



Minneapolis Area Synod of the ELCA

2020 Compensation and Benefits Guidelines

for

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TO: Congregational Presidents and Treasurers, Clergy, Rostered Lay Leaders, and Lay Staff
FROM: The Minneapolis Area Synod Office, ELCA
DATE: October 2019
RE: **2020 Compensation Guidelines**

The 2020 compensation guidelines are provided as a starting point for determining compensation for clergy, rostered lay persons, and lay staff. However, these are only guidelines. They cannot possibly speak to all congregations with varying financial and personnel resources and expectations.

These guidelines emerge from ongoing review of current salaries, salaries paid in other denominations, PORTICO Benefit Services, the overall picture of compensation, and synod staff's ongoing work with congregations. There has also been comparison with teachers and other professionals with comparable education and responsibility. For 2020, these items should be noted:

- **Computing the Cost of Living increase:** In considering the current economic climate and noting economic indicators such as the U.S. Department of Labor Consumer Price Index and the Social Security Administration's COLA adjustment, an increase of 2.0 percent has been added to the 2019 salary figures for 2020. However, each year a staff person has an additional year of experience that adds value to the shared ministry. This added experience needs to be considered in providing fair compensation for employees. Some organizations call this a "step" increase.
- **Bringing Compensation up to Guidelines:** If your congregation's employees are paid below guidelines, a strong effort should be made to increase their compensation to meet guidelines. This issue is important and is not related to cost of living increases.
- **Housing Allowance:** In previous years, an assumed housing allowance has been stated in the guidelines. The amount designated as housing allowance by clergy varies widely; therefore, we have chosen to make no assumption as to the dollar amount that will or should be used. These guidelines refer to the salary/housing total figure, and the clergy person is left to determine how much of the remuneration may qualify as housing

allowance under IRS definitions. Housing allowance for clergy is referenced on pages 5-6.

Overtime

The federal overtime provisions are contained in the Fair Labor Standards Act (FLSA). Effective December 1, 2016, unless exempt, employees covered by the Act must receive overtime pay for hours worked over 40 in a workweek at a rate not less than time and one-half their regular rates of pay. For further guidance: <https://www.dol.gov/whd/overtime/final2016/>.

Fitness Discounts

For ELCA-primary members, coverage includes a national fitness center discount through Blue Cross-Blue Shield of Minnesota.

Check the PORTICO Benefit Services website at www.porticobenefits.org for more information.

Questions?

If you have questions, please contact the synod office at 612-870-3610. If your questions concern the PORTICO benefits, please call that Service Center at 800-352-2876.

Salary and Compensation Guidelines
For Clergy

Compensation

Salary and Housing

Clergy salary is based on several considerations—the number of years of experience, housing costs, and additional factors related to the context of the ministry, cost of living, and job responsibilities. Clergy serving in part-time positions should receive pro-rated salary and benefits. The information that follows will assist you in determining a starting point for salary. These figures are guidelines and are not intended to restrict a congregation in fairly compensating a pastor.

Years of Experience	
Graduate	\$62,510
1-5 Years	\$63,610- 73,020
6-10 Years	\$68,500- 77,910
11-15 Years	\$73,410- 82,800
16-20 Years	\$78,190- 87,680
21-25 Years	\$83,090- 93,000
26-30 Years	\$87,980- 97,920
31-35 Years	\$92,860- 103,010

Housing Costs

The above guideline figures include an amount to be designated as “Housing Allowance.” In determining your pastor’s salary and housing package, the cost of housing in your area should be considered. If a parsonage is provided, the fair rental value should be deducted from the figures in the above grid. See Housing on pages 5-6 for more detailed information concerning the IRS housing allowance for clergy.

Additional Factors

Salary may be driven by other factors in addition to years of experience. While these are more difficult to objectively quantify, they should enter into the conversation about salary level. Some of these factors include:

Ratio of Staff to Size of Congregation (based on worship attendance)

The size of the congregation and the ratio of staff to worship attendance should be considered. For example, a solo pastor with no program staff serving a congregation with average worship attendance of 250 + should receive an additional \$1,000 compensation to reflect the added demands placed upon that solo pastor.

Supervisory Responsibilities for Program Staff

- \$1,500 for supervision of 2-3 program staff
- \$2,500 for supervision of 4 or more program staff

Additional Education and work experience

- Add \$500 to \$1,500 for additional earned degrees beyond the Master of Divinity.
- Experience may also include non-ordained ministry in the church and/or secular work which enhances a person's skills for ministry. Experience prior to ordination is calculated at the rate of one-half year for each year up to 10 years of prior experience (five years credit).

Ongoing Considerations.

Cost of living is not an adequate adjustment when used alone. Each year also brings with it an additional year of experience. Using only cost of living adjustments year after year ignores the accumulating experience level and results in the pastor gradually slipping below guidelines. Many congregations fell behind actual cost-of-living adjustments in recent years. For 2020, there is a cost of living adjustment in these guidelines of 2.0 percent. Congregations that have not provided increases on a regular basis should seek to catch up to guidelines as quickly as possible.

Review of performance and changes in levels of responsibility should also be considered annually, and may warrant additional salary consideration.

Housing

A unique feature of clergy compensation is the distinctive tax law regarding housing allowance for ordained ministers. This originated for clergy (and the military) because it was at one time standard for housing to be the "parsonage." In the Minneapolis Area Synod, fewer than five percent of congregations provide parsonages, so the guidelines now reflect the more standard practice of designating a portion of the pastor's salary as housing allowance.

Housing Allowance

When there is a housing allowance, the pastor determines the amount of compensation to be set aside for housing allowance (based on IRS guidelines, publication 1828, available at www.irs.gov) and submits it to the church council. The church council must annually include the amount to be designated for housing in the council minutes prior to the beginning of the new tax year. The pastor assumes full responsibility for complying with IRS definitions of "cost to provide a house."

Parsonage

When a parsonage is provided for the pastor, all utility costs and repairs are paid by the congregation. It is recommended that congregations with a parsonage also provide for a housing equity allowance. The purpose of this allowance is to provide financial resources for a pastor to purchase housing upon retirement, or when a new call requires purchase of a home. Each year a minimum of \$150 a month or five percent defined compensation (the figure on which contributions to the ELCA Pension and Other Benefits Plan is calculated), whichever is greater, should be placed into a fund that accumulates interest in the pastor's name. The establishment of this fund should be negotiated by the church council and pastor. Consultation with the pastor and perhaps PORTICO Benefit Services and a financial consultant can be helpful in determining the most beneficial housing equity allowance model.

When there is a parsonage, it is recommended that a furnishing allowance be provided. This is nontaxable income to be used for household expenses. The church council must designate the furnishing allowance annually.

Social Security and Medicare

All clergy are considered self-employed for social security purposes and therefore will pay a self-employment tax of 15.3 percent of their income in 2020. Thus, it is recommended that the church or calling body give a social security allowance, even though it is taxable, to their pastor(s) to pay at least half (7.65 percent) of the pastor's self-employment tax as they do for the other employees of the church when they pay the employer's share of the FICA tax. To determine half of the tax, multiply the pastor's salary (including housing allowance or the fair rental value of the parsonage) by .0765. This allowance is included on the pastor's W2 as taxable income.

Federal Tax Forms for Clergy

Congregations are to file federal tax W2 forms for clergy, not a 1099 form.

Benefits

Retirement and Major Medical and Dental Benefits

The congregation should budget for and participate in the ELCA Pension and Other Benefits Plan for clergy and lay employees. The plan provides retirement, survivor, disability, and health (medical/hospital, prescription drug, dental, behavioral health) benefits. Members of the plan may decline health coverage if they can demonstrate coverage under another employer-provided group plan (through a spouse) and still participate in the ELCA disability, survivor and retirement plans. The premiums for medical/dental coverage continue to be fully employer-paid; it should be noted that recent years have seen significant increases in co-pays and deductibles, resulting in substantially higher employee cost.

Additional Retirement Contributions

One way to save for future retirement is to make salary reduction contributions to the ELCA Retirement Plan. To contribute to this plan, the member determines the amount and notifies PORTICO through their myPortico account. Portico then notifies the member's employer to begin withholding this amount from their salary. This is contributed as pre-tax money, so no federal income tax (10% +) or state income tax (6% +) is paid on the amount. When the pastor retires, this amount will be eligible for the housing allowance exclusion (meaning the pastor will pay no tax on it to the extent that it is used for housing).

Medical Expense Reimbursement Plans

PORTICO Benefit Services health plan includes an optional flexible spending account (pre-tax dollars) for employers enrolled in the Platinum+ or Gold+ health plans. There is an optional health savings account for employers enrolled in the Silver + or Bronze+ plan. For more information, go to the PORTICO Benefit Services website at www.porticobenefits.org.

Paid Leaves

Maternity / Paternity

Paid leave up to six weeks is recommended when a child is born or adopted.

Sick

Paid leave up to six weeks and provision for partial disability thereafter as coordinated with the PORTICO Benefit Services is recommended.

Disability

In the case of disability due to an accident, illness, or surgery, the ELCA disability benefits begin after two months. A member must apply for disability benefits within six months of becoming disabled. Any period of disability—beginning date and length of disability—is based on an attending doctor's recommendation and by decision of the PORTICO Benefit Services. It is

presumed that the congregation will continue paying salary for the two months prior to the disability coverage. Unused vacation time and accumulated sick leave can be used in these months.

Reimbursed Professional Expenses

Automobile Allowance

The automobile allowance is considered as reimbursement for ministry-related expenses and is not part of a pastor's salary. An allowance of 58 cents per mile (IRS guideline beginning January 1, 2019) is recommended based on actual miles driven and reported by the pastor. In lieu of such an allowance, the congregation may lease a vehicle for the pastor's use in ministry activity.

Sabbaticals

After every five years of service in a current call, the Minneapolis Area Synod recommends a pastor be given a sabbatical from six weeks to three months with full pay, in lieu of two weeks continuing education time. The pastor would be expected to return to the present call for at least one year following the sabbatical.

Bishop's Theological Conference

Participation in the annual Bishop's Theological Conference is strongly encouraged for all rostered leaders and should not be considered continuing education. Therefore, the Conference registration fee should not be taken from the continuing education budget.

Continuing Education

Congregations should insist that their pastor(s) take time to intentionally update and acquire new skills, essential for effective, ongoing ministry. Recognizing this, the ELCA expects a minimum of 50 contact hours annually in continuing education (or 150 hours for each three-year period). A contact hour is defined as a typical 50-minute classroom instructional session or the equivalent. Therefore, it is recommended that each year a minimum of two weeks and \$800 be made available to a pastor for continuing education, cumulative up to six weeks over a three-year period. This is not vacation time, so if it is not used for the purpose of ministry in the present setting, the person loses the time and funds at the end of employment.

Professional Ministry Expenses

A minimum suggested guideline of \$500 for professional ministry-related expenses should be in the budget. These expenses may be for books, robes, periodicals, professional dues, entertaining, and hospitality costs incurred in performance of the duties of the pastoral office. Qualifying expenses must be substantiated by the pastor or the money received becomes taxable as

regular income. Professional expenses are designated as such by the congregation and acknowledged by the IRS.

Non-Financial Compensation

Vacation Time

A minimum of four weeks, including Sundays, should be provided. Congregations unable to meet minimum salary guidelines may want to give additional vacation time. **Note regarding part-time ministry:** The same number of weeks apply. For example, a full time pastor would work 48 full-time weeks and have four full-time weeks of vacation; a half-time pastor would work 48 half-weeks and receive four half-weeks of vacation.

Continuing Education

A minimum of two weeks should be provided. See the “Letter of Call, *Definition of Compensation, Benefits, and Responsibilities of the Pastor*” form prepared for your pastor on accepting the call and the information above that defines the expectations for continuing education.

Pulpit Supply

The cost of pulpit supply is borne by the congregation. Additionally, the congregation pays mileage reimbursement at the rate of 58 cents per mile (IRS guideline beginning January 1, 2019). The cost for supply preaching is as follows:

\$125.00 for one service
\$150.00 for two services
\$25.00 for each additional service

Compensation Worksheet For Clergy Who Own a Home

Building the Compensation Package

This worksheet is designed to help congregations build a compensation package for pastors who own their own homes, using the synod's salary and compensation guidelines.

Name _____

	Current year	Guidelines	Proposed
SALARY AND HOUSING			
Base Salary (including housing allowance)	\$	\$	\$
Social Security Reimbursement (7.65%)	\$	\$	\$
TOTAL SALARY & HOUSING	\$	\$	\$
BENEFITS			
ELCA Pension and Medical/Dental Plan ¹	\$	\$	\$
Other (e.g., medical expense reimbursement, additional retirement contribution)	\$	\$	\$
Other	\$	\$	\$
TOTAL BENEFITS	\$	\$	\$
REIMBURSED PROFESSIONAL EXPENSES			
Automobile	\$	\$	\$
Sabbatical	\$	\$	\$
Bishop's Theological Conference	\$	\$	\$
Continuing education	\$	\$	\$
Professional ministry expenses	\$	\$	\$
Other	\$	\$	\$
TOTAL REIMBURSED PROFESSIONAL EXPENSES	\$	\$	\$
NON-FINANCIAL COMPENSATION			
Vacation (number of weeks)			
Continuing education (number of weeks)			
Other			

¹PORICO Benefit Services: 800-352-2876 or www.porticobenefits.org

Compensation Worksheet
For Clergy Who Live in a Parsonage

Building the Compensation Package			
This is designed to help congregations build a compensation package for pastors who live in a parsonage, using the synod's salary and compensation guidelines.			
Name			
	Current year	Guidelines	Proposed
SALARY			
Base Salary (and furnishings allowance)	\$	\$	\$
Social Security Reimbursement 7.65%)	\$	\$	\$
TOTAL SALARY	\$	\$	\$
HOUSING EQUITY ACCOUNT			
Housing Equity Account			
TOTAL			
BENEFITS			
ELCA Pension and Medical/Dental Plan ¹	\$	\$	\$
Other (e.g., medical expense reimbursement, additional retirement contribution)	\$	\$	\$
Other	\$	\$	\$
TOTAL BENEFITS	\$	\$	\$
REIMBURSED PROFESSIONAL EXPENSES			
Automobile	\$	\$	\$
Sabbatical	\$	\$	\$
Bishop's Theological Conference	\$	\$	\$
Continuing education	\$	\$	\$
Professional ministry expenses	\$	\$	\$
Other	\$	\$	\$
TOTAL REIMBURSED PROFESSIONAL EXPENSES	\$	\$	\$
NON-FINANCIAL COMPENSATION			
Vacation (number of weeks)			
Continuing education (number of weeks)			
Other			

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Salary and Compensation Guidelines
For Deacons

Compensation

Salary

Salary for deacons is based on several considerations, including the number of years of experience, education, functions related to the context of the ministry, cost of living, and job experience. Those serving in part-time programmatic positions should receive pro-rated salary and benefits. The following information will assist you in determining a starting point for salary.

Years of Experience

The figures below are guidelines and are not intended to restrict a congregation in fairly compensating a deacon. The figures assume a master's degree. For deacons without a master's degree, adjust accordingly.

Years of Experience	
Graduate	\$42,590
1-5 Years	\$45,850- 49,670
6-10 Years	\$49,330- 55,050
11-15 Years	\$54,750- 59,550
16-20 Years	\$60,160- 65,880
21-25 Years	\$65,590- 71,310
26-30 Years	\$72,220- 76,730
31-35 Years	\$76,440- 82,140

Additional Education and work experience

- Add \$500 to \$1,500 for additional earned degrees beyond the Master of Divinity.
- Experience may also include non-ordained ministry in the church and/or secular work which enhances a person's skills for ministry. Experience prior to ordination is calculated at the rate of one-half year for each year up to 10 years of prior experience (five years credit).

Supervisory Responsibilities

- \$500 for supervision of one staff member
- \$1,000 for supervision of 2-3 staff
- \$1,500 for supervision of 4+ staff

Ongoing Considerations

Cost of living is not an adequate adjustment when used alone. Each year also brings with it an additional year of experience. Using only cost of living adjustments year after year ignores the accumulating experience level and results in the employee gradually slipping below guidelines. Many congregations fell behind actual cost-of-living adjustments in recent years. For 2020, there is a cost of living adjustment in these guidelines of 2.0 percent. Congregations that have not provided increases on a regular basis should seek to catch up to guidelines as soon as possible.

