



**Evangelical Lutheran Church in America**  
God's work. Our hands.

**2012**

**COMPENSATION  
AND  
BENEFITS  
GUIDELINES**

**for ROSTERED LAY LEADERS**

**Oregon Synod, ELCA      (503) 413-4191**

*Copies of this document can be downloaded from the synod website [www.oregonsynod.org](http://www.oregonsynod.org)*

*Click "Resources" → "forms and docs" → "benefits/guidelines"*



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Dear Partners in Ministry,

All my life I have been blessed by the hard work and integrity of rostered church leaders; that is, pastors, Diaconal Ministers, and other professional workers such as AIM's. In addition, church receptionists, secretaries, youth workers, and music workers have also helped guide my faith walk and been a joy to work with. I'm sure your experience has been the same. Many of us volunteer and gladly give our time for the work of the kingdom. Professional church workers are no different, but they also receive their livelihoods and support their families through the salary package that your congregation provides. I know it is the desire of all of us not only to support our rostered leaders and church workers equitably, but as the Church also to set an example of care and fairness to those who labor faithfully.

The Leadership Support Committee of the Oregon Synod provides this Compensation and Benefits Guidelines booklet to you each year. The intent is to be of service to you as we deal with salaries and other issues of compensation. We currently minister in a challenging financial climate. I know just pay is difficult for us as our members face declining or fixed incomes. The ELCA Board of Pensions is doing its best to offer comprehensive health care at a contained price.

Details about the Board of Pension's health-and-wholeness-centered plan are available at <https://www.elcabop.org>. As you offer this plan to your pastor, Diaconal Minister, or Associate in Ministry, please encourage your leaders to take advantage of the health-promoting, cost-reducing aspects of the plan. In addition, it is now possible to offer this plan to non-rostered employees, such as secretaries or youth workers.

Not all of us are used to thinking of our pastors, Diaconal Ministers, and AIM's as "professionals" when it comes to compensation. Yet, all of our leaders bring university and graduate-level gifts to ministry. This booklet is designed to help you find the proper level of care and support for these servants. In areas that are non-negotiable, such as health care and pension, formulas for payment are given. With respect to basic salary and other variable costs, suggested parameters are offered.

My prayers are with you all as we seek to recognize and keep our church workers whole, healthy, and fairly compensated. Our continual re-evaluation and work with these guidelines will continue.

Blessings,

Dave Brauer-Rieke, Bishop

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## Theological Forward

✦ These guidelines are established as a beginning point—*recommended minimum standards*—to enable our congregations and agencies throughout the Oregon Synod to support our rostered and non-rostered leaders with compensation packages that reflect a Christ-like relationship, which mutually honors both the health of the church and the health of our called leaders.

As churches and ministry agencies discern compensation for staff members, we remember the identity and calling that are ours in Jesus Christ. Compensation decisions should be made in such a way that:

- ✦ God's mission flourishes,
- ✦ Staff members are cherished as servants of God,
- ✦ A faithful partnership exists between church members and staffs, and
- ✦ All areas of the church's ministry thrive.

### Guideline Change for 2012

After careful consideration of the data available, such as the; Consumer Price Index, Cost of Living Adjustment designated by the Social Security Administration, and available economic forecasts as of August 31, 2011, and the fact that the last adjustment to the salary grid was made in 2009, the Oregon Synod Guidelines for Compensation for Clergy reflect an increase of 2%.

Note: To assist your process, we recommend you follow the steps outlined in Appendix A, B and C. Congregations that are challenged to meet the 2012 Guidelines are encouraged to consider some of the suggestions for creative compensation outlined in Appendix E.

## I. INTRODUCTION

The Oregon Synod Compensation and Benefit Guidelines are reviewed and updated annually by our *Guidelines Committee*, as a commissioned sub-committee of the Oregon Synod Leadership Support Committee. The Guidelines Committee is charged to faithfully produce and update these guidelines with standards and practices consistent with the other synods of the Evangelical Lutheran Church in America, for use throughout the Oregon Synod.

- The Oregon Synod guidelines are designed to provide an, updated, relevant, just, and equitable tool for our leaders, congregations, and the synod as a whole, taking into account the various factors of our diverse synod.
- The Guideline Committee seeks commitment from congregations, agencies, clergy, and rostered-leaders to follow the guidelines for the sake of the health of our servant leaders, congregations, and the Oregon Synod, remembering that these guidelines represent only minimum standards and amounts
- Within these guidelines, the committee strives to communicate as advocates so that:
  1. Congregations and their rostered leaders have support and specificity from a synod-wide resource in dealing with money, benefits, and related issues which leaders might otherwise find difficult to discuss, particularly in advocating for self.
  2. The Oregon Synod is consistent with the practices and standards of the Evangelical Lutheran Church in America.
  3. The Guidelines Committee

consists of lay members (majority) and clergy working in a team relationship with the synod staff, sharing and receiving feedback.

The Guideline Committee and Leadership Support Committee welcome your input as we strive to provide a useful document for congregations, agencies, rostered leaders, and staff members throughout the Oregon Synod.

*Any comments/suggestions for the next update should be submitted to the Synod Office prior to March 31, 2012.*

**Note:** For the purpose of this document, the term “rostered leader” refers to a person who is on the roster of lay leaders of the Evangelical Lutheran Church in America (including Associates in Ministry “AIMS” deaconesses, and diaconal ministers.) See Appendix G for descriptions.

## II. Ministry Reviews

Reviews of ministry are recommended whereby both the rostered person and the congregation are given the opportunity to identify positive accomplishments, areas of growth, and leadership needs of the congregation. Note that this enables the review to be a review of ministry and not a review of the person. Annual reviews should not coincide with budget preparation. Semi-annual reviews may also be helpful in setting an expected pattern of open communication for evaluating growth and needs.

## III. Process for Determining Compensation:

Congregations are encouraged to *plan ahead* for dialog and set procedures in advance for determining compensation levels, in order to avoid last-minute decision-making.

Therefore we recommend that congregations delegate to a particular group (for example, Personnel Committee, Executive Committee, Finance Committee or a sub-group of the

Church Council) the responsibility for making recommendations for congregational vote. Their responsibilities could be:

- to develop, review, and revise personnel policies for the congregation. A Sample Personnel Policy can be downloaded from the Oregon Synod webpage.
- to provide for regular (annual or bi-annual) evaluation of staff ministry (see part D “Ministry Reviews”)
- to meet annually with each staff member to discuss compensation needs and concerns
- to advocate with the budgeting body on behalf of the salary needs of each staff member

Any discussion about compensation should not simply entail “what can we afford” but should include issues of fairness and justice. Congregations and staffs are encouraged to consider all the elements in a compensation package (salary, pension, medical and dental, disability insurance, continuing education time and dollars, vacation, professional allowances, etc).

Please refer to [Appendix D](#) for pre-tax and other creative compensation possibilities.

## A. Salary Components

*“Defined Compensation” refers to monetary salary.*

The total of these figures is the basis for calculating many of the Benefits in section B.

1. **Salary:** As a starting point, please use the 2012 salary grid found in [Appendix B](#). In addition to the grid, we encourage you to also consider other factors when determining the base figure for salary. Possible variables should include:

- Merit
- Additional education and/or credentials
- Special skills
- Marketplace experience

- Responsibilities
- Cost of living in the local community

**NOTE:** The grid reflects years of experience, not necessarily years since certification or consecration. When calculating the years of experience for salary, relevant non-parish related degrees and experience may also be considered as “years of experience.”

## 2. Seminary Education Debt

**Assistance:** Many rostered leaders enter the ministry with significant seminary student loan debt which can take many years to repay. A great way to show your support and encourage your rostered leader is to consider an annual contribution toward educational debt reduction in your compensation package. Congregations are encouraged to take this circumstance into consideration when deciding where in salary range to place their rostered lay leader.

## B. Benefits

1. **Pension:** *The pension contribution guideline for Oregon is 12% of “Defined Compensation”.*

The pension amount is an important component of compensation and benefits. Down the road, it may be the single most important component for your rostered leader. Since 12% is a minimum guideline, congregations may choose to contribute at a higher level. This may be especially beneficial to second-career rostered persons beginning professional ministry at a later age. Increased pension contributions can serve as a creative stewardship idea for bonuses, merit raises, etc.

A chart describing the overall ELCA pension and benefits rate is included in [Appendix C](#).

2. **Medical & Dental:** The congregation/agency is responsible for paying a set percentage of its rostered leader’s “Defined Compensation” to the ELCA Board of Pensions for medical and dental benefits. The actual total of this percentage contribution

is determined by the “bundling” option selected by the rostered leader. For example: leader only; leader and spouse; or leader, spouse and children. A rostered leader may also “opt out” of medical and dental coverage through the ELCA Board of Pensions in the event the rostered leader’s spouse provides coverage through an employer based medical plan. In that case, the rostered person may negotiate to allocate those dollars to another portion of the total compensation package. Rostered couples CANNOT opt out of the medical plan.

**3. Disability, Survivor, and Retiree Support:** The cost of these benefits is a set percentage of “Defined Compensation” for all members of the Board of Pension Plan. *Members may not “opt out” of this portion.*

*Member Services Department Board of Pensions, ELCA, 800 Marquette Avenue, Suite 1050, Minneapolis, MN 55402 1-800-ELCA-876.*

**4. Vacation:** In addition to job related stressors, rostered leaders—regardless of their age or length of service—are frequently challenged to set aside adequate family time, especially given their inability to take weekend time off. Holidays, like Easter and Christmas, that are normally spent immersed in the gift of family and friends are work days for most rostered leaders. This reality can increase stress on the rostered leader and his/her family. As a result, vacation time is an essential priority. For this reason, the minimum recommended annual vacation time is four weeks, including four Sundays.

Rostered leaders are strongly encouraged to take all their vacation time each year for their own health and the ultimate health of the congregation and agencies. However, congregation personnel policies should provide flexibility for circumstances that necessitate carrying over unused vacation time. Congregations may use the ELCA policy as a guide: “A maximum of 10 days vacation time

*may be ‘carried-over’ from one year to the next. No more than 10 days of additional vacation time may ever be retained.”* A congregation’s personnel policies may also allow for a greater carry-over of unused vacation time in unusual circumstances.

**Note:** Time spent in outdoor ministries, retreats, etc. with congregational members *as part of the leader’s job-related activity* should not be considered vacation time.

**5. Holidays:** Holidays should be granted as days off in addition to vacation days. When the services of the rostered leader are required on recognized holidays, time off with pay should be granted at another time which causes minimal disruption to the congregation. According to ELCA churchwide policy, the following days are traditionally considered paid holidays: New Year’s Day, Martin Luther King Day, Good Friday or Easter Monday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

**6. Days Off:** Rostered leaders should receive and take *two days off per week*. This should be time away from the office, free from all professional church responsibilities (including meetings). During this time, the rostered leader should be available only in the event of an emergency.

**7. Parental Leave:** It is recommended that congregations develop a clear written policy relating to parental leave and include parental leave on the Letter of Call or Employment Agreement. Parental leave with full salary, housing, and benefits for a minimum of six weeks is appropriate when a child is born or adopted. We ask congregations to be creative and flexible in implementing this important coverage.

**8. Personal Days Away:** Congregations are encouraged to provide up to fourteen personal days per year. This time is *only to be used as necessary* for the following reasons:

a. Sick Days. Rostered leaders should be allowed to take personal sick days as well as use sick leave to care for immediate family members when ill. Vacation and continuing ed. time should not be jeopardized by this.

b. Emergency Family Leave: It is recommend that congregational personnel policies allow negotiation of unpaid leave after paid leave is used, in the event that rostered leaders require additional time with family during critical times.

c. Extended Medical Leave: Congregation should develop clear written policy relating to extended medical leave and short-term disability. Such a policy might include allowing rostered persons to use sick leave to care for immediate family members who are ill.

9. **Disability:** If a rostered leader becomes disabled as a direct result of injury or physical or mental disorder and is unable to perform the duties of his/her occupation, the ELCA Board of Pensions expects the employing congregation or institution to pay full salary and benefits during the first two months of disability. Beginning with the third month of disability, the Board of Pension picks up 66 2/3% of pre-disability pay. Congregations should be aware that if their rostered leader is working part-time or below guidelines and becomes disabled, the disability income would be based on that lower salary figure.

**NOTE:** If lay rostered leaders have opted out of US Federal Social Security, they are also not eligible for SSI income in the event of disability.

## E. Expenses Supporting Ministry

### 1. Auto Allowance/Auto Expense Reimbursement

Transportation is an essential ministry tool for lay rostered leaders. Auto expenses and other work-related travel are considered a business expense for the congregation and are not included as salary. An appropriate place for this line item in the church budget is under church operating expenses. Auto allowances should be sufficient to cover all parish-related expenses including depreciation. Expenses for automobiles may be handled in one of the following ways. Regardless of the option used, the rostered leader must keep complete records of automobile expenses, professional miles driven and personal miles driven.

a. The rostered leader owns his/her own car and is reimbursed for actual documented expenses at a specific rate per mile. Congregations are advised to keep current with the IRS mileage allowance. (Contact the IRS at 1-800-829-1040.) Auto expense reimbursement is not considered taxable income.

b. The rostered leader owns his/her car and the congregation pays a determined car allowance as detailed in the church budget. This auto allowance is considered taxable income. Actual expenses, if documented, can be deducted on IRS Form 2106 (Employee Business Expense).

c. Congregations purchase or lease a car and assume the total auto expense (insurance, tolls, parking fees, and maintenance and repair coverage including a credit card for fuel). The rostered leader, in order to comply with tax regulations, would then be required to report personal use of the vehicle for tax purposes.

d. The rostered leader leases a vehicle and is reimbursed for actual documented expenses.

2. **Continuing Education:** *All rostered leaders of the ELCA are expected to complete at least 50 contact hours of continuing education annually. (One hour equals fifty minutes of class time or equivalent). Continuing education time and funding should*

be provided for the purpose of professional growth, self renewal, and updating of skills in order to strengthen ministries. Continuing education is separate from program development, vacation, Oregon Synod Assembly, and the annual Bishop's Convocation.

It is recommended that a minimum of two weeks (including up to two Sundays) and \$700 be granted annually for continuing education. The unused portion of a rostered person's annual continuing education leave or continuing education allowance may be accumulated over a period of no more than three years. Accumulating accounts may be established and managed through the Region 1 Financial Services Office. It is an expectation that rostered leaders will contribute an additional \$300 each year to their own continuing education.

Use of continuing education funds is granted by the congregation council or other appropriate authority. We strongly recommend that all congregations establish a policy to determine how accumulated continuing education time and money is to be dealt with when a rostered leader resigns. A recommendation follows:

*When a rostered leader resigns, he/she should receive payment for unused continuing education time, pro-rated for the amount of the budget year served.*

**3. First Call Theological Education:** Newly rostered pastors and lay leaders are required to participate in First Call Theological Education during the first three years of rostered service. The congregation should provide time and funds for participation in this program. An amount of \$300 per year is recommended, which is in addition to regular continuing education funds. The first call program may also extend to a "second call" if the lay rostered leader should accept another call during the initial three-year period.

**4. Sabbatical:** Congregations are strongly encouraged to establish a sabbatical policy for their rostered leaders. *In 2006 an Oregon Synod Sabbatical Guideline was established and is located in Appendix F.* We commend this model for your use, which recommends a sabbatical following each five consecutive years of service.

Sabbatical leaves have been shown to have tremendous benefit for both clergy and parish. However, adequate planning is necessary for successful implementation. We recommend that planning begin with the Letter of Call, so that congregation and lay rostered leader are both on board with expectations, and adequate time for planning is established. Advocacy for sabbatical should emerge from the Mutual Ministry Committee or a sub -group of the Council. For more information on developing a plan, see Appendix F.

**5. Conferences:** In addition to attending the annual Oregon Synod Assembly, rostered leaders are expected to attend the annual Bishop's Convocation. We encourage all congregations to include a budget line item separate from continuing education for the costs related to this meeting. Other meetings for professionals (for example, Region 1 Pastoral Conference, Professional Lay Staff Workers' Conference, and LENS Theological Conferences) may also be negotiated. These days away from the parish should not be considered vacation or continuing education. Spouses are invited to attend several of these conferences and congregations may consider covering their expenses as well.

**6. Professional Expenses:** It is recommended that professional expenses such as books, periodicals, professional dues, and other costs incurred in the performance of the duties of the office held by the rostered leader be shared or provided by the congregation.

**Note:** *If this is provided as a reimbursement plan, rather than as an allowance, it does not need to be reported to the IRS as income.*

**7. Worker's Compensation:** Oregon State law requires congregations to pay Worker's Compensation for clergy and all other staff employees.

**8. Unemployment Tax:** The State of Oregon requires congregations to pay unemployment insurance taxes on clergy and lay leaders like any other employer at a rate set by law; *or* reimburse the state Trust Fund for the state's share of regular benefits, additional benefits and one-half of extended benefits paid to former employees as unemployment insurance benefits. A third option is a special provision for nonprofits and is defined in the Oregon Statutes ORS 657.505(7)(d). It is an agreement between the congregation, a financial institution and the Oregon Employment Department to keep on deposit in a special account 2% of the previous 4 quarters payroll. Contact the Oregon Employment Department and reference ORS 657.505(7)(d) for more information. *Congregations are strongly encouraged to carry Unemployment Insurance, as those who have not and were faced with a claim have paid substantial sums to the State of Oregon as a result.*

## **F. Additional Considerations**

**1. Medical Expense Reimbursement Plan:** A congregation may reimburse its church professionals for deductibles not covered by the ELCA Board of Pensions Medical/Dental Plan. This is especially advantageous for those who cannot participate in the Managed Health Care benefits being offered by the Board of Pensions in larger metropolitan areas. At the beginning of the calendar year, an account can be established with a maximum amount that will be

reimbursed for medical expenses not covered by insurance. The reimbursements are tax-free in all respects, should not appear on a W-2, and are not considered part of Defined Compensation" when calculating medical/dental contributions to the ELCA plan. Congregations offering such a program must make them available to all full-time employees and the appropriate motions must be passed by the church council at its first meeting after the church's budget is passed. An accounting system must be established where the church employee submits vouchers and receipts for reimbursement.

**2. Military Leave:** A congregation/agency whose lay rostered leader serves simultaneously as chaplain in a military reserve unit must, by law, grant leave time for the lay rostered leader to fulfill his/her military obligations. (This same law applies to other employees who serve military reserve units.) Military leave is granted exclusive of vacation and continuing education. We recommend that each congregation develop explicit written policies covering compensation for employees while they are on military leave.

**3. Health Examination:** The synod encourages the congregation and the rostered leader to share the cost of regular health examinations. ELCA insurance may not cover the total cost of such physical examinations.

**4. Malpractice Insurance:** Malpractice insurance for church employees is usually included on congregational insurance plans. We recommend that you check the congregation's insurance to ensure that professional liability coverage is adequate for clergy and other staff, depending on the nature of their ministry and job description.

**5. Severance/Separation Pay:** It is

recommended that each congregation develop explicit written policies relating to severance compensation or separation pay for rostered leaders. This policy should define the situation and conditions under which such payment might be applicable, and the limits which would apply.

## G. Special Circumstances

1. **Rostered Couples:** Rostered couples are a unique and important gift to the church. However, it takes special coordination to ensure that the rostered couple do not over-work or become burned-out. When a rostered leader is *married* to a pastor or another lay rostered leader, it is even more difficult to get away from it all. That makes days off, vacation and boundaries particularly important. Some things to consider include:

a. Scheduling meetings: To the extent possible; the clergy couple should coordinate schedules so that they have time off together.

b. Days off: Time off should be scheduled to meet the needs of the clergy couple. For many, this means sharing the same day off.

c. Vacation: It is imperative that the Rostered Couple be encouraged and allowed to take their vacations together. When the Rostered Couple serve in the same parish, the question might arise: “What will we do if they’re *both* gone?” The answer: Provide a pulpit supply pastor, just as any other parish might do with a solo pastor who goes on vacation.

d. Boundaries: Although emergencies arise, lay rostered leaders and parishioners should plan to connect primarily during office hours, at meetings, or on Sundays, and honor evenings off and days off. Special consideration should be taken when a Couple

is called part-time, to ensure the part-time call is honored and doesn’t spill into full-time expectations.

e. Board of Pension Benefit: For sponsored couples (where **both** husband and wife are members of the ELCA Board of Pensions plans), each congregation or ELCA organization will be billed for the sponsored couple’s health plan coverage and receive a corresponding “sponsored couple” credit. The credit amount will be 40 to 50 percent of the health plan contribution, depending on the relative level of compensation provided both spouses.

5. **Part-Time Ministry:** For rostered leaders whose call is less than full-time, salary and benefits should be prorated accordingly and should meet at least the minimum guidelines.

For example, a part-time rostered leader working three days per week would still receive the recommended four weeks vacation. However, a “week” of vacation for this person would be the equivalent of three days off. Remember that part-time *calls* mean part-time *work*. Include clear expectations up front as to the specifics of what “part-time” will mean in your setting. As an issue of justice, neither the congregation nor the rostered person should place expectations of full-time work on a part-time call. We encourage situations that have as their intention to move from part-time ministry to full-time ministry (or vice versa) to include a “plan of evaluation and action” in their negotiations with a lay rostered leader. Please see Appendix D, sub-section “Calling a Part-Time Lay rostered leader” for more details.

## IV. Appendices A-I follows this text.

**APPENDIX A**  
**Planning Guide - Annual Compensation Review Steps\***

1. Start three months ahead of budgeting and organize materials. Find out what is happening for employees and retired members in your congregation and in your community. Ask for input from Council members, Personnel Committee members. Communicate this information for the congregation. Examine ministry annual review information to determine if any special merit or additional compensation should be considered. Based on the congregational calendar, this may be in advance of Synod guidelines updates for the upcoming year. Collect current year Synod guidelines and ELCA pension office information.
2. Review your congregation's compensation history. Specifically, look at the two prior years of compensation for rostered and lay employees. Compare with local congregations. Keep notes for following year.
3. Using current year information create several spreadsheet models or worksheets using data from your congregation. Review this information and discuss as necessary. For a new Call, these steps must be done before the Call is extended. The worksheets in these guidelines support this process for the Call Committee.
4. If Synod Guidelines are adjusted for the following year, review the guidelines and changes by the Board of Pensions. Healthcare coverage adjustments may be significant in a given year. Make adjustments to worksheets as needed. (Look at the changes based on experience step increase and salary increase, step increase only, step and merit or other non cash options.)
5. As budgets are being developed review information with Council for inclusion in budget. Review how this rostered compensation plan fits into the budget and anticipated ministry offerings for the coming year. Proposed compensation worksheet should be reviewed with your rostered lay leader(s). Housing allowance information should be reviewed so that approvals may be reached on this item for tax purposes.
6. Tell the congregation what to expect with rostered compensation changes before the annual meeting. Ensure that upcoming items such as a sabbatical in the following year are also communicated.
7. At the annual meeting, budgets are approved and all updates are provided for the Board of Pensions. The Board of Pensions provides an actual annual salary chart by Region in June of each year.

\*This is separate from a ministry review which is not done during the budgeting process.

## Appendix B Salary Grid

After careful consideration of the data available, such as the; Consumer Price Index, Cost of Living Adjustment designated by the Social Security Administration, and available economic forecasts as of August 31, 2011, and the fact that the last adjustment to the salary grid was made in 2009, the Oregon Synod Guidelines for Compensation for Clergy reflect an increase of 2%.

The grid reflects years of experience. Congregations are encouraged to consider directly relevant non-congregation experience and relevant additional education when calculating the “years of experience.” A good rule of thumb is 1 year of non-congregation experience = ½ year experience for the purpose of the grid. So, if your lay rostered leader has ten years of relevant experience, 5 years would be added to their steps on the salary grid.

**Keeping with changes initiated in 2011 the salary grid as changed from an annual step, to three year tiers. Within the three year tier, each range includes what would have been the low range for the first year and high range for the third year. Congregations are encouraged to increase the salary of each lay rostered leader annually within the range annually taking into consideration COLA, workload, merit, education, and experience.**

Years of Experience	2011 Recommended Salary Lay rostered leaders	2012 Recommended Salary Lay rostered leaders
0	31,850-41,405	32,487 to 42,233
1-3	32,742-44,982	33,397 to 45,882
4-6	35,570-48,867	36,281 to 49,844
7-9	38,642-53,088	39,415 to 54,150
10-12	41,980-57,673	42,820 to 58,826
13-15	45,606-62,654	46,518 to 63,907
16-18	49,545-68,066	50,536 to 69,427
19-21	53,825-69,000	54,902 to 70,380
22-24	56,444-69,000	57,573 to 70,380
25+	58,154-69,000	59,318 to 70,380

After careful review of the compensation guidelines for other ELCA synods, especially those in the Pacific and Southwest regions of the United States, Oregon Synod Guidelines for Lay Rostered Leaders, are comparable to the other synods of the ELCA.

**APPENDIX C**  
**2011**  
**Board of Pensions Contribution Rates**  
**The Oregon Synod guideline for pension contribution rate for clergy is 12%.**

Contribution Rates - Sponsored Members with ELCA-primary Coverage

**2012**

<b>Coverage</b>	<b>Rates<sup>1</sup></b>	<b>Monthly minimum</b>	<b>Monthly maximum</b>
<b>Health benefits</b>			
Member	12.50 %	\$508	\$687
Member and spouse or same-gender partner	21.90 %	\$890	\$1,203
Member and children	21.90 %	\$890	\$1,203
Member, spouse or same-gender partner, and children	31.40 %	\$1,271	\$1,719
Coverage waived	0.00 %	\$0	\$0
<b>Retirement</b>	10 - 12% <sup>2,3,4</sup>		
<b>Disability</b>	1.60 %		
<b>Survivor</b>	1.00 % <sup>5</sup>		
<b>Retiree support</b>	0.70 % <sup>6</sup>		

1. Rates are a percentage of defined compensation.
2. Contribution for employees of ELCA church institutions is 6% to 12% as determined by the institution.
3. Contribution for lay employees of ELCA congregations is 6% to 12% as determined by the congregation.
4. If a member participated in a predecessor plan on Dec. 31, 1987, was at least age 45 on that date, and has continuously been a sponsored member of an ELCA retirement plan since Jan. 1, 1988, the total employer retirement contribution must be at least 11%.
5. Survivor Benefits Plan contribution was reinstated in 2011.
6. Retiree support contribution helps provide health coverage during retirement for members who served one of the ELCA predecessor church bodies.

## APPENDIX D

### Creative Ways to Meet Synod Guidelines

All congregations are encouraged to faithfully meet the synod guidelines. We realize that some congregations may have greater difficulty doing this than others, particularly when forces beyond a congregation's control arise which make it difficult to keep pace with the year-to-year incremental salary increases prescribed in these guidelines.

We recommend that you consider ways to creatively “think outside of the box” relative to compensation choices that benefit both the church staff person and the congregation. It is important to work together with staff persons to come up with alternatives. Remember that the objective is to recognize and reward the faithful service of staff, both rostered and non-rostered, even during times when full incremental cash salary increases may seem unfeasible.

#### Calling a Part-Time Rostered Lay Leader

*As long as all parties agree to such an arrangement*, this may be the simplest solution to meeting salary guidelines and honoring rostered leaders while still maintaining a tight budget. For example, perhaps a congregation desires a full-time rostered lay leader for a call, and yet is only able to come up with a package that corresponds to 75% of the minimum guidelines. In this case, the congregation could offer a  $\frac{3}{4}$ -time call rather than a full-time call, and fully cover the synod guidelines by paying  $\frac{3}{4}$  of the minimum guidelines for a full-time position. The same could be done for a  $\frac{1}{2}$ -time position or any other position with a percentage less than full-time. *Details must be clear* during the call process.

This arrangement will only work if the time and workload is reduced proportionally to the reduction in compensation. For example, offering a  $\frac{3}{4}$ -time position and then expecting full-time work would be a dishonest arrangement and an injustice to the rostered leader. In arrangements such as these when the congregation is being supportive of the reduced workload and increased time off, it is also the responsibility of rostered leaders to maintain healthy boundaries and *not* work themselves into a full-time work-load. All parties should take mutual responsibility for this arrangement, set up clear expectations for time on and off for a typical week, communicate these expectations clearly with the congregation, and then serve as an advocate to abide by them.

#### Maximizing Housing Allowance

This has long been recognized as the best tax break offered to clergy who do not live in a church-owned parsonage. Reassessing the sum of the fair rental value, all utilities, insurance costs, fees, maintenance costs, and property taxes has often increased the amount designated from the church for this purpose. While housing allowance is considered part of "Defined Compensation" by the ELCA Board of Pensions, and is part of the base for calculating social security payments (SECA), it is not subject to federal and state income taxation. Note however that even if housing allowance is increased, only that amount which qualifies as *actual housing expense* will be able to be designated as housing allowance (rather than salary) when clergy pay taxes.

#### More Vacation Time

At various times of life, time may have more value than money. An increase of paid vacation time can be a potential non-monetary form of compensation.

## Appendix D (cont.)

A simple way of determining the monetary value of one week of vacation is to divide the guideline salary figure by 52.

### **Increased Pension Contributions**

These contributions actually save the church and rostered lay leaders money because (1) the sum of the contributions is not considered part of "Defined Compensation" and therefore does not figure into the cost of health insurance under the ELCA plan, and (2) the contributions are fully exempt from state and federal income tax and social security tax (SECA).

### **Deferred Compensation Plan**

Contribution to a tax-deferred annuity plan could help build additional retirement income for a church professional. An attorney or tax advisor must be consulted in drawing up such agreements.

### **Note: Potential Negative Effects on Retirement Income**

Several of the above strategies have a net effect of cutting congregations' total compensation costs by substituting different forms of compensation in place of straight "cash salaries." Several of these strategies also have a net effect of increasing after-tax income by reducing the amounts that are subject to state and federal income taxation and social security taxation (SECA).

Be aware, however, that with the exception of maximizing housing allowance, the above techniques also reduce the required amount that must be paid by the congregation to the Board of Pensions. This includes the pension portion of those payments. These same strategies also reduce survivor benefits from the ELCA Board of Pensions because survivor benefits are based on a percentage of "Defined Compensation" at the time of death.

With respect to survivor benefits, church professionals will have to assess the risk for themselves. With respect to the reduced pension contributions, *we strongly urge that congregations using any of these strategies restore the pension portion of payments made to the ELCA Board of Pension to the full amount based on guidelines figures regardless of the actual "Defined Compensation."* This prevents a potentially dramatic reduction in the future retirement income of a church professional who has helped his or her congregation reduce current expenses.

## APPENDIX E

### Church Personnel Policies

Church personnel policies are documents that outline procedures for various aspects of work life. We strongly encourage congregations to create and regularly update your personnel policy.

*Why?*

Having current personnel policies can avoid tremendous conflicts which may emerge anytime there are organizations with called or employed persons. Personnel policies foster clear expectations and clear written communication.

*Why not just wait until a problem arises?*

Developing personnel policies *before* a storm is good stewardship of our energy. It gives time for thoughtful reflection and intentional planning. If we wait until the midst of a crisis, we risk being more reactive, blaming, less resilient, and less flexible. Furthermore, it's simply much more complicated to try to set up procedures in the midst of a misunderstanding, rather than agreeing on clear expectations in advance.

*What does a personnel policy typically cover?*

Personnel policies can consider areas such as vacation, continuing education, grievance procedures, various forms of misconduct, procedures for dismissal, sick leave and disability considerations. Whereas rostered lay leaders have some dimensions of their work spelled out in the letter of call, many lay workers have the barest of job descriptions. Personnel policies can help bridge this gap and provide clarity and confidence. For information on developing personnel policies refer to the resource list in [Appendix H](#).

**APPENDIX F**  
**SABBATICAL GUIDELINES**  
**Oregon Synod Model Policy**

**INTRODUCTION:**

Sabbatical leave is a planned period of absence that has its roots in scripture and church tradition.

As a congregation, we expect our rostered lay leader(s) to feed the spiritual needs of our membership and the community. In turn, we must also allow the rostered lay leader opportunity for personal spiritual fulfillment. A sabbatical leave of absence provides an intentional time set apart for renewal, reflection, rest and reconnecting with the Holy Spirit.

Unlike vacation or regularly scheduled days off, a sabbatical allows the rostered lay leader to intentionally be away from regular and normal tasks in order to view ministry and mission from a new perspective, as a result of this extended time of focus.

The Evangelical Lutheran Church in America strongly encourages congregations to support the ministry renewal and enrichment of its rostered leaders. Sabbatical leaves for study and personal renewal have been shown to have tremendous benefit for both clergy and congregation. When long-term ministry is revitalized and stimulated, all parties benefit – rostered lay leader, staff, congregation, and the church-at-large.

**PURPOSE:**

It is the policy of [Church Name] to provide a sabbatical leave of absence for its rostered lay leader staff. This period of release from normal duties is intended to be used as a time of study, spiritual growth, reflection, and renewal.

**ELIGIBILITY:**

All rostered lay leaders who have served [Church Name] for a minimum of five consecutive years are eligible for sabbatical leave.

For rostered lay leaders involved in the First Call Theological Education Program, the five-year eligibility period begins upon completion of that program.

**FREQUENCY AND LENGTH:**

A sabbatical may be taken no more than once every five years for a duration of (see note below), including the two continuing education weeks normally granted. Vacation should not be included as sabbatical time. If the requested period of leave is not consecutive, the remainder must be taken within one year of the initial start date.

*Note: 12 weeks is considered a **minimum** norm for sabbatical in the Oregon Synod and no specific maximum duration is set. Some congregations and synods in our region offer up to 12 months as a guideline (ex: As of 2006, the Southwest Washington Synod offered 3 to 12 months; Eastern Washington/Idaho offered 2 to 9 months as a norm). Any specific duration beyond the Oregon minimum should be mutually determined and agreed to in the sabbatical covenant between congregation and rostered lay leader.*

## Appendix F (cont.)

### **COST TO THE CONGREGATION:**

The congregation will continue to pay full salary and benefits for the period of approved leave. Car allowance/mileage (a ministry expense) is normally not paid during sabbatical leave.

Accrued continuing education dollars can be used for the educational costs of the sabbatical. Continuing education dollars can only be carried over for three years.

The congregation will need to contract with an interim rostered lay leader to cover the duties of the rostered lay leader on leave. Expectations for interim coverage will need to be clearly defined by the Church Council to the synod office. Costs for the interim should be figured at the current rate for interims recommended by the synod.

A concerted effort should be made to have all interim sabbatical coverage and budgetary arrangements finalized by the Council at least three months prior to the intended start date.

The congregation is under no obligation to fund the sabbatical in any other way, but may assist as desired.

### **PLANNING THE SABBATICAL:**

At least one year prior to the proposed sabbatical, the rostered lay leader and the Mutual Ministry Committee\* or its equivalent will begin a joint development of the sabbatical plan, with the goal of enriching and enhancing the rostered lay leader's personal ministry while concurrently promoting the ministry of the congregation and the church-at-large.

At least six months prior to the proposed sabbatical, a designated representative from the Mutual Ministry Committee will attend a Church Council meeting to present the written proposal for sabbatical and to advocate on the rostered lay leader's behalf. After the Council has had an opportunity to review and discuss the plan, a vote will be taken for approval.

### **COMMITMENT FOLLOWING SABBATICAL:**

It is [Church Name's] expectation that the rostered lay leader will remain in his/her current position for at least a year following return from the last period of sabbatical leave.

Within a month after return from each period of leave, the rostered lay leader will submit a brief written report and evaluation of the sabbatical to the Church Council and Mutual Ministry Committee. This report should clearly and specifically identify the resulting benefit of the sabbatical to future rostered lay leader and congregational ministry at [Church Name]. A summary of the report will also be shared with the congregation.

*\*ROSTERED LAY LEADER AND PEOPLE – Making Mutual Ministry Work* , ©2003 Augsburg Fortress Publishing House, is an excellent compilation of insights on the mutual ministry relationship and its impact on every aspect of the life and ministry of the congregation (<http://www.augsburgfortress.org/>).

## APPENDIX F (cont.)

### SABBATICAL CHECKLIST

- Mutual Ministry supports and actively advocates [Church Name's] sabbatical leave policy.
- The eligible Rostered lay leader and the Mutual Ministry Committee jointly develop a sabbatical plan that will benefit the rostered lay leader's personal ministry and promote the congregation's overall vision and mission.
- At least six months prior to the requested start date, a designated representative from the Mutual Ministry Team presents a written proposal to the Church Council for discussion and approval.
- Council adjusts budget to allow for additional interim staff coverage.
  - Full time/Part time?
  - Regular office hours required?
  - Coverage for special rostered lay leader needs (crisis counseling, weddings, funerals)
- Council representatives partner with the synod office to identify an appropriate interim replacement.
- At least three months prior to the requested start date, all arrangements are in place and agreed upon by Council.
- The rostered lay leader taking the sabbatical makes all necessary arrangements for his/her course of study, travel, etc.

## APPENDIX G

### Descriptions of Lay Rostered Leaders

**Lay Rostered Leaders**, as the name suggests, are not “ordained” as clergy. Rather, they are commissioned or consecrated for ministry, set aside for service to the church and to the world. Lay rostered leaders serve in a variety of calls, as chaplains, administrators, synod staff members, educators, ministry coordinators, musicians, youth and family ministers, faculty and staff of colleges and seminaries, etc.

Lay Rostered Ministers serve so many varied calls that it is difficult to adequately define each as a category. However, the lay rostered community and the church as a whole are working on increased communication about lay rostered ministry, as well as standardization processes.

**Associate in Ministry (AIM)** is the title for all rostered lay members of the ELCA whom this church calls to specific programmatic ministries. The term “associate in ministry” refers to the inherited lay roster from the three predecessor church bodies which formed the ELCA and to those persons who are approved and commissioned according to the standards and procedures of the church to serve as ELCA Associates in Ministry. Those joining the roster today as an Associate in Ministry must have a B.A. degree in a field appropriate to the designated field of specialization (such as in education, music and the arts, administration, or a service-oriented profession), 20 additional semester credit hours (or the equivalent quarter hours) of foundational coursework in theological education, and a satisfactorily completed supervised field experience (minimum of 600 hours).

**Deaconess** With roots in 19<sup>th</sup> century Germany, the ELCA Deaconess Community is a community of women dedicated and committed to service of the church and to society.

**Diaconal Minister** Similar to the Deaconess Community, the diaconal minister roster was established in 1993 by the Division of Ministry and includes women and men who serve in various capacities with the purpose of connecting church and world.

Over half of deaconesses and diaconal ministers serve outside the parish, while ¾’s of all AIMS serve in congregational calls.

#### Sources:

[elca.org/lp/whoarewe.html](http://elca.org/lp/whoarewe.html) (from *Lutheran Partners*, “ELCA Rostered Lay Ministers”)

[elca.org/lp/diamin.html](http://elca.org/lp/diamin.html)      [elca.org/lp/deacones.html](http://elca.org/lp/deacones.html)      [elca.org/lp/aimin.html](http://elca.org/lp/aimin.html)

## APPENDIX H

### Resources

#### General

- ELCA, Oregon Synod (503-413-4191) [www.oregonsynod.org](http://www.oregonsynod.org)
- ELCA, National Headquarters (800-638-3522) [www.elca.org](http://www.elca.org)
- ELCA, Region 1 (800-755-5831) [www.elcaregion1.org](http://www.elcaregion1.org)  
*Congregational Treasurer's Handbook*
- Augsburg Fortress Publishing House (800-328-4648) [www.augsburgfortress.org](http://www.augsburgfortress.org)  
Congregational LEADER Series  
*Our Staff: Building Our Human Resources* by Trish Holford, 2002  
*Rostered lay leader and People: Making Mutual Ministry Work*, 2003
- Alban Institute (800-486-1318) [www.alban.org](http://www.alban.org)  
*The Alban Personnel Handbook for Congregations* by Erwin Berry, 1999  
*User Friendly Evaluation* by C. Jeff Woods, 1995  
*Evaluating Ministry* by Jill M. Hudson, 1992
- Oregon Synod Compensation Guidelines Committee – Rev. Mark Beatty (Chair)

#### Benefits/Taxation

- The Board of Pensions – ELCA, Member Services (800-352-2876) [www.elcabop.org](http://www.elcabop.org)  
*Minister's Guide for Income Tax* by Conrad Teitell, LL.B., LL.M.  
(free publication)
- Internal Revenue Service (800-829-1040) [www.irs.gov](http://www.irs.gov)  
*IRS Publication 517: Social Security and Other Information for Members of the Clergy and Religious Workers* [www.irs.gov/publications/p517/index.html](http://www.irs.gov/publications/p517/index.html)

#### Compensation Guidelines for Church Musicians

- American Guild of Organists [www.agohq.org](http://www.agohq.org)
- American Association of Lutheran Church Musicians [www.alcm.org](http://www.alcm.org)

## APPENDIX H (cont.)

### Life-Long Learning

- ELCA Resource Page [www.elca.org/dm/leadership/life.html](http://www.elca.org/dm/leadership/life.html)
- Alban Institute (800-486-1318) [www.alban.org](http://www.alban.org)  
*Clergy Renewal – Guide to Sabbatical Planning* by Bullock & Bruesehoff, 2000
- The Society for the Advancement of Continuing Education for Ministry (SACEM) [www.sacem.com](http://www.sacem.com)

### Stewardship of Life

- American Association of Rostered lay leaderal Counselors (AAPC) – (703-385-6967) [www.aapc.org](http://www.aapc.org)
- Consultation to Clergy (206-623-8193)
- Wellness Resource Page [www.elcaforwellness.org](http://www.elcaforwellness.org)

## APPENDIX I

### Frequently Asked Questions

#### **Benefits**

*What is included in rostered lay employee benefits?*

- All congregations in the ELCA are required to participate in the ELCA Board of Pensions. All congregations are to provide Medical, Dental, and Disability coverage for all rostered lay employees. The cost of this coverage is based on a percentage of staff member's defined compensation. Pension deposits are to be made in an amount equal to 12% of defined compensation for all rostered leaders.

#### **Time Off and Vacation Time**

*How many days a week should we expect lay rostered staff members to work?*

- Fulltime is typically 40 hours per week. However, depending on the roll of your lay rostered employee, member emergencies and congregational business often require them to work additional hours. In those cases, alternative time off must be provided.

*How many days off should be provided each week for lay employees?*

- Rostered and non-rostered Lay fulltime employee employees are to receive tow days off per week.
- Nine holidays are standard for all congregation clergy and staff members. In the event the ministry of the parish requires them to work on a designated holiday, an alternative additional day off is to be substituted.
- Sick time and/or Personal days are to be provided for all congregation clergy and staff persons. A minimum of 14 days per year is recommended. This time is only to be used as necessary for sick days, emergency family leave, or extended medical leave.

*How much vacation time is normal for lay church staffs?*

- Vacation time for Lay employees is subject to negotiation with the congregation. However, a minimum of two weeks of vacation time is normative. Continuing Education time should also be provided to church staff to enhance and expand their ministry skills.

#### **Sabbaticals** (see pages 14-16 and Appendix E for additional details)

*Is a sabbatical the same as a vacation?*

- No. A sabbatical is a special is a special time away from the regular responsibilities for day-to-day ministry to allow for rest, renewal, education, and spiritual renewal .

*How is a sabbatical financed?*

- During sabbatical periods, the congregation is to continue paying the full salary and benefit package to the rostered lay leader. Planning is the key for both the rostered lay leader and the congregation. It is recommended that the congregation set aside funds into a designated sabbatical fund each year to reduce or eliminate the financial impact during a sabbatical year. Sabbatical grants are available through the Lilly Foundation and other organizations to assist congregations in providing sabbatical leave for their rostered lay leaders and rostered lay staff.

**2011 Compensation & Benefits Worksheet  
Lay Rostered Leaders**

<b>Exempt and Non Exempt Employees</b>	2010	2011
<b>Base Salary</b> ___ Full time      ___ Part time		
-or-		
<b>Hourly Rate</b> <i># of hours</i> _____		
Social Security (FICA) Tax Paid – employer’s share		
ELCA Pension at ___% of Base Salary ( <i>12% min. guidelines</i> )		
ELCA Medical/Dental Plan at ___ % of Base Salary		
ELCA Disability, Survivor & Admin at _____% of Base Salary		
Other Insurance: _____		
<i>(Allowances and/or direct reimbursement, per congregational policy) (see pp .4-5 )</i>		
Auto Expenses		
Professional Expenses		
Conferences		
Worker’s Compensation		
Unemployment Tax		
Others as indicated:		
- _____		
- _____		
Vacation		
Continuing Education		
Parental Leave (if applicable – 6 weeks recommended)		
Personal days Away (sick, emergency leave, etc.)		
Other Considerations/ Benefits as noted:		
- _____		
- _____		