any further details.

Sabbatical:

Some congregations allow for three months of sabbatical after 6 - 8 years of service in the congregation. Sabbatical time allowed should be carefully planned to benefit the rostered leader, the congregation and the wider church. All provisions should be negotiated well in advance of the sabbatical and clearly stated in writing (a sabbatical policy suggestion is available from the synod office). The congregation and the rostered leader should negotiate the way to handle congregational ministry during the absence.

Meetings and Events:

According to the synod constitution (S14.21) for synods all pastors, associates in ministry, and diaconal ministers under call are expected to attend meetings of the Synod Assembly, and other called meetings by the bishop. Attendance at the annual Synod Assembly and the Fall Conference for rostered persons is normally a part of the business of a congregation. Expenses should be budgeted and paid by the congregation if they are not reimbursed by the agency or group calling the meeting.

B. OTHER BENEFITS

Vacation:

The need for annual vacations is self-evident. The congregation is to provide a minimum of four weeks per year (encompassing four Sundays) of vacation with full pay. This does not include continuing education. Congregations may also want to consider that professionals be excused up to four Sundays in addition to regular vacation time for involvement in ministries beyond the congregation.

Time spent on churchwide or synodical committees, congregational retreats or congregational camping programs is not to be considered vacation time or time off.

Parenting Leave:

The church places a high value on family, therefore, a need for guidelines relating to maternity, paternity, adoptive and family leave are appropriate. These guidelines are offered to help congregations approach such situations in a caring manner.

a. Maternity leave

Six (6) weeks of paid maternity leave is available to new mothers following the birth of a child. Accrued vacation may also be used in conjunction with maternity leave. Professionals desiring additional leave, either prior to or following the birth of their child, may negotiate for unpaid leave.

b. Paternity leave

A two-week paid parenting leave should be appropriate for a new father after the birth of a child.

c. Adoptive leave

Six (6) weeks of paid adoptive leave is available to a new mother or a new father (whoever is the primary care giver), following the adoption of a child. If both parents are in the employ of the congregation the six weeks may be split between them. Two (2) weeks of paid adoptive leave may be given to the secondary care giver.

d. Family leave

Congregations should be sensitive to family needs such as extraordinary illness of children and parents of the professional and arrange proper leave time for these circumstances.

Sickness

Sick leave recommendation is one day per month, cumulative to 60 days. The congregation assumes responsibility for the rostered leader's salary and benefits and pulpit supply during the illness.

Short Term Disability:

The congregation assumes responsibility for the professional's salary and benefits until the short term plan becomes effective, which is the third month of disability. The employer is expected to continue full salary until that time. The congregation is to assume responsibility for pulpit supply during the disability.

Military Leave:

It is expected that any rostered leader interviewing for a new call who has commitments to the National Guard or a reserve component of the military will disclose this information in his or her initial interview. Negotiations for time off for these commitments should be done with the congregational leadership prior to extension and acceptance of a call. For more guidance in this matter, please refer to www.elca.org/federalchaplains/involuntarycallupguidelines on the ELCA website.

C. MOVING EXPENSES

The congregation is responsible for moving a rostered leader to the community. All reasonable moving expenses should be covered by the congregation and negotiated with the incoming leader. It is preferable to use a professional moving company. If other arrangements are made, they must be mutually agreeable to both parties.

See IRS guidelines for moving expenses for further guidance

PART III.

**PENSION AND OTHER BENEFITS
ADMINISTRATED BY THE ELCA BOARD OF PENSIONS**

Information and an easy to use calculator are available on the Board of Pensions website:
www.elcabop.org

Regular Pension:

The recommended amount for regular pension is Twelve percent of Defined Compensation (salary plus housing, plus **social security**). The minimum pension contribution for congregations is 10% for 2009. If participating in a predecessor church plan on December 31, 1987:

<u>Age on Dec. 31, 1987</u>	
45-54	11%
Under 45	10%

Congregations may choose to remit contributions at a higher level by making additional pension contributions for members.

Medical and Dental:

Contributions are a percentage of Defined Compensation. Each year the Board of Pensions, ELCA, sets the percentage, based upon its expectation of the cost of the plan.

2008 Rates			
Medical & Dental Plan	Contribution Rate as a % of Defined Compensation	Minimum Monthly Contribution	Maximum Monthly Contribution
Member Only	11.7%	442.	597
Member and Spouse	20.5 %	773	1,046
Member and Children	20.5 %	773	1,046
Member, Spouse & Children	24.3%	1,105	1,494
All Coverage Waived	0%		

Disability and Survivor Benefits:

Contributions are a percentage of defined compensation. For 2008 disability and survivor benefits are 2.0%.

Administration and Retiree Support for the pension/health benefits plan are met by a contribution rate of 0.7%

Total contributions for the plan range in 2008 from 24.4% to 44.0% depending on the election of dependent medical coverage and the required pension contribution rate.

Defined Compensation is base salary, housing and social security paid for clergy persons and base salary for associates in ministry/diaconal ministers.

PART IV

INTERIM MINISTRIES

Full Time Interim:

An interim pastor serving full-time should be paid according to salary guidelines or should receive the same compensation as the pastor he or she is replacing. Trained intentional interim pastor may also negotiate for reimbursement for additional mileage and temporary housing or post-departure compensation for up to one month.

Part Time Interim:

Example - An interim pastor serving more than on Sunday; \$1780-2200 a month for three days a week, such as Thursday evening through Sunday noon or afternoon; the pastor may stay in the parsonage or the congregation provides housing. This figures out to about \$145 per day.

Mileage expense should be paid by the congregation according to *IRS Rate*.
2008 rate is 50.5 cents per mile.

Supply Guidelines:

Travel cost is to be paid at the current IRS rate per mile.

For conducting a worship service, no less than \$125.00 is recommended. If there are two services, \$150.00 and \$50.00 for teaching a class.

If confirmation classes are to be taught, there should be an additional \$50.00 paid.

Overnight lodging and/or meals should be supplied.

Refer to Interim Ministry material under Call Process on our website at www.seiasynod.org.
Go to "Forms and Resources" then to "Call Process." Find additional resources under "Part II – Transition Time."

APPENDIX

SYNOD PARSONAGE GUIDELINES

A parsonage is the home provided by the congregation for its pastors. It is to be an aid in the carrying out of ministry. In its care of the church, the congregation will want to provide a good home.

The guidelines on the following pages are a way to help both pastor and congregation. Following them will help the congregation become aware of needed improvements and let it know if a synod-wide standard has been achieved. It will be in a position to become aware of abuses of the parsonage property.

Since the parsonage is the pastor's home, privacy should be respected. Congregation members are expected to follow the same standards of politeness for such things as entering the parsonage as they would for any other home in the community.

Because it is the home of the pastor, the desires of the pastor should be consulted as changes are necessary. Further details about this are in the following guidelines.

The quality of the parsonage should meet a standard set by the homes of the majority of the congregation's members. The size should be adequate to accommodate families.

Contrary to renters, the pastor normally has little choice of residence. The relationship between the pastor and congregation is not based on a lease or rental agreement, but upon a common bond in the service of Christ Jesus.

These are more specific suggestions for guidelines for congregations with a parsonage. These are guidelines that congregations and pastors may use to discuss the maintenance, repair, and responsibilities relative to a church owned house.

1. It is recommended that the following appliances be provided in the parsonage:

stove	garbage disposal (optional)
refrigerator	soft water system (if needed)
dishwasher	humidifier/dehumidifier (if needed)
washer and dryer	TV antenna (unless cable provided)
air conditioning	
2. It is recommended that the following utilities be paid directly by the congregation:

electricity	gas
telephone (except personal long distance calls)	soft water service (if needed)
	cable TV (optional)
3. Items that would normally be supplied by the congregation include:

paint	wallpaper
window coverings	floor coverings
light fixtures	ceiling fans
4. When a pastor first moves into a parsonage the congregation should see that it is thoroughly clean and should usually plan to redecorate.