Review of performance and changes in levels of responsibility should also be considered annually, and may warrant additional salary consideration.

Benefits

Social Security and Workers' Compensation

All congregations should provide Workers' Compensation coverage, since definite liability accrues to the congregation in case of accidental death or disability in conjunction with one's employment. Congregations are required to pay half of the Social Security taxes (7.65% of taxable income) for deacons and all lay employees and to file federal tax W2 forms for deacons and lay employees.

Retirement and Major Medical and Dental Benefits

The congregation should budget for and participate in the ELCA Pension and Other Benefits Plan for clergy and lay employees. The plan provides retirement, survivor, disability, and health (medical/hospital, prescription drug, dental, behavioral health) benefits.

Additional Retirement Contributions

One way to save for future retirement is to make salary reduction contributions to the ELCA Retirement Plan. To contribute to this plan, the member determines the amount and notifies PORTICO through their myPortico account. Portico then notifies the member's employer to begin withholding this amount from their salary. This is contributed as pre-tax money, so no federal income tax (10% +) or state income tax (6% +) is paid on the amount.

Medical Expense Reimbursement Plans

PORTICO Benefit Services health plan includes an optional flexible spending account (pre-tax dollars) for employers enrolled in the Platinum+ or Gold+ health plans. There is an optional health savings account for employers enrolled in the Silver + or Bronze+ plan. For more information, go to the PORTICO Benefit Services website at www.porticobenefits.org

Paid Leaves

Maternity / Paternity

Paid leave of up to six weeks is recommended when a child is born or adopted.

Sick

Paid leave of up to six weeks and provision for partial disability thereafter as coordinated with the PORTICO Benefit Services is recommended.

Disability

In the case of disability due to an accident, illness, or surgery, the ELCA disability benefits begin after two months. A member must apply for disability benefits within six months of becoming disabled. Any period of disability—beginning date and length of disability—is based on an attending doctor's recommendation and by decision of PORTICO Benefit Services. It is presumed that the congregation will continue paying salary for the two months prior to the disability coverage. Unused vacation time and accumulated sick leave can be used in these months.

Reimbursed Professional Expenses

Automobile Allowance

The automobile allowance is considered as reimbursement for expenses and is not part of the employee's salary. An allowance of 58 cents per mile (IRS guideline beginning January 1, 2019) is recommended based on actual miles driven and reported by the employee.

Sabbaticals

After every six years of service in a current call, the Minneapolis Area Synod recommends full-time staff be granted a sabbatical from six weeks to three months with full pay, in lieu of two weeks continuing education time. The staff member would be expected to return to the present call for at least one year following the sabbatical.

Bishop's Theological Conference

Participation in the annual Bishop's Theological Conference is strongly encouraged for all rostered leaders and should not be considered continuing

education. Therefore, the Conference registration fee should not be taken from the continuing education budget.

Continuing Education

Congregations should encourage lay staff to intentionally update and acquire new skills for their position. Therefore, it is recommended that each year a minimum of one week and \$400 be made available, cumulative to a maximum of three weeks and \$1,200.

Professional Ministry Expenses

Expenses for professional ministry should be reimbursed. These include books, periodicals, professional dues, entertaining, and hospitality costs incurred in performance of the duties of the staff position. Qualifying expenses must be substantiated by the employee or the money received becomes taxable income. Professional expenses are designated as such by the congregation and acknowledged by the IRS.

Non-Financial Compensation

Vacation Time

A minimum of two weeks vacation should be granted after one year of employment; three weeks after five years; and four weeks after 10 years of service.

Continuing Education

A minimum of one week of continuing education should be provided. Please note that participation in the annual Bishop's Theological Conference does not qualify for continuing education and that the Conference registration fee should not be taken from the continuing education budget.

