

# 2017 Salary and Compensation Guidelines for the Saint Paul Area Synod



The 2017 compensation guidelines are provided as a starting point for determining compensation for pastors, deacons and other staff in the Saint Paul Area Synod. However, these are only guidelines. They cannot possibly speak to all our congregations with their varying financial and personnel resources or expectations.

These guidelines emerge from ongoing review of current salaries, salaries paid in other denominations, Portico Benefit Services, the overall picture of compensation, and the ongoing work with congregations by synod staff. In determining some factors, comparisons with public school teachers and other professionals with comparable education and responsibility have been made. For 2017 the following items should be noted:

## **Important Information about 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, the Social Security Administration's COLA adjustment, and the COLA adjustments of other governmental agencies, an increase of 1.5 percent has been added to the 2016 salary figures for 2017. 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. Salary schedules in other organizations often refer to this as a "step" increase.

## **Stepping Up to Guidelines**

In addition, if your congregation's employees are paid below guidelines, a concerted effort should be made to increase their compensation to meet guidelines. This is an important issue unrelated 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 pages 3 and 4.

## **Portico Benefit Services**

We are all aware of the rising cost of providing health benefits for employees and their families. Estimates of the average 2017 rate of increase for U.S. employers range from 3% to 10%, while estimates for the Minnesota Health Insurance Exchange range from 36% up to 67%. The Synod recommends that congregations provide health benefits for all rostered leaders and other staff through Portico. Rate increases for Portico coverage is 5% for 2017 over all four options, Platinum+, Gold+, Silver+ and Bronze+.

When deciding what level of coverage is appropriate for your congregation, keep in mind that each level has different plan options which affect deductible amounts, out-of-pocket limits and co-pays. Consideration should also be given to the medical expense reimbursement plans that are available with each level. Flexible

spending accounts are available to employers enrolled in the Platinum+ and Gold+ plans while health savings accounts are available to employers enrolled in the Silver+ and Bronze+ plans. Each congregation needs to determine what combination of coverage and plan options best meets the needs of their clergy and staff while not exceeding the financial resources available.

Rostered leaders and staff in ELCA congregations are encouraged to see these health care investments as part of the overall compensation offered by a congregation.

The one percent discount on ELCA health contributions that was available in prior years for Mayo Clinic Health Assessment participation is no longer being offered to employers in 2017. In both 2015 and 2016, all eligible employers earned the discount so the decision was made to build the discount into the 5% contribution rate for 2017.

Check the Portico Benefit Services website at [www.porticobenefits.org](http://www.porticobenefits.org) for more information.

#### **Benefits to Eligible Same Gender Partners**

The 2009 Churchwide Assembly adopted the social statement *Human Sexuality: Gift and Trust* along with related ministry policies and implementing resolutions. In response to the resolution for changes to the ELCA Pension and Other Benefits program, Portico Benefit Services began enrolling eligible same gender partners in the ELCA benefits program as of May 1, 2010. For information, visit [www.porticobenefits.org](http://www.porticobenefits.org).

#### **For More Information**

If you have questions about how to use these guidelines, contact Greg Triplett, financial administrator for the Saint Paul Area Synod, at 651.224.4313 or [greg.triplett@spas-elca.org](mailto:greg.triplett@spas-elca.org).

**Bishop Patricia Lull**

# Salary and Compensation Guidelines For Ministers of Word & Sacrament (Clergy)

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## Compensation

### Salary and Housing

Clergy salary is based on several considerations—the number of years of experience, housing costs, 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	\$ 57,300
1-5 Years	58,590 – 66,430
6-10 Years	63,080 – 70,860
11-15 Years	67,560 – 75,380
16-20 Years	71,970 – 79,840
21-25 Years	76,460 – 84,710
26-30 Years	80,950 – 89,180
31-35 Years	85,420 – 93,670 +

### 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 page 4 for more detailed information concerning the IRS housing allowance for clergy.

### Additional Factors

Salary often is 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 pastoral staff serving a congregation with average worship attendance of 250 or more should receive an additional \$1,000 compensation to reflect the added demands placed upon him/her.