5. The colors, fabric, design, etc., selected in the redecoration would normally be selected by those who will be living in the house in consultation with the appropriate committee. The congregation, of course, would determine the price ranges for these items.
6. Parsonage maintenance and repair should be listed as a separate line item in the annual budget, with a clear understanding of who has the authority to spend these budgeted funds.
7. There should be an annual inspection of the parsonage that is conducted with the pastor.
8. The pastor and congregation should develop and annually update a list of necessary and desired repairs, maintenance, modernization, redecorating and remodeling projects and together prioritize these projects.
9. There should be clear understanding about how regular maintenance and emergency repairs are to be handled. It is suggested that the pastor be authorized to spend a specified dollar amount at his or her own discretion. Any repairs in excess of this amount would require approval of the property committee or the congregation council.
10. When a pastor moves out of a parsonage and before all financial obligations are completed, there should be an inspection of the property to see that it is left clean and in good repair. The pastor should be held responsible for any excess wear or damage caused to the parsonage while he or she was living there. This would include any damage caused by children and pets.
11. The grounds around the parsonage are primarily the responsibility of the congregation. The congregation should see that the lawn, shrubbery and flower beds are in good condition when a pastor moves into the parsonage. The pastor may be expected to care for these grounds (mow, rake; remove snow; apply fertilizer, insecticides, herbicides) or these responsibilities may be shared by the congregation. *(The division of labor should be negotiated by the pastor and the council immediately after the pastor's arrival.)*
12. Congregations should consider taking care of the grounds around the parsonage while the pastor is on vacation or study leave, if it is decided this is the pastor's responsibility.
13. The congregation should provide suitable garage space for the pastor's automobile(s). Normally, this would be space for two vehicles.

(adopted from the Nebraska Synod/ELCA)

June 1991

Pastor's Salary Worksheet 2009 without Parsonage
Southeastern Iowa Synod - ELCA

Base Salary

1.	Synod guideline - recommended minimum seminarian's base salary	\$30,700
2.	Additional salary for years of experience, including previous experience: 0-10 years of experience 2% per year of service since ordination X \$30,700 base salary line 1	\$ _____
	Years 11 and beyond 1.5% per year of service (year 11 and beyond) X \$30,700 base salary line 1 (see page 2 for explanation)	\$ _____
3.	Additional Salary Considerations Congregations are urged to offer larger salaries based on factors which may differ from congregation to congregation and should include other consideration increases under our new simplified system. Examples of these increases include: increased professional competency; complexity of ministry; advanced degrees; ; size of staff, etc. These bases will be adjusted annually according to the preceding year's consumer price index. 1-25% X \$30,700.	\$ _____
	TOTAL BASE SALARY	\$ _____

Housing

	<p>Housing Allowance When a pastor owns or rents a home, a housing allowance is paid based on housing expenses in the area. <u>A good guide would be 30% in low-cost areas and 35% in high-cost housing areas.</u></p>	\$ _____
	TOTAL BASE SALARY + HOUSING	\$ _____

Employer's Social Security Tax

	<p>Congregations are encouraged to reimburse the Employer's Share of the Social Security tax. IRS regulations have determined that pastors are not employees of the church, but are self-employed and must pay both employee's and employer's Social Security tax. This shares the burden between the pastor and the church.</p>	
	7.65% (Employer's Social security tax rate) x Total base salary and housing above	\$ _____

DEFINED COMPENSATION - BASE SALARY+HOUSING+SOCIAL SECURITY \$ _____

PENSION AND OTHER BENEFITS

(add 1,2 & 3)

ELCA Brd. Pensions	Consult materials from the Board of Pensions (or go to www.elcabop.org) to determine the current year rates for pensions, medical, dental, disability and survivor benefits.	\$ _____
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Additional benefits	Supplementary Insurance	\$ _____
	Additional disability Ins.	\$ _____
	Malpractice Insurance	\$ _____
	Other: _____	\$ _____
	Total additional benefits	\$ _____

Expenses

Mileage	\$ _____	
Continuing Education	\$ 850.00	
Fall Conference	\$ 300.00	
Books/Publications	\$ _____	
Meetings/Events	\$ _____	
Total Expenses		\$ _____

TOTAL DEFINED COMPENSATION AND BENEFITS **\$ _____**

Pastor's Salary Worksheet 2009 with Parsonage
Southeastern Iowa Synod - ELCA

Base Salary

1.	Synod guideline - recommended minimum seminarian's base salary	\$30,700
2.	Additional salary for years of experience, plus previous experience: 2% per year of service since ordination X \$30,700 base salary line 1 1.5% per year of service (year 11 and beyond) X \$30,700 base salary line 1 (see page 2 for explanation)	\$ _____ \$ _____
3.	Additional Salary Considerations Congregations are urged to offer larger salaries based on factors which may differ from congregation to congregation and should include other consideration increases under our new simplified system. Examples of these increases include: increased professional competency; complexity of ministry; advanced degrees; length of service; size of staff, etc. These bases will be adjusted annually according to the preceding year's consumer price index. 1-25% X \$30,700.	\$ _____
TOTAL BASE SALARY		\$ _____

Housing

Parsonage

When a pastor lives in a parsonage, the congregation should either pay utilities directly or provide a utilities allowance. In addition, maintenance and furnishing allowance should also be provided. The congregation might also consider providing a home equity allowance. The total value of the parsonage package should be equal to 30% of the total base salary.

a)	Fair market value rental value parsonage	\$ _____
b)	Utilities allowance	\$ _____
c)	Furnishings and maintenance allowance	\$ _____
d)	Equity allowance	\$ _____
Total parsonage package		\$ _____
TOTAL BASE SALARY + HOUSING		\$ _____

Employer's Social Security Tax

Congregations are encouraged to reimburse the Employer's Share of the Social Security tax. IRS regulations have determined that pastors are not employees of the church, but are self-employed and must pay both employee's and employer's Social Security tax. This shares the burden between the pastor and the church.

7.65% (Employer's Social security tax rate) x Total base salary and housing above \$ _____

DEFINED COMPENSATION - BASE SALARY+HOUSING+SOCIAL SECURITY \$ _____

PENSION AND OTHER BENEFITS

(add 1,2 & 3)

ELCA Brd. Pensions Consult materials from the Board of Pensions
(or go to www.elcabop.org) to determine the current year rates for pensions, medical, dental, disability and survivor benefits. \$ _____

Additional benefits	Supplementary Insurance	\$ _____
	Additional disability Ins.	\$ _____
	Malpractice Insurance	\$ _____
	Other: _____	\$ _____
	Total additional benefits	\$ _____

Expenses

Mileage	\$ _____	
Continuing Education	\$ 850.00	
Fall Conference	\$ 300.00	
Books/Publications	\$ _____	
Meetings/Events	\$ _____	
Official meeting events	\$ _____	
Total Expenses	\$ _____	

TOTAL DEFINED COMPENSATION + BENEFITS \$ _____

Associates in Ministry/Diaconal Ministers Salary Worksheet 2009
Southeastern Iowa Synod - ELCA

Compensation	BA degree	MA degree
1. Synod guideline - recommended minimum base salary (Note - Pastor's receive additional compensation for housing allowance)	\$30,700	\$34,200
2. Years of service, including previous experience since graduation _____ \$700 X _____ years of service (years 1 - 7) \$600 X _____ years of service (years 8 - 15) \$525 X _____ years of service (years > 15) (see page 4)	\$ _____ \$ _____ \$ _____	\$ _____ \$ _____ \$ _____
3. Minimum recommended Salary (Line 1 and 2)	\$ _____	\$ _____
4. Other considerations compensation (additional responsibilities, merit, education, etc.) 1-25% X Minimum recommended Salary (Line 3)	\$ _____	\$ _____
Total Base Salary (Line 3 +4)	\$ _____	\$ _____

The principal difference in determining compensation for ordained persons and associates in ministry or diaconal ministers is that ordained pastors receive a housing allowance and associates in ministry/diaconal ministers do not. Salaries, benefits, and expense reimbursements should be similar. The best approach is to make salary comparable to other professionals in the same locale with similar responsibilities and experience. Congregational leaders are reminded that income taxes and Social Security taxes must be withheld from salaries of non-ordained employees.

PENSION AND OTHER BENEFITS	(add 1,2 & 3)	
ELCA Brd. Pensions	Consult materials from the Board of Pensions to determine the current rates for pensions, medical, dental, disability and survivor benefits.	\$ _____
Additional benefits	Supplementary Insurance	\$ _____
	Additional disability Ins.	\$ _____
	Malpractice Insurance	\$ _____
	Other: _____	\$ _____
EXPENSES		
	Automobile	\$ _____
	Other travel	\$ _____
	Continuing Education	\$ <u>850.00</u>
	Fall Conference	\$ <u>300.00</u>
	Other Expenses	\$ _____
	Official meeting events	\$ _____
TOTAL PACKAGE TO CONGREGATION		\$ _____