Compensation Worksheet For Deacons

Building the Compensation Package			
This worksheet is designed to help congregations build a compensation package for deacons, using the synod's salary and compensation guidelines.			
Name			
	Current year	Guidelines	Proposed
SALARY			
Salary	\$	\$	\$
TOTAL SALARY	\$	\$	\$
BENEFITS			
ELCA Pension and Medical/Dental Plan ¹	\$	\$	\$
Social Security	\$	\$	\$
Other (e.g., medical expense reimbursement, additional retirement contribution)	\$	\$	\$
Other	\$	\$	\$
TOTAL BENEFITS	\$	\$	\$
REIMBURSED PROFESSIONAL EXPENSES			
Automobile	\$	\$	\$
Sabbatical	\$	\$	\$
Bishop's Theological Conference (Rostered only)	\$	\$	\$
Continuing education	\$	\$	\$
Professional ministry expenses	\$	\$	\$
Other	\$	\$	\$
TOTAL REIMBURSED PROFESSIONAL EXPENSES	\$	\$	\$
NON-FINANCIAL COMPENSATION			
Vacation (number of weeks)			
Continuing education (number of weeks)			
Other			

¹PORICO Benefit Services: 800-352-2876 or www.porticobenefits.org

Salary and Compensation Guidelines
For Lay Program Staff

Compensation

Salary

Salary for lay program staff is based on several considerations, including the number of years of experience, education, functions related to the context of the ministry, cost of living, and job experience. Those serving in part-time programmatic positions should receive pro-rated salary and benefits. The following information will assist you in determining a starting point for salary.

Years of Experience

The figures below are guidelines and are not intended to restrict a congregation in fairly compensating a staff member. The figures assume a bachelor's degree. For lay program staff without a bachelor's degree, adjust accordingly.

Years of Experience	
Graduate	\$41,090
1-5 Years	\$44,350- 46,670
6-10 Years	\$47,830- 52,050
11-15 Years	\$53,250- 56,550
16-20 Years	\$58,660- 62,880
21-25 Years	\$64,090- 68,310
26-30 Years	\$70,720- 73,730
31-35 Years	\$74,940- 79,140

Additional Education

- Add \$1,500 to \$3,000 for earned degrees beyond a bachelor's degree.
- An additional \$3,000 is recommended for a seminary degree leading to lay rostered status. Add \$200 to \$500 for certification in a specific area.

Supervisory Responsibilities

- \$500 for supervision of one staff member
- \$1,000 for supervision of 2-3 staff
- \$1,500 for supervision of 4+ staff

Ongoing Considerations

Cost of living is not an adequate adjustment when used alone. Each year also brings with it an additional year of experience. Using only cost of living adjustments year after year ignores the accumulating experience level and results in the employee gradually slipping below guidelines. Many congregations fell behind actual cost-of-living adjustments in recent years. For 2020, there is a cost of living adjustment in these guidelines of 2.0 percent. Congregations that have not provided increases on a regular basis should seek to catch up to guidelines as soon as possible.

Review of performance and changes in levels of responsibility should also be considered annually, and may warrant additional salary consideration.

Benefits

Social Security and Workers' Compensation

All congregations should provide Workers' Compensation coverage, since definite liability accrues to the congregation in case of accidental death or disability in conjunction with one's employment. Congregations are required to pay half of the Social Security taxes (7.65% of taxable income) for all lay employees and to file federal tax W2 forms for lay employees.

Retirement and Major Medical and Dental Benefits

The congregation should budget for and participate in the ELCA Pension and Other Benefits Plan for clergy and lay employees. The plan provides retirement, survivor, disability, and health (medical/hospital, prescription drug, dental, behavioral health) benefits.

Additional Retirement Contributions

One way to save for future retirement is to make salary reduction contributions to the ELCA Retirement Plan. To contribute to this plan, the member determines the amount and notifies PORTICO through their myPortico account. Portico then notifies the member's employer to begin withholding this amount from their salary. This is contributed as pre-tax money, so no federal income tax (10% +) or state income tax (6% +) is paid on the amount.

Medical Expense Reimbursement Plans

PORTICO Benefit Services health plan includes an optional flexible spending account (pre-tax dollars) for employers enrolled in the Platinum+ or Gold+ health plans. There is an optional health savings account for employers enrolled in the Silver+ or Bronze+ plan. For more information, go to the PORTICO Benefit Services website at www.porticobenefits.org

Paid Leaves

Maternity / Paternity

Paid leave of up to six weeks is recommended when a child is born or adopted.

Sick

Paid leave of up to six weeks and provision for partial disability thereafter as coordinated with the PORTICO Benefit Services is recommended.

Disability

In the case of disability due to an accident, illness, or surgery, the ELCA disability benefits begin after two months. A member must apply for disability benefits within six months of becoming disabled. Any period of disability—beginning date and length of disability—is based on an attending doctor's recommendation and by decision of PORTICO Benefit Services. It is presumed that the congregation will continue paying salary for the two months prior to the disability coverage. Unused vacation time and accumulated sick leave can be used in these months.

Reimbursed Professional Expenses

Automobile Allowance

The automobile allowance is considered as reimbursement for expenses and is not part of the employee's salary. An allowance of 58 cents per mile (IRS guideline beginning January 1, 2019) is recommended based on actual miles driven and reported by the employee.

Sabbaticals

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Continuing Education

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minimum of one week and \$400 be made available, cumulative to a maximum of three weeks and \$1,200.

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Expenses for professional ministry should be reimbursed. These include books, periodicals, professional dues, entertaining, and hospitality costs incurred in performance of the duties of the staff position. Qualifying expenses must be substantiated by the employee or the money received becomes taxable income. Professional expenses are designated as such by the congregation and acknowledged by the IRS.

Non-Financial Compensation

Vacation Time

A minimum of two weeks vacation should be granted after one year of employment; three weeks after five years; and four weeks after 10 years of service.

Continuing Education

A minimum of one week of continuing education should be provided. Please note that participation in the annual Bishop's Theological Conference does not qualify for continuing education and that the Conference registration fee should not be taken from the continuing education budget.

Compensation Worksheet For Lay Program Staff

Building the Compensation Package

This worksheet is designed to help congregations build a compensation package for deacons and lay programmatic staff, using the synod's salary and compensation guidelines.

Name			
	Current year	Guidelines	Proposed
SALARY			
Salary	\$	\$	\$
TOTAL SALARY	\$	\$	\$
BENEFITS			
ELCA Pension and Medical/Dental Plan ¹	\$	\$	\$
Social Security	\$	\$	\$
Other (e.g., medical expense reimbursement, additional retirement contribution)	\$	\$	\$
Other	\$	\$	\$
TOTAL BENEFITS	\$	\$	\$
REIMBURSED PROFESSIONAL EXPENSES			
Automobile	\$	\$	\$
Sabbatical	\$	\$	\$
Bishop's Theological Conference (Rostered only)	\$	\$	\$
Continuing education	\$	\$	\$
Professional ministry expenses	\$	\$	\$
Other	\$	\$	\$
TOTAL REIMBURSED PROFESSIONAL EXPENSES	\$	\$	\$
NON-FINANCIAL COMPENSATION			
Vacation (number of weeks)			
Continuing education (number of weeks)			
Other			

¹PORTECO Benefit Services: 800-352-2876 or www.portecobenefits.org

Salary and Compensation Guidelines
For Support Staff

Compensation

Salary

Of all congregation staff positions, this one varies more than any other in terms of education, skills, and responsibilities. Executive and specialized support positions can be compared to similar positions in other non-profit organizations. Those serving in part-time positions should receive pro-rated salary and benefits.

Years of Experience

The figures in the chart below are guidelines and are not intended to restrict a congregation in fairly compensating a staff member.

Years of Experience	
0-5 Years	\$29,170- 33,710
6-10 Years	\$34,830- 39,630
11-15 Years	\$40,940- 44,690
16-20 Years	\$46,860- 51,440
21-25 Years	\$52,770- 57,380
26-30 Years	\$58,690- 63,290
31-35 Years	\$64,620- 69,200

Ongoing Considerations

Cost of living is not an adequate adjustment when used alone. Each year also brings with it an additional year of experience. Using only cost of living adjustments year after year ignores the accumulating experience level and results in the employee gradually slipping below guidelines. Many congregations fell behind actual cost-of-living adjustments in recent years. For 2020, there is a cost of living adjustment in these guidelines of 2.0 percent. Congregations that have not provided increases on a regular basis should seek to catch up to guidelines as quickly as possible. **Review** of performance and changes in levels of responsibility should also be considered annually, and may warrant additional salary consideration.

Benefits

Social Security and Workers' Compensation

All congregations should provide Workers' Compensation coverage, since definite liability accrues to the congregation in case of accidental death or disability in conjunction with one's employment. Congregations are required to pay half of the Social Security taxes (7.65% of taxable income) for all lay employees and to file federal tax W2 forms for lay employees.

Retirement and Major Medical and Dental Benefits

The congregation should budget for and participate in the ELCA Pension and Other Benefits Plan for clergy and lay employees. The plan provides retirement, survivor, disability, and health (medical/hospital, prescription drug, dental, behavioral health) benefits.

Additional Retirement Contributions

One way to save for future retirement is to make salary reduction contributions to the ELCA Retirement Plan. To contribute to this plan, the member determines the amount and notifies PORTICO through their myPortico account. Portico then notifies the member's employer to begin withholding this amount from their salary. This is contributed as pre-tax money, so no federal income tax (10% +) or state income tax (6% +) is paid on the amount.

Medical Expense Reimbursement Plans

PORTICO Benefit Services health plan includes an optional flexible spending account (pre-tax dollars) for employers enrolled in the Platinum+ or Gold+ health plans. There is an optional health savings account for employers enrolled in the Silver + or Bronze+ plan. For more information, go to the PORTICO Benefit Services website at www.porticobenefits.org

Paid Leaves

Maternity / Paternity

Paid leave of up to six weeks is recommended when a child is born or adopted.

Sick

Paid sick leave of up to six weeks and provision for partial disability thereafter as coordinated with the PORTICO Benefit Services is recommended.

Disability

In the case of disability due to an accident, illness, or surgery, the ELCA disability benefits begin after two months. A member must apply for disability benefits within six months of becoming disabled. Any period of disability—beginning date and length of disability—is based on an attending doctor's recommendation and by decision of the PORTICO Benefit Services. It is

presumed that the congregation will continue paying salary for the two months prior to the disability coverage. Unused vacation time and accumulated sick leave can be used in these months.

Reimbursable Expenses

Automobile Allowance

The automobile allowance is considered as reimbursement for expenses and is not part of the employee's salary. An allowance of 58 cents per mile (IRS guideline beginning January 1, 2019) is recommended based on actual miles driven and reported by the employee.

Continuing Education

Congregations should encourage support staff to intentionally update and acquire new skills for their position. Therefore, it is recommended that each year a minimum of one week and \$400 be made available, cumulative to a maximum of three and \$1,200.

Non-Financial Compensation

Vacation Time

A minimum of two weeks' vacation should be granted after one year of employment; three weeks after five years; and four weeks after 10 years of service.

Continuing Education

A minimum of one week of continuing education should be provided.

Compensation Worksheet For Support Staff

Building the Compensation Package

This worksheet is designed to help congregations build a compensation package for support staff, using the synod's salary and compensation guidelines.

Name

	Current year	Guidelines	Proposed
SALARY			
Salary	\$	\$	\$
TOTAL SALARY	\$	\$	\$
BENEFITS			
ELCA Pension and Medical/Dental Plan ¹	\$	\$	\$
Social Security	\$	\$	\$
Other (e.g., medical expense reimbursement, additional retirement contribution)	\$	\$	\$
Other	\$	\$	\$
TOTAL BENEFITS	\$	\$	\$
REIMBURSED EXPENSES			
Automobile	\$	\$	\$
Continuing education	\$	\$	\$
Other	\$	\$	\$
TOTAL REIMBURSED EXPENSES	\$	\$	\$
NON-FINANCIAL COMPENSATION			
Vacation (number of weeks)			
Continuing education (number of weeks)			
Other			

¹PORICO Benefit Services: 800-352-2876 or www.porticobenefits.org

Additional Resources

PORtICO Benefit Services

800 Marquette Ave., Ste. 1050
Minneapolis, MN 55402-2892
1-800-352-2876
www.porticobenefits.org

Specific link for sponsoring employers:
<https://employerlink.porticobenefits.org>

Clergy Financial Resources

11214 86th Avenue North
Maple Grove, MN 55369
763-425-8778
cfr@clergytaxnet.com
Web site: <http://www.clergytaxnet.com>