#### Supervisory Responsibilities for Program Staff

- \$1,500 for supervision of two or three program staff
- \$2,500 for supervision of four or more program staff

### **Additional Education**

- Add \$500 to \$1,500 for additional earned degrees beyond the Master of Divinity.
- Previous work experience prior to ordination. 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 ten 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 2017, there is a cost of living adjustment in these guidelines of 1.5 percent. Congregations that have not provided increases on a regular basis should seek to catch up to guidelines as soon as possible.
- Review of job 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 Saint Paul Area Synod, fewer than 10 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](http://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 account. The purpose of this account 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 of defined compensation, whichever is greater, should be placed into a housing equity account that accumulates interest in the pastor's name. The establishment of this account 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 furnishings allowance be provided. This is nontaxable income which must be used for household expenses. The church council must designate the furnishings allowance annually.

## Social Security and Medicare

All pastors are considered self-employed for Social Security purposes and therefore pay a self-employment tax of 15.3 percent of their income in 2017. 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 his/her 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 W-2 as taxable income.

**Note:** Portico Benefit Services webpage calculator offers to calculate a "Social Security tax allowance" which results in an allowance of about 6.8 percent. Visit [www.porticobenefits.org](http://www.porticobenefits.org) for the assumptions that explain why they use a lower figure.

## Federal Tax Forms for Clergy

Congregations should file federal tax W-2 forms for clergy, not the 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 copays 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 asks the employer to withhold that amount from his or her salary and remit it to the ELCA Retirement Plan. The contribution agreement forms are available from Portico Benefit Services or online at [www.porticobenefits.org](http://www.porticobenefits.org). This is contributed as pre-tax money, so no federal income tax (ten percent-plus) or state income tax (six percent-plus) 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 Plan

The Portico Benefit Services health plan includes an optional flexible spending account (pre-tax dollars) for employers enrolled in the Platinum+ and Gold+ health plans and an optional health savings account (pre-tax dollars) for employers enrolled in the Silver+ and Bronze+ health plans. For more information, visit Portico Benefit Services website at [www.porticobenefits.org](http://www.porticobenefits.org).

## **Paid Leaves**

### **Maternity/Paternity**

Paid maternity/paternity leave of up to six weeks is recommended when a child is born or adopted. Knowing that the early weeks are intense and stressful for parents, consideration should be given to granting additional leave if the congregation has the ability to do so.

### **Sick**

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

### **Disability**

In 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 benefit 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, if substantiated. An allowance of 54 cents per mile (IRS guideline beginning January 1, 2016) 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 six years of service in a current call, the Saint Paul 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.

### **Continuing Education**

Congregations should insist that their pastor(s) take time to intentionally update and acquire new skills, which is 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 and Definition of Compensation, Benefits, and Responsibilities of the Pastor” form prepared for your pastor on accepting the call and the information on page 6 that defines the expectations for continuing education.

## Pulpit Supply

The cost of pulpit supply in the pastor’s absence is borne by the congregation. In addition to mileage reimbursement of 54 cents per mile (IRS guideline beginning January 1, 2016) the following fees are recommended per Sunday for pastors from outside the membership of the congregation:

One service \$125.00

Two services \$150.00

Additional services \$25.00 each



# Compensation Worksheet For Clergy Who Own a Home

<b>Building the Compensation Package</b>			
This worksheet is designed to help congregations build a compensation package using the synod's salary and compensation guidelines for pastors.			
<b>NAME</b>			
	<b>Current Year</b>	<b>Guidelines</b>	<b>Proposed</b>
<b>SALARY AND HOUSING</b>			
Base Salary (including housing allowance)	\$	\$	\$
Social Security Reimbursement (7.65 %)	\$	\$	\$
<b>TOTAL SALARY AND HOUSING</b>	\$	\$	\$
<b>BENEFITS</b>			
ELCA Pension and Medical/Dental Plan <sup>1</sup>	\$	\$	\$
Other (e.g., medical expense reimbursement, additional retirement contribution, etc.)	\$	\$	\$
Other	\$	\$	\$
<b>TOTAL BENEFITS</b>	\$	\$	\$
<b>REIMBURSED PROFESSIONAL EXPENSES</b>			
Automobile	\$	\$	\$
Sabbatical	\$	\$	\$
Continuing Education	\$	\$	\$
Professional Ministry Expenses	\$	\$	\$
Other	\$	\$	\$
<b>TOTAL REIMBURSED PROFESSIONAL EXPENSES</b>	\$	\$	\$
<b>NON-FINANCIAL COMPENSATION</b>			
Vacation (Number of Weeks)			
Continuing Education (Number of Weeks)			
Other			

<sup>1</sup>Portico Benefit Services: 800-352-2876 or [www.porticobenefits.org](http://www.porticobenefits.org)





# Compensation Worksheet For Clergy Who Live in a Parsonage

<b>Building the Compensation Package</b>			
This worksheet is designed to help congregations build a compensation package using the synod's salary and compensation guidelines for pastors.			
NAME			
	Current Year	Guidelines	Proposed
<b>SALARY</b>			
Base Salary (and Furnishings Allowance)	\$	\$	\$
Social Security Reimbursement (7.65 %)	\$	\$	\$
<b>TOTAL SALARY</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>HOUSING EQUITY ACCOUNT</b>			
Housing Equity Account	\$	\$	\$
<b>TOTAL</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>BENEFITS</b>			
ELCA Pension and Medical/Dental Plan <sup>1</sup>	\$	\$	\$
Other (e.g., medical expense reimbursement, additional retirement contribution, etc.)	\$	\$	\$
Other	\$	\$	\$
<b>TOTAL BENEFITS</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>REIMBURSED PROFESSIONAL EXPENSES</b>			
Automobile	\$	\$	\$
Sabbatical	\$	\$	\$
Continuing Education	\$	\$	\$
Professional Ministry Expenses	\$	\$	\$
Other	\$	\$	\$
<b>TOTAL REIMBURSED PROFESSIONAL EXPENSES</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>NON-FINANCIAL COMPENSATION</b>			
Vacation (Number of Weeks)			
Continuing Education (Number of Weeks)			
Other			

<sup>1</sup>Portico Benefit Services: 800-352-2876 or [www.porticobenefits.org](http://www.porticobenefits.org)

# Salary and Compensation Guidelines For Ministers of Word & Service (Deacons)

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## Compensation

### Salary

At the 2016 Churchwide Assembly action was taken to create a single roster for Ministers of Word and Service, drawing together the former lay rosters for Associates in Ministry, Deaconesses and Diaconal Ministers. Beginning in January 2017, those who serve on this new roster will be called Deacons. This is a time of transition for those who serve in Word and Service ministries across the ELCA.

Looking forward with an eye to God's mission, deacons will play an increasingly active role in the life of all congregations, church institutions and community agencies. The following guidelines reflect that future in which deacons will have earned Master-level degrees at a seminary and completed supervised learning in an internship. As a congregation you may have called a person to serve as a Lay Rostered Minister on your staff who has a Bachelor's degree. For such persons you will also want to make reference to the recommended guidelines in the Lay Program Staff that follows this section. However, for those Ministers of Word and Service with a Master's degree from a seminary, we now propose these guidelines.

### Years of Experience

The figures in the chart below are guidelines and not intended to restrict a congregation in providing fair compensation. The figures assume a Master's degree from a seminary.

Years of Experience	
Graduate	\$ 48,710
1-5 Years	49,800 – 56,470
6-10 Years	53,620 – 60,230
11-15 Years	57,430 – 64,070
16-20 Years	61,170 – 67,860
21-25 Years	64,990 – 72,000
26-30 Years	68,810 – 75,800
31-35 Years	72,610 – 79,620 +

### Additional Education

Add \$200 to \$500 for certification in a specific area.

### Supervisory Responsibilities for Program Staff

- \$ 500 for supervision of one program staff
- \$1,000 for supervision of two or three program staff
- \$1,500 for supervision of four or more program staff

### Ongoing Considerations

- 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 W-2 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.

Support staff who work 20.0 hours or more per week should receive benefits commensurate with other staff. Congregations are encouraged to give \$100 a month toward medical expenses for persons working less than 20.0 hours.

### 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 asks the employer to withhold that amount from his or her salary and remit it to the ELCA Retirement Plan. The contribution agreement forms are available from Portico Benefit Services or online at [www.porticobenefits.org](http://www.porticobenefits.org). This is contributed as pre-tax money, so no federal income tax (ten percent-plus) or state income tax (six percent-plus) is paid on the amount.

### Medical Expense Reimbursement Plan

The Portico Benefit Services health plan includes an optional flexible spending account (pre-tax dollars) for employers enrolled in the Platinum+ and Gold+ health plans and an optional health savings account (pre-tax dollars) for employers enrolled in the Silver+ and Bronze+ health plans. For more information, visit Portico Benefit Services website at [www.porticobenefits.org](http://www.porticobenefits.org).

## Paid Leaves

### Maternity/Paternity

Paid maternity/paternity leave of up to six weeks is recommended when a child is born or adopted. Knowing that the early weeks are intense and stressful for parents, consideration should be given to granting additional leave if the congregation has the ability to do so.

### Sick

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

## Disability

In case of disability due to an accident, illness, or surgery the ELCA disability benefits begin after two months. Any period of disability—beginning date and length of disability—is based on a medical 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 benefit coverage. Unused vacation time and accumulated sick leave can be used in these two months.

## Reimbursable Expenses

### Automobile Allowance

The allowance is considered as reimbursement for expenses and not part of an employee’s salary. An allowance of 54 cents per mile (IRS guideline beginning January 1, 2016) is recommended based on actual miles driven and reported by the staff person.

### Sabbaticals

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

### Continuing Education

Congregations should insist that their deacon(s) take time to intentionally update and acquire new skills, which is 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 deacon 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

Professional expenses designated as such by the congregation and acknowledged by the IRS, such as books, periodicals, professional dues, entertaining, and hospitality costs incurred in performance of the duties of the support staff should be reimbursed by the congregation. It is the responsibility of the staff person to substantiate such expenses or reimbursement becomes taxable income.

## 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 deacon would work 48 full-time weeks and have four full-time weeks of vacation; a half-time deacon would work 48 half-weeks and receive four half-weeks of vacation, including four Sundays.

## **Continuing Education**

A minimum of two weeks should be provided. See the “Letter of Call and Definition of Compensation, Benefits, and Responsibilities of the Deacon” form prepared for your deacon on accepting the call and the information on page 12 that defines the expectations for continuing education.



# Compensation Worksheet For Ministers of Word & Service (Deacons)

## Building the Compensation Package

This worksheet is designed to help congregations build a compensation package using the synod's salary and compensation guidelines for rostered lay leaders and lay program staff.

NAME			
	Current Year	Guidelines	Proposed
<b>SALARY</b>			
Salary	\$	\$	\$
<b>TOTAL SALARY</b>	\$	\$	\$
<b>BENEFITS</b>			
ELCA Pension and Medical/Dental Plan <sup>1</sup>	\$	\$	\$
Social Security	\$	\$	\$
Other (e.g., medical expense reimbursement, additional retirement contribution, etc.)	\$	\$	\$
Other	\$	\$	\$
<b>TOTAL BENEFITS</b>	\$	\$	\$
<b>REIMBURSED PROFESSIONAL EXPENSES</b>			
Automobile	\$	\$	\$
Sabbatical	\$	\$	\$
Continuing Education	\$	\$	\$
Professional Ministry Expenses	\$	\$	\$
<b>TOTAL REIMBURSED PROFESSIONAL EXPENSES</b>	\$	\$	\$
<b>NON-FINANCIAL COMPENSATION</b>			
Vacation (Number of Weeks)			
Continuing Education (Number of Weeks)			
Other			

<sup>1</sup>Portico Benefit Services: 800-352-2876 or [www.porticobenefits.org](http://www.porticobenefits.org)

# Salary and Compensation Guidelines For Lay Program Staff

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## Compensation

### Salary

Salary for lay program staff is based on several considerations, including the number of years of experience, education, additional 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 information that follows will assist you in determining a starting point for salary.

### Years of Experience

The figures in the chart below are guidelines and not intended to restrict a congregation in providing fair compensation. The figures assume a bachelor's degree. For lay program staff without a bachelor's degree or with a master's degree, adjust the figures accordingly.

Years of Experience (with Bachelor's Degree)	
0-5 Years	\$ 37,850 – 42,70
6-10 Years	43,770 – 47,680
11-15 Years	48,740 – 52,640
16-20 Years	53,700 – 57,600
21-25 Years	58,680 – 62,580
26-30 Years	63,640 – 67,530
31-35 Years	66,410 – 72,420 +

### Additional Education

Add \$1,500 to \$3,000 for additional earned degrees beyond a bachelor's degree. Add \$200 to \$500 for certification in a specific area.

### Supervisory Responsibilities for Program Staff

- \$500 for supervision of one program staff
- \$1,000 for supervision of two or three program staff
- \$1,500 for supervision of four or more program 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 an employee gradually slipping below guidelines. Many congregations fell behind actual cost-of-living adjustments in recent years. For 2017, there is a cost of living adjustment in these guidelines of 1.5 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.

Support staff who work 20.0 hours or more per week should receive benefits commensurate with other staff. Congregations are encouraged to give \$100 a month toward medical expenses for persons working less than 20.0 hours.

### 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 asks the employer to withhold that amount from his or her salary and remit it to the ELCA Retirement Plan. The contribution agreement forms are available from Portico Benefit Services or online at [www.porticobenefits.org](http://www.porticobenefits.org). This is contributed as pre-tax money, so no federal income tax (10 percent-plus) or state income tax (six percent-plus) is paid on the amount.

### Medical Expense Reimbursement Plan

The Portico Benefit Services health plan includes an optional flexible spending account (pre-tax dollars) for employers enrolled in the Platinum+ and Gold+ health plans and an optional health savings account (pre-tax dollars) for employers enrolled in the Silver+ and Bronze+ health plans. For more information, visit Portico Benefit Services website at [www.porticobenefits.org](http://www.porticobenefits.org).

## Paid Leaves

### Maternity/Paternity

Paid maternity/paternity leave of up to six weeks is recommended when a child is born or adopted. Knowing that the early weeks are intense and stressful for parents, consideration should be given to granting additional leave if the congregation has the ability to do so.

### 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 case of disability due to an accident, illness, or surgery the ELCA disability benefits begin after two months. Any period of disability—beginning date and length of disability—is based on a medical 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 benefit coverage. Unused vacation time and accumulated sick leave can be used in these two months.

## Reimbursable Expenses

### Automobile Allowance

The allowance is considered as reimbursement for expenses and not part of an employee's salary. An allowance of 54 cents per mile (IRS guideline beginning January 1, 2016) is recommended based on actual miles driven and reported by the staff person.

### Sabbaticals

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

## Professional Ministry Expenses

Professional expenses designated as such by the congregation and acknowledged by the IRS, such as books, periodicals, professional dues, entertaining, and hospitality costs incurred in performance of the duties of the support staff should be reimbursed by the congregation. It is the responsibility of the staff person to substantiate such expenses or reimbursement becomes taxable income.

## Non-Financial Compensation

### Vacation Time

A minimum of two weeks vacation time after one year; three weeks after five years, and four weeks after ten years of service should be provided.

### Continuing Education

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



# Compensation Worksheet For Lay Program Staff

## Building the Compensation Package

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

NAME			
	Current Year	Guidelines	Proposed
<b>SALARY</b>			
Salary	\$	\$	\$
<b>TOTAL SALARY</b>	\$	\$	\$
<b>BENEFITS</b>			
ELCA Pension and Medical/Dental Plan <sup>1</sup>	\$	\$	\$
Social Security	\$	\$	\$
Other (e.g., medical expense reimbursement, additional retirement contribution, etc.)	\$	\$	\$
Other	\$	\$	\$
<b>TOTAL BENEFITS</b>	\$	\$	\$
<b>REIMBURSED PROFESSIONAL EXPENSES</b>			
Automobile	\$	\$	\$
Sabbatical	\$	\$	\$
Continuing Education	\$	\$	\$
Professional Ministry Expenses	\$	\$	\$
<b>TOTAL REIMBURSED PROFESSIONAL EXPENSES</b>	\$	\$	\$
<b>NON-FINANCIAL COMPENSATION</b>			
Vacation (Number of Weeks)			
Continuing Education (Number of Weeks)			
Other			

<sup>1</sup>Portico Benefit Services: 800-352-2876 or [www.porticobenefits.org](http://www.porticobenefits.org)

# Salary and Compensation Guidelines For Support Staff

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## Compensation

### Salary

Of all church staff positions, this category of employees is the most varied in education, experience, skills, and responsibilities. Executive level and specialized support positions may be compared to similar positions in other non-profit organizations. Persons serving in part-time positions should receive pro-rated salary and benefits.

### Years of Experience

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

Years of Experience	
0-5 Years	\$ 26,920 – 31,500
6-10 Years	32,310 – 36,870
11-15 Years	37,700 – 42,240
16-20 Years	43,130 – 47,670
21-25 Years	48,490 – 52,980
26-30 Years	53,930 – 58,420
31-35 Years	59,330 – 63,400 +

### 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 an employee gradually slipping below guidelines. Many congregations fell behind actual cost-of-living adjustments in recent years. For 2017, there is a cost of living adjustment in these guidelines of 1.5 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.

Support staff who work 20.0 hours or more per week should receive benefits commensurate with other staff. Congregations are encouraged to give \$100 a month toward medical expenses for persons working less than 20.0 hours.

## **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 asks the employer to withhold that amount from his or her salary and remit it to the ELCA Retirement Plan. The contribution agreement forms are available from Portico Benefit Services or online at [www.elcabop.org](http://www.elcabop.org). This is contributed as pre-tax money, so no federal income tax (10 percent-plus) or state income tax (six percent-plus) is paid on the amount.

## **Medical Expense Reimbursement Plan**

The Portico Benefit Services health plan includes an optional flexible spending account (pre-tax dollars) for employers enrolled in the Platinum+ and Gold+ health plans and an optional health savings account (pre-tax dollars) for employers enrolled in the Silver+ and Bronze+ health plans. For more information, visit Portico Benefit Services website at [www.porticobenefits.org](http://www.porticobenefits.org).

## **Paid Leaves**

### **Maternity/Paternity**

Paid maternity/paternity leave of up to six weeks is recommended when a child is born or adopted. Knowing that the early weeks are intense and stressful for parents, consideration should be given to granting additional leave if the congregation has the ability to do so.

### **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 case of disability due to an accident, illness, or surgery the ELCA disability benefits begin after two months. Any period of disability—beginning date and length of disability—is based on a medical 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 benefit coverage. Unused vacation time and accumulated sick leave can be used in these two months.

## Reimbursable Expenses

### Automobile Allowance

The allowance is considered as reimbursement for expenses and not part of an employee's salary. An allowance of 54 cents per mile (IRS guideline beginning January 1, 2016) is recommended based on actual miles driven and reported by the staff person.

### Continuing Education

Congregations should encourage support staff to intentionally update and acquire new skills for the position. This is essential for effective, ongoing ministry of the church. Therefore, it is recommended that a congregation provide a minimum of one week per year and \$400 annually for continuing education cumulative to a maximum of three weeks and \$1,200.

## Non-Financial Compensation

### Vacation Time

A minimum of two weeks vacation time after one year; three weeks after five years, and four weeks after ten years of service should be provided.

### 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 using the synod's salary and compensation guidelines for support staff.

NAME			
	Current Year	Guidelines	Proposed
<b>SALARY</b>			
Salary	\$	\$	\$
<b>TOTAL SALARY</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>BENEFITS</b>			
ELCA Pension and Medical/Dental Plan <sup>1</sup>	\$	\$	\$
Social Security	\$	\$	\$
Other (e.g., medical expense reimbursement, additional retirement contribution, etc.)	\$	\$	\$
Other	\$	\$	\$
<b>TOTAL BENEFITS</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>REIMBURSED PROFESSIONAL EXPENSES</b>			
Automobile	\$	\$	\$
Continuing Education	\$	\$	\$
<b>TOTAL REIMBURSED PROFESSIONAL EXPENSES</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>NON-FINANCIAL COMPENSATION</b>			
Vacation (Number of Weeks)			
Continuing Education (Number of Weeks)			
Other			

<sup>1</sup>Portico Benefit Services: 800-352-2876 or [www.porticobenefits.org](http://www.porticobenefits.org)

## Other Resources

### **Portico Benefit Services**

800 Marquette Ave., Suite 1050

Minneapolis, MN 55402-2892

800-352-2876

612-333-7651

[www.porticobenefits.org](http://www.porticobenefits.org)

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