



2023 Compensation Development Workbook for Congregations

Minister of Word and Sacrament (Pastor)

Baseline Compensation approved at 35th Annual SPS Assembly.

For use October 1, 2023 – June 30, 2024

Actual annual compensation levels as well as other aspects of the total compensation package are best determined through the mutual conversation of congregational leaders and the pastor. If you would like assistance with these conversations, please contact the synod staff at 1-800-691-3207.

This workbook will automatically calculate formulas. To use this feature, open this document using Adobe Acrobat. A free version of this software can be obtained here <https://get.adobe.com/reader/>

PLEASE NOTE: The Sierra Pacific Synod cannot provide specific tax or legal advice to pastors, congregations, or specialized ministries. If you have questions about tax matters or legal issues, contact a qualified tax adviser or attorney who is knowledgeable about the unique tax and legal situations for pastors, congregations, and specialized ministries.

HOW TO ESTABLISH APPROPRIATE COMPENSATION

If our goal is to have clergy (pastors and deacons) who are effective leaders and developers in our congregations, it is essential that they are supported in compensation and benefits. Pastors are professionals. They bring to the church and specialized ministries their gifts, training, and personal resources. They should be compensated according to their education, ability, and responsibility. They should be able to provide for their own economic needs and those of their families as they serve the Church.

Also, a congregation or specialized ministry deserves to be served by its clergy in a manner consistent with the spirit and letter of the call. Mission, programs, and duty expectations must be clearly defined if pastors are to be held accountable for their service.

Each year, as a part of the budgeting process, a Congregation Council or appointed groups should review the compensation, benefits, and responsibilities for their pastor or deacon. This annual work must be marked by openness, honesty, and graciousness. Both the congregation and the pastor should articulate their needs clearly. Congregations may define their expectations for mission and ministry in the coming year and their standards and details of that work. The pastor may define their boundaries and needs for sustainable compensation and mutual support from the congregation. In addition to these annual reviews, a regular evaluation process of mutual accountability and adaptive changes should be established.

No covenants (however carefully crafted) can give congregations or pastors concise and simple answers to their ongoing mutual ministry. The ELCA document "Definitions of Compensation, Benefits, and Responsibilities for Ministers of Word and Sacrament Under Call" is a starting point for ongoing conversation. A regular evaluation process of mutual evaluation, accountability, support, and adaptive changes should be established. Moreover, while these guidelines may apply specifically to pastors, the same principals apply to all ministry professionals. Secretaries, musicians, administrators, youth ministers, custodians, choir directors, teachers, and other employees also deserve clear expectations, sustainable compensation, and ongoing mutual conversation.

PLEASE NOTE: The Sierra Pacific Synod cannot provide specific tax or legal advice to pastors, congregations, or specialized ministries. If you have questions about tax matters or legal issues, contact a qualified tax adviser or attorney who is knowledgeable about the unique tax and legal situations for pastors, congregations, and specialized ministries.

This workbook can help you:

- To establish an equitable, minimum level of compensation for your Pastor. given their levels of responsibility, experience, and education.
- To clarify the multiple types of expense for clergy and congregations as well as the ministry expectations of the clergy and congregation in their partnership.
- **To assist congregations and clergy in completing the ELCA's form: "Definitions of Compensation, Benefits, and Responsibilities for Ministers of Word and Sacrament Under Call" (attached at the end of this workbook)**

CALCULATING CLERGY COMPENSATION

BASELINE COMPENSATION

The Baseline Compensation amount is established each year by vote of the Synod Assembly. Baseline Compensation is determined annually by consulting both the California and the Western States Consumer Price Index (CPI). This number is not a direct correlation to any of the lines on the ELCA compensation worksheet but it will help us get there. This year, the annual baseline for clergy is set at \$63,484.0

LOCAL COST OF LIVING ADJUSTMENT

The Sierra Pacific Synod covers a large, economically diverse area with housing costs which vary widely. This cost-of-living adjustment to the base compensation is intended to acknowledge that diversity from one ministry site to another. We calculate 1% of the median home value in your congregation's neighborhood to find this number.

To adjust for the cost of living in your area visit <https://www.zillow.com/home-values/> and enter your church's zip code in the "compare" box at the bottom of the graph. Enter today's median home value that you find on the graph:

COMPENSATION MODIFIERS

As per most professional compensation systems, we acknowledge the value of acquired skills, wisdom, and experiences that can only come from actual ministry experience. We incentivize this to credit one point for each year of ordination. **Enter the number of years your clergy person has been ordained.**

Research has established that vibrant long-term rostered service is often associated with congregational vitality. We seek to reflect our shared valuing of healthy, long tenured ministers with this adjustment up to a maximum of 10 years. **Enter the number of years your clergy person has served in your congregation/site.**

Clergy people may bring previous career experience into their vocation. We seek to acknowledge the value of prior experience in relevant fields such as teaching, finance, counseling, administration, and social work. with this adjustment. **for every year your clergy person has been a professional in another field prior to their ordination, enter 0.5 points in this box (maximum 16).**

Lutherans have long expected that their rostered ministers be well-educated. This credit seeks to account for and encourage life-long learning for leadership. **If your clergy person has an MA, MTh, DMin, PhD, ThD, or STM put "5" in this box.**

We multiply these compensation modifiers by 2% of the baseline compensation (approximately \$1,337.00)

The sum of these numbers (baseline+ localized cost of living adjustment + compensation modifiers) as we've calculated them comprise the Base Cash Salary for the pastor. We will start with this number and now adjust for the housing and benefits unique to your congregation.

A.1. Base Cash Salary

HOUSING ALLOWANCE

Ordained ELCA ministers called to congregational or specialized ministries have the ability to exclude from federally taxable income that part of compensation that is used to provide a home (Internal Revenue Code section 107). Please remember that this is not an exclusion for income used in determining Social Security (or SECA) tax obligations. This exclusