

*2011 - 2012*

# Indiana-Kentucky Synod

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MINIMUM STANDARDS FOR COMPENSATION

FOR

ELCA Associates in Ministry, Deaconesses, and Diaconal  
Ministers

(Standards for Clergy are provided separately.)

Approved by 2011 Indiana-Kentucky Synod Assembly  
June 3-5, 2011

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Revised 06/07/11

***Dear Friends in Christ Jesus,***

We're pleased to present to you the 2011-2012 Indiana-Kentucky Synod Compensation Standards for ELCA Associates in Ministry, Deaconesses, and Diaconal Ministers. We provide these for your use in determining just and honorable salary, benefits, allowances, and reimbursements for your professional staff. This is the best tool we have to enable you to make these decisions in a collaborative atmosphere with your co-workers in the gospel who give their lives to the ministry of Jesus Christ with you in your congregation.

Please use the standards in such a manner that there is good conversation between you and your rostered leaders. It is wise to begin these discussions in August in an open manner with your executive committee and each staff professional. These standards contain a process to assist discussion about issues relating to compensation. Further, these standards present charts and tools for you to calculate and determine compensation, as well as benefits, allowances, and reimbursements following established standards across the Evangelical Lutheran Church in America.

Professional leaders are strongly encouraged to take the initiative in this conversation with parish leaders since you are the ones who should understand your needs and desires. Don't expect your parish leaders to be mind readers. They're waiting for you to be a leader.

With regard to Cost of Living (COLA), please visit the Bureau of Labor Statistics website at [www.bls.gov](http://www.bls.gov). This is very helpful in finding the actual cost of living variances in your specific county. Also, visit the ELCA website ([www.elca.org](http://www.elca.org)) for further compensatory information; and the Board of Pensions website ([www.elcabop.org](http://www.elcabop.org)) for 2011 health benefits rate information which changes every calendar year on January 1 (these Standards contain the 2010 rate information).

If you desire assistance with any matter in this document, or have a question not addressed in the document, please do not hesitate to contact any of our committee members directly, or through the Indiana-Kentucky Synod office.

These Standards have been recommended by the Indiana-Kentucky Synod Council for approved by the 2010 Indiana-Kentucky Synod Assembly and are posted on the synod web site at [www.iksynod.org](http://www.iksynod.org). If you wish a hard copy mailed to you, please notify the synod office.

Please note that these are compensation standards for *associates in ministry, deaconesses, and diaconal ministers*. A separate guideline is provided for clergy.

***With joy in the Gospel of Jesus Christ,***

Jim Kuchera, Chair, Ron Haseley, Jim Swinford, Hope Moran, Bill Stover,  
Rudy Mueller, Synod staff liaison

# How to Plan Compensation with Your Rostered Leaders for 2011

Often one of the most difficult challenges in ministry is deriving a fair and equitable compensation for rostered leaders in your church. Generally this is not addressed until late in the process of preparing a new budget for the following year. This is a mistake since it often results in frustration for both the rostered leaders and those trying to make decisions with regard to salary, benefits, and reimbursements. The following standards should make this process pleasant and honest. Obviously, begin your process with prayer and end with prayer; and pray about it between meetings. Secondly, know that your pastor and lay rostered leaders are not 'hired', they are 'called' into ministry with you and thus you are dealing with a member of your church family and one who is called to work beside you, not in place of you.

**Communication:** It is extremely important that the pastor (and other rostered leaders) be involved in this planning from the beginning since they are the ones most affected by the final outcome. Realize that is often difficult to talk about money though it shouldn't be since it was Jesus himself who had many parables about money. Good communication can, and must, occur at each step of the process.

1. **Who should be in the planning process:** The rostered leaders, Council president and vice president, member of the Stewardship Committee, member of the Mutual Ministry Committee (If the congregation has one). This entire group is often called 'The Executive Committee'. These are the persons who can best assess the effectiveness of the leader and his/her own needs. More people present slows communication. These are closed meetings not open to the congregation, again to maintain high-level open, honest, and healthy communication.

2. **What areas should be explored:** There are two areas of discussion: effectiveness and need. Start with need, which is the current compensation each leader is receiving. Compensation of the leader is no secret because it's listed in the annual budget and/or annual report to the congregation. It includes the following areas: Basic salary, Benefits (including housing allowance/equity allowance in the case of church-owned parsonage), pension, continuing education, book allowance, social security offset), Reimbursements (Car allowance, other tangibles in your situation). Go through these step by step. Ask the leader at each juncture if they have any input that would be helpful to talk about. This seems laborious, but the value is obvious since only the rostered leader knows precisely how the current mix of salary, benefits and reimbursements affects her/him. In some cases your leader is below Synod established Minimum Compensation Standards. This needs to be discussed and remedied. Do this early in the process, preferably in early or mid August. You will discuss the next year's compensation 'mix' at your next meeting in two weeks. Take a lot of notes during the meeting, and share those written notes that week with members present at this meeting. This meeting should last about two hours.

3. **How to address effectiveness:** It's never a question of how hard a person works, but what gets done and is it effective. This is without doubt the most difficult area to quantify since ministry has on average over 280 known specific functions that a parish pastor must perform at one time or another (Source: "Organizing Around the Great Commission", author Don Abdon (I-K Synod pastor, retired). And, what one person might find as important, another doesn't, such as sitting with the family during a routine surgery of a loved one. Or, reading and preparation for sermons/meetings/teaching. Remember, much of what a pastor, or rostered lay leaders, does is often confidential. And, effectiveness is always a judgment call; it is subjective and, depending on each individual, often leads to completely different conclusions. It's been said that every pastor or rostered leader has as many bosses as there baptized members in the congregation. If that is true, then not all members will be satisfied with the ministry provided by and through the professional leader. Still others see the leader more as a chaplain, someone to take care of them and others in the congregation. Others see effectiveness based on the size of a growing budget and a growing

worship attendance.

Thus importance and effectiveness are linked together differently in each person's mind, and are difficult to separate though they are clearly not the same. Finally, who decides one's effectiveness? We believe it is the Church Council, not the general congregation nor the rostered leader who makes that decision. If the leader works well with his/her Church Council, you have an effective leader in your setting. Pastors and lay rostered persons are called to a **SHARED MINISTRY**. If there isn't any sharing going on, it's the pastor and lay rostered persons responsibility to make it happen. There are excellent resources available through the synod to assist you in determining the important functions of the pastor, and your own congregational constitution is a good place to start. Good notes should be taken during the meeting and shared with the rest of the group during that week in written form. This meeting should last two hours.

**4. How do we derive Total Compensation for the coming year?** After you have completed the previous steps of the process, bring the entire group together to put the pieces together. Start with effectiveness for that will help you determine whether you will meet Synod Professional Leaders Standards for the next year, or not. Review all the notes that were taken and talk about them for they will be the catalyst for 'filling in the blanks' of the Compensation Standards. Together, fill out the Compensation material and discuss each item, at length if necessary. Start with Basic Salary, and then move to each item: housing, continuing education, and book allowance; and then on to benefits and reimbursements. When this part of the process is completed, total it and then discuss it. Let your pastor/rostered leader take the initiative here because, once again, it is he/she that will be most affected by this decision. This meeting will last about two hours.

Hopefully, everyone will have had much time to pray about, think about, and discuss this very important part of your ministry. If you have questions, or need resource materials, again, do not hesitate to contact any member of the Professional Leaders Compensation Committee or Synod staff.

In shared ministry with you,  
Jim Kuchera, Jim Swinford, Ron Hasely, Hope Moran, Bill Stover, Rudy Mueller  
Compensation Committee

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# I. GENERAL INFORMATION

## COMPENSATION PACKAGES

There are two categories for determining the compensation package for an Associate in Ministry, Deaconess, or Diaconal Minister. Process 1 should be used for calculating the compensation package for a rostered person *currently under call*. Process 2 should be used in calculating the compensation package *during the Call Process*. Whichever process you use, the first step is to make yourself familiar with the information on pages 6-13.

## SALARY

*Salary* is that portion of the compensation provided to sustain the rostered leader who is called to carry out the Lord's work through the congregation. Salary does not include professional expenses or mileage reimbursements. Income from any other source and/or the income of a spouse should not be a consideration.

Other factors which are to be considered in establishing the salary package for Associates in Ministry, Deaconesses, and Diaconal Ministers include:

1. Level of education
2. Length and variety of experience\*
3. Certification by ELCA or predecessor bodies
4. Quality of performance
5. Job Description / Complexity of responsibility
6. Cost of living in a particular geographical area
7. Educational debt
8. Median income of the congregation and/or income of congregational members with comparable positions in the secular community
9. Length of time in the parish
10. Part time / Full time

\*Appropriate credit should be given for volunteer ministry experience, ministry experience in non-Lutheran settings, church agency employment or volunteer work, and non-ministry experience, particularly of second career candidates. Appropriate attention should be given to prior experience which, while not identical to the current position, has certainly helped to prepare the staff member for his or her current position.

Congregations should also consider educational debt load of first call candidates.

*Benefits* include insurance and pension benefits.

*Professional Reimbursements and Expenses* are the funds provided by the congregation to reimburse the rostered leader for expenses related to the necessary performance of his or her duties, including automobile mileage reimbursement, continuing education allowance, books and journals, etc. This is covered on a separate sheet following "Base Salary and Benefits."

*Housing.* Associates in Ministry, Deaconesses, and Diaconal Ministers are considered employees by the IRS for purposes of Social Security and income taxes, and require standard withholdings from their salaries. A standard W-2 is issued. Congregations are encouraged to consider costs of local housing in determining compensation for all staff members. Moreover, housing allowances or parsonages are typically not available for lay rostered leaders, and so the standards are based on the need for these people to provide their own housing.

However, a congregation ought to consider designating a portion of the salary as housing allowance for the lay rostered leader. The Congregation Council would have to pass a resolution to that effect. IRS Publication 517, the IRS states that “The church or organization that employs you must officially designate the payment as a housing allowance before the payment is made. A definite amount must be designated. The amount of the housing allowance cannot be determined at a later date.”

A sample resolution:

Resolved that of the total cash salary for the year 2\_\_\_\_, \$\_\_\_\_\_ is hereby designated as housing allowance.

Resolved that as long as \_\_\_\_\_ is called to be \_\_\_\_\_ the above amount of designated housing allowance shall apply to all future years until modified.

When it is time to pay income tax, it is important to note IRS Publication 517:

If you own your home and you receive as part of your salary a housing or rental allowance, you may exclude from gross income the smallest of:

- The amount actually used to provide a home,
- The amount officially designated as a rental allowance, or
- The fair rental value of the home, including furnishings, utilities, garage, etc.

You must include in gross income the amount of any rental allowance that is more than the smallest of:

- Your reasonable salary
- The fair rental value of the home plus utilities, or

The amount actually used to provide a home.

## PENSION AND HEALTH BENEFITS

ELCA associated employers and those recognized by the ELCA as eligible employers may sponsor their employees in the ELCA Pension and Other Benefits Program offered by the ELCA Board of Pensions. The program is available to all employees scheduled to work 20 or more hours per week for 6 or more consecutive months per year unless the staff member waives health insurance coverage by virtue of receiving coverage through a spouse's place of employment. In such cases the congregation or agency is encouraged to reimburse the staff member for any out-of-pocket premiums covered by the employee for such spousal coverage.

The **2011** required monthly contribution rates for the Indiana-Kentucky synod expressed as a percentage of defined compensation are as follows:\* (PLEASE NOTE BELOW THAT THESE ARE 2011 RATES)

	<b>Contribution Rate</b>	<b>Minimum Monthly</b>	<b>Maximum Monthly</b>
<b>Medical and Dental</b>			
Member only	12.4%	\$494	\$667
Member and spouse	21.6%	\$864	\$1,168
Member and children	21.6%	\$864	\$1,168
Member, spouse, and children	30.9%	\$1,234	\$1,669
Coverage waived	0.0%		
<b>Required Contributions</b>			
Disability and Survivor Plans	3.6%		
Retiree Support	0.7%		
Pension	12.0%		

Total contributions will range from 28.7% to 47.2% depending on the dependent medical benefits coverage elected. When a pastor waives coverage because of coverage through the insurance of a spouse, the congregation is strongly encouraged to provide a Health Reimbursement Allowance to cover co-pays, deductibles, and other medical expenses.

The ELCA benefits program contribution rates are a percentage of defined compensation. Defined compensation is base salary, before any pretax benefit contributions\*\* are deducted.

The synod recommends that congregations contribute the higher 12% retirement rate for Associates in Ministry, Deaconess, or Diaconal Ministers. Additional retirement contributions can be made by the employee (member pretax). If the employer chooses to make additional contributions from time to time, they can be included when paying the regular monthly bill by using the *Explanation of payment* included in the monthly billing statement. See *Understanding your bill* at [www.elcabop.org](http://www.elcabop.org).

ELCA-primary health benefits include a personal wellness account offering financial rewards of up to \$300 per year to members (and spouses). The ELCA Flexible Benefits Plan is also available to employees who are sponsored in the ELCA benefits program and receiving ELCA-primary health benefits. "ELCA-primary health benefits" does not include Medicare. (Those on Medicare may register for a personal wellness account, but are not eligible to receive the financial rewards.) See [www.elcabop.org](http://www.elcabop.org) for more information.

**\*NOTE: The 2012 rates were not yet available when this document was prepared. Please check with the Board of Pensions to be sure that the amounts your congregation or agency is using are current.**

\*\*Pretax benefit contributions include member pretax contributions to the Retirement Plan or another eligible retirement plan. They also include pretax contributions to qualified reimbursement accounts for health care, dependent care or transportation expenses.

## HEALTH REIMBURSEMENT ARRANGEMENT (HRA)

For many years congregations have reimbursed staff members for medical expenses which were not eligible for reimbursement by an insurance plan. The IRS has recently introduced a phrase to describe this procedure: Health Reimbursement Arrangement (HRA). Under such an arrangement, congregations may make reimbursements to pastors for expenses not eligible for reimbursement by any other plan.

The following is a list of important details concerning the HRA:

- An HRA is established under Section 105 of the Internal revenue Code. It is not the same as cafeteria plans or Medical Savings Accounts. IRS guidance is provided in Revenue Ruling 2002-41.
- The HRA is not a salary reduction plan, it must be solely paid for by the congregation.
- The coverage period is generally for 12 months, but may be less.
- The congregation must establish the maximum amount that can be reimbursed during a coverage period. At the end of the period, any unused portion of this amount is carried forward to increase the reimbursable amount available for the next period.
- Reimbursements cannot be made for medical expense incurred before the plan was put into effect, nor before the pastor becomes part of an HRA.
- Any out of pocket expenses for the pastor, spouse and dependents that are allowed by the IRS Publication 502 are reimbursable under an HRA.
- Substantiation must be provided for all medical care items submitted.
- If the plan is self-insured, it is subject to *non-discrimination*.
- Implementation of a HRA requires only the adoption of a resolution and funding provided solely by the employer.

With a properly documented plan, reimbursements are not subject to federal, state, and perhaps local income tax, and are not subject to social security taxes, resulting in a sizable tax savings.

Contact the Synod office for samples of language and enrollment forms.

## **SICK LEAVE, DISABILITY, WORKERS' COMPENSATION**

Sick leave of up to six weeks per year with full salary and benefits should be provided by the congregation when needed. This is not accumulated and should not be abused. This is not an entitlement.

Paid "family leave" of up to six weeks is standard practice when a child is born or adopted. The number of weeks of leave before and after the birth should be specified in advance and in mutual discussion with the staff member. Similarly, paid 'family leave' of up to six weeks also should be available to care for a sick family member such as a spouse, child, parent, or sibling.

Should a participating member of the Health and Pension Plan suffer a physical, nervous, or emotional disorder resulting in disability, the participant is covered by four types of benefits:

1. **Salary Continuation**

During the first two months of disability, full salary coverage is provided by the congregation or agency

2. **Monthly Benefits:**

Beginning with the third month of disability, the member receives a monthly benefit equal to 2/3 of the monthly average compensation on which contributions were paid during the 12-month period preceding the disablement. Benefits continue until recovery or age 65 when retirement pension begins.

3. **Supplemental Benefits**

At the time of death, or age 65, a supplemental pension payment equal to the additional amount that would have been paid under the pension plan if required contributions had been paid during the disability, will be paid to the member of survivor.

4. **Medical, Dental, and Survivor Benefits Coverage**

During disability, the member or the member's employer pays the plan contributions for the first two months. After the first two months, contributions are covered by the plan to age 65.

Congregations and agencies are required by Indiana and Kentucky state law to secure Workers' Compensation on all staff to provide for such expenses in the event of disability.

## OTHER BENEFITS

### *Weekly time off*

Congregations should ensure that their Associate in Ministry/Deaconess/Diaconal Minister has two full days off per week. The weekly schedule (days/hours) may be negotiated as necessary. For the well-being of the staff member and the health of the congregation, the staff member should not exceed 50 hours work in a week.

### *Vacation*

It has been customary to provide a minimum of four weeks vacation (28 days) per year, including four Sundays, for all rostered staff. An additional week of vacation should be granted after 15 years of service in the ministry, another week after 25 years in the ministry. Continuing education time is not to be regarded as vacation.

Congregations in which an Associate in Ministry/Deaconess/Diaconal Minister has served for an extended period of time should consider additional vacation time. All costs and procurement of supply ministries during vacation times, including Sunday, are the responsibility of the congregation.

### *Holidays*

Because of the nature of their professional responsibilities, staff members are frequently unable to take advantage of three-day weekends and other holidays such as Christmas, Easter, etc. Generally, 9-11 total holidays should be granted, plus three floating personal days at the discretion of the Church Council. Consideration should be given, and the staff member encouraged, to take days off another time during the week to compensate for these holidays. This should not be counted as vacation time.

### *Continuing Education / Sabbatical Leave*

The purpose of continuing education is to strengthen the professional for more effective service. The ELCA expects a minimum of 25 contact hours annually in organized continuing education. These experiences are to be with colleagues and under responsible sponsorship, capable directors, and qualified instructors.

The congregation is encouraged to establish a fund to which it annually contributes a minimum of \$700, with an Associate in Ministry /Deaconess/Diaconal Minister contributing a minimum of \$300, for a total of \$1,000. Any money which an Associate in Ministry /Deaconess/Diaconal Minister contributes to the fund belongs to the pastor and may accumulate over a period of years. If the Associate in Ministry/Deaconess/Diaconal Minister resigns the call, any money contributed by the Associate in Ministry /Deaconess/Diaconal Minister but not used returns to the Associate in Ministry /Deaconess/Diaconal Minister. This money would be used for registration, course materials, travel and housing while the person pursues approved continuing education. Financial assistance is available through the Indiana-Kentucky Synod Leadership Support Committee.

Continuing education may range from a single day seminar to enrollment in a formal program at an educational institution. First Call candidates are expected to participate in **First Call Theological Education**; documents outlining this program are available through the Synod office. The ELCA call form presently provides for a minimum of two weeks of continuing education annually, cumulative up to three years. It is recommended that the professional staff member attend the annual Fall Professional Leaders Conference offered each year in the Indiana-Kentucky Synod.

Congregations should offer their Associate in Ministry/Deaconess/Diaconal Minister **sabbatical** leave time for spiritual and personal renewal which may be a maximum of eight weeks after four years or twelve weeks after six years in a congregation. Such sabbatical time should normally be offered at either of these intervals during a long term of service and should not preclude vacation time during the year in which the sabbatical leave is taken. The sabbatical should include an education emphasis. The request for sabbatical leave, along with the specific description and purpose of the leave, are to be submitted to and approved by the Church Council at least six months prior to the time the leave is to begin. Congregations might want to include in the budget and set aside funds each year toward that sabbatical so that its cost might be spread over several years.

During sabbatical leave, the congregation continues to provide normal compensation and pays for any congregational ministerial expenses related to the absence of the staff member. The staff member is responsible for expenses related to the sabbatical, such as additional living expense, tuition, books, and supplies. Supplemental funds are available from the synod to rostered leaders for these related expenses. Normal vacation time may be used to extend the sabbatical leave.

A report of the staff member's sabbatical activities is to be submitted to the church council, and a staff member taking a sabbatical is expected to continue to serve the congregation for a minimum of a year following the leave.

Continuing education and sabbatical leave time accrue to an individual during service in a single congregation. All accumulated educational time is forfeited with the acceptance of another position. Such educational time may not be used for vacation purposes, transferred to another rostered staff member, or exchanged for monetary reimbursement.

#### **SABBATICAL PLANNING FOR INTERIM MINISTERS**

Any Rostered Interim minister who has not yet retired and **has received accredited Interim Ministry Training**, shall be eligible for a sabbatical after four years [208 weeks] of contracted Interim service. As trained interim ministers, these leaders rarely accrue sufficient time in one congregation to qualify for a sabbatical. To remedy this, any congregation that has contracted with such an Interim, shall contribute 8/208 of the weekly compensation package specified in the contract. [8/208 represents the weekly contribution to an eight week sabbatical accrued after 208 weeks of service.] These funds shall be held in special accounts established by the Synod in each interim minister's name, and shall be held until the forty-eight months have been served. (Such contributions may be made weekly or monthly, by special arrangement with the synod bookkeeper.) Application to receive the funds and the sabbatical shall be made to the Synod Council, who shall collaborate with the Interim concerning content, timing, and reporting of the sabbatical.

## PROFESSIONAL EXPENSES AND REIMBURSEMENTS

### *Automobile Expense Reimbursement*

The expenses which professional leaders incur in driving an automobile while performing church business are not personal expenses, but rather costs incurred by the congregation in order for the staff member to perform ministry. As such, reimbursement for such costs should be fair, monthly, and complete, at 100% of the IRS standard mileage rate (See IRS Publication 463 for current rate). The AIM/Deaconess/Diaconal Minister is required to submit an accurate record of business miles driven to the congregation or employing agency.

### *Conference Expenses*

Your an Associate in Ministry/Deaconess/Diaconal Minister's attendance at official assemblies and conferences is a professional expense. **Attendance at the Annual Indiana-Kentucky Synod Assembly is constitutionally mandated** and expenses for registration, lodging meals, travel and other fees are the responsibility of the congregation. Attendance at other conferences should also be supported by the congregation or agency by payment of registration fees and other expenses.

Discuss with your rostered leader his/her anticipated expenses in connection with assemblies and conferences in the coming year.

Examples of other professional reimbursements are:

1. Books and journals;
2. Professional (professional dues, supplies, vestments, etc.); and
3. Professional liability insurance.
4. Cell phone
5. Mileage reimbursement (see above)

### *Moving Expenses*

At any time of change, the relocation and moving expenses of the AIM/Deaconess/Diaconal Minister are the responsibility of the calling congregation. Because of the liability involved, it is strongly recommended that the services of professional moving firms be secured.

**II. Process 1:  
ANNUAL REVIEW OF COMPENSATION FOR CURRENT ROSTERED LEADER**

- A. Compensation of each rostered leader (Associate in Ministry, Deaconess, or Diaconal Minister) shall be reviewed annually. This shall be done by the congregation's Executive Committee or Congregational Council, in the same manner as such reviews are conducted for ordained clergy in the congregation. Since the rostered staff member depends on the church council and congregation to provide adequately for his or her financial needs, this person requires an opportunity to discuss those needs in an open and supportive forum. Each rostered staff member shall participate in his/her compensation review and shall be encouraged to openly share their expectations. The Committee or Council can then make recommendations to the congregation for fair, honorable, and equitable compensation.
  
- B. Compensation adjustments shall include, but by no means be limited to or by:
  - 1. Base salary;
  - 2. Cost of living increase;
  - 3. Merit increase based on an evaluation of the performance of each rostered staff member;
  - 4. Incentive increase based upon new expectations of additional effort or responsibility; and,
  - 5. Health and Medical Benefit adjustments consistent with ELCA Board of Pensions standards.
  
- C. The congregational council shall be responsible for presenting the compensation budget with appropriate rationale to the annual meeting of the congregation.
  
- D. A member of the Compensation Standards Committee will be available for clarification of the process presented in this document. Contact may be made through the Synod Office.

## SALARY AND BENEFITS FOR ROSTERED LEADER UNDER CALL

Before beginning this section, be sure to read all sections in this booklet.

### Step 1:

Fill out the following chart for Associate in Ministry, Deaconess or Diaconal Minister under call.

Current salary	1. \$ _____
Cost of living increase [The recommended Cost of Living Adjustment (COLA) that includes food and energy is 2.7% (see <a href="http://www.bls.gov">www.bls.gov</a> for 2010 COLA statistics). The congregation also should take into consideration: a) the local cost of living, and b) any change in needs of the pastor and family.]	2. \$ _____
Merit increase*	3. \$ _____
Incentive increase (if applicable)**	4. \$ _____
Base Salary (add lines 1-4)	5. \$ _____

Step 2: Determine Portion Salary to designated as Housing (if applicable)

\$ \_\_\_\_\_

Step 3: Health and Pension

To determine the total contribution multiply Line 5 from above by BOP 20110 Contribution Rates (see page 9)

\$ \_\_\_\_\_

For 2012 rates, go to [www.elcabop.org](http://www.elcabop.org); or call 1-800-352-2876

Step 4: TOTAL COMPENSATION PLUS BENEFITS

\$ \_\_\_\_\_

Add Line 5 from Chart plus Step 3

Step 5: Go to page 21 for Professional Reimbursements and Expenses.

\* Merit Pay reflects exceptional effort in the previous year.

\*\* Incentive Pay reflects additional responsibilities anticipated in the coming year.

Merit and incentive increases should be revisited regularly and may be adjusted up or down.

**EXAMPLE OF DETERMINING SALARY AND BENEFITS  
FOR ROSTERED LEADER UNDER CALL**

For Associate in Ministry, with master’s degree, married with no children.

Step 1:

Current Salary		\$43,700
Cost of living increase		\$
[The recommended Cost of Living Adjustment (COLA) that includes food and energy is 2.7% (see <a href="http://www.bls.gov">www.bls.gov</a> for 2010 COLA statistics). The congregation also should take into consideration:		
a)	the local cost of living, and	
b)	any change in needs of the pastor and family.]	
Merit increase* (if applicable)		\$ _____
Incentive Pay** (if applicable)		(\$ 1,000)
If new adult Bible Study added in fall (This amount does not count in total until added in)		
Total		\$44,948

Step 2: Determine Portion Salary to designated as Housing (if applicable)

\$ \_\_\_\_\_

Step 3: Health and Pension

Medical and dental	21.6%	
Disability & retiree	4.3%	
Pension	<u>12%</u>	
Contribution	37.4% x \$44,948	\$17,036

Step 4: TOTAL Salary Plus Benefits \$61,983

Step 5: Go to page 20 for Professional Reimbursements and Expenses.

\* Merit Pay reflects exceptional effort in the previous year.

\*\* Incentive Pay reflects additional responsibilities anticipated in the coming year.

Merit and incentive increases should be revisited regularly and may be adjusted up or down.

### **III. Process 2:**

#### **CALLING A NEW ASSOCIATE IN MINISTRY, DEACONESS, OR DIACONAL MINISTER**

- A. When calling a new Associate in Ministry, Deaconess, or Diaconal Minister, care should be taken to have a healthy conversation about compensation. This shall be done by the Congregational Council as part of their interview with the candidate. The Council shall present to the candidate a compensation package based on these standards and invite the candidate's response. It is important to have an open and honest conversation now, as this will set the tone for future compensation conversations. The Council will recommend a package to the congregation that has been agreed upon by Council and the candidate. The compensation will be voted on by the congregation at the Call Meeting.
- B. Compensation shall include:
1. Salary
    1. Health and Medical Benefit adjustments consistent with ELCA Board of Pensions standards.
    2. Professional expenses, such as automobile and continuing education;
    3. Vacation and continuing education expenses.
- C. A member of the Compensation Standards Committee will be available for clarification of the process presented in this document. Contact may be made through the Synod Office.

**FOR USE IN THE CALL PROCESS:**

**MINIMUM BASE SALARY STANDARDS FOR**

**ASSOCIATES IN MINISTRY, DEACONESSES, AND DIACONAL MINISTERS**

Years of Experience	Minimum Salary Guideline:	
	w/ Bachelor's Degree	w/Master's Degree
0	34,500	38,200
1	35,100	38,800
2	35,700	39,400
3	36,300	40,000
4	36,900	40,600
5	37,500	41,200
6	38,100	41,800
7	38,700	42,400
8	39,300	43,000
9	39,900	43,600
10	40,500	44,200
11	41,100	44,800
12	41,700	45,400
13	42,300	46,000
14	42,900	46,600
15	43,500	47,200
16	44,100	47,800
17	44,700	48,400
18	45,300	49,000
19	45,900	49,600
20	46,500	50,200

After 20 years, add \$400 per year

**SALARY AND BENEFITS FOR  
ASSOCIATE IN MINISTRY, DEACONESS AND DIACONAL MINISTER**

Before beginning this section, be sure to read all sections in this booklet.

Step 1: Salary from chart on page 18 \$ \_\_\_\_\_

Step 2: Portion of salary to be designated for Housing (if applicable)

Step 3: Health and Pension \$ \_\_\_\_\_

See page 8 for BOP 2011 Contribution Rates.

Multiply Step 1 by contribution rates \$ \_\_\_\_\_

For 2012 rates, go to [www.elcabop.org](http://www.elcabop.org);

or call 1-800-352-2876

Step 4: TOTAL SALARY PLUS BENEFITS \$ \_\_\_\_\_

Add Step 1 plus Step 3

Step 5: Go to page 20 for Professional Reimbursements and Expenses.

**SALARY AND BENEFITS FOR ROSTERED LEADER IN CALL PROCESS**

Before beginning this section, be sure to read all sections in this booklet.

Diaconal minister, single, with 20 years experience, in congregation

Step 1: Salary from chart on page 18 \$46,500

Step 2: Portion of salary designated for housing (if applicable) \_\_\_\_\_

Step 2: Health and Pension

Medical and dental 12.4%

Disability & retiree 4.3%

Pension 12%

Contribution 28.7% x \$46,500 \$13,346

Step 3: TOTAL SALARY PLUS BENEFITS \$59,846

Step 4: Go to page 21 for Professional Reimbursements and Expenses.

**Professional Expenses and Reimbursements**

Continuing Education (Annual Minimum \$700 per year) (see page 11)	\$ _____
Books and Journals (see page 13)	\$ _____
Membership in Professional Organizations (see page 13)	\$ _____
Mileage Reimbursement (see page 13)	\$ _____
Other	\$ _____
<b>TOTAL PROFESSIONAL EXPENSES</b>	<b>\$ _____</b>

(These numbers should appear in the congregation’s annual budget in the same form as those provided to the congregation for ordained clergy.)

**If you have questions about or need clarification of anything in this document, please do not hesitate to contact the Indiana-Kentucky Synod office or one of the Compensation Standards Committee members for help. We are pleased to assist you in any way. Thank you for the opportunity to serve with you in ministry of the Gospel of our Lord and Savior Jesus Christ.**

## Leadership Support Standards for Continuing Education

- 1) A Continuing Education Covenant must be on file with the Synod office. This Covenant is renewable every seven years. There will be an attached letter from the Congregation Council  
or  
appropriate agency.
- 2) A Continuing education grants may be provided through the Leadership Support Committee to all rostered members of the Indiana-Kentucky Synod, ELCA.
- 3) Grants will normally not exceed the amount contributed by either the recipient or the congregation or appropriate agency. The fund will be shared in approximate increments of one-third. In the event of greater need exceptions may be made. If applicants exceed available funds, they will be available based on needs. (The earlier application is made in the year, the greater the opportunities to receive funding.)
- 4) Continuing education grants will be made for structured formal study programs directly related and beneficial to the applicant's ministry, excluding tours.
- 5) Assistance grant requests will be made in one of three areas:
  - a. Stollendorf Grants, not to exceed \$400.00 for the fiscal year (Feb. 1), for single event programs, such as conferences, seminars and workshops.
  - b. Leadership Grants, not to exceed \$500.00 annually, for the development of leadership skills through participation in a multi-year program of supervised study, such as a D.Min. program.
- 6) Grant requests will require the approval of the Leadership Support Committee. The approval process will be as follows:
  - a. Approval by a Synod Staff person and chair of the committee.
  - b. Review by the Leadership Support Committee.
  - c. The recipient, following the event, will submit a summary of the learning experience.
- 7) *Sabbatical Grants for Pastoral Leaders* (can include pastors, those on the Lay Roster, and those in specialized ministries) is a grant program of the Louisville Institute that provides funds up to \$15,000. Information can be found at [www.Louisville-Institute.org](http://www.Louisville-Institute.org), or in writing to The Louisville Institute, 1044 Alta Vista Road, Louisville, KY, 40205 502-895-3411.  
*Other grant resources* can be found at [www.centerforcongregations.org](http://www.centerforcongregations.org) and Life-Long Learning Opportunities at [www.elca.org/leadership/life](http://www.elca.org/leadership/life) or at [www.faithandwisdom.org](http://www.faithandwisdom.org)  
A Good planning resource book:  
Clergy Renewal: The Alban Guide to Sabbatical Planning, by A. Richard Bullock and Richard Bruesehoff The Alban Institute, Suite 1250 West, 7315 Wisconsin, Bethesda, MD 20814-3211

Curr. April 2006

Indiana-Kentucky Synod  
ELCA Continuing Education Form

**APPLICATION FOR FUNDS**

Name \_\_\_\_\_ Date of Application \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Telephone \_\_\_\_\_

**I WISH TO PARTICIPATE IN THIS OPPORTUNITY FOR CONTINUING EDUCATION**

Subject \_\_\_\_\_  
Agency / Institution \_\_\_\_\_  
Location \_\_\_\_\_ Date \_\_\_\_\_

I have this / these goal(s) in mind: \_\_\_\_\_  
\_\_\_\_\_

**CONTINUING EDUCATION FUNDING**

Congregational \$ \_\_\_\_\_ Rostered Leader \$ \_\_\_\_\_

How will these funds be used for the current year? \_\_\_\_\_  
\_\_\_\_\_

The total cost of this undertaking will be:

Commitments toward this cost are:

Tuition or Fee \$ \_\_\_\_\_  
Materials \$ \_\_\_\_\_  
Room and Board \$ \_\_\_\_\_  
Transportation \$ \_\_\_\_\_  
**TOTALS** \$ \_\_\_\_\_

Church Council or Congregation \$ \_\_\_\_\_  
Other (Identify) \$ \_\_\_\_\_  
Participant (my outlay) \$ \_\_\_\_\_  
\$ \_\_\_\_\_

**SUPPLEMENTAL FUNDS REQUESTED FROM THE SYNOD**

Stollendorf \$ \_\_\_\_\_ Leadership \$ \_\_\_\_\_

**SUPPLEMENTAL FUNDS RECEIVED FROM THE SYNOD TO DATE**

Year	Amount
20____	\$ _____
20____	\$ _____
20____	\$ _____
20____	\$ _____
<b>TOTAL</b>	<b>\$ _____</b>

DATE \_\_\_\_\_ ACTION TAKEN \_\_\_\_\_

PLEASE MAIL COMPLETED APPLICATION TO:

Indiana-Kentucky Synod, ELCA  
Leadership Support  
911 E 86<sup>th</sup> St Ste 200  
Indianapolis, IN 46240-1840  
317.253.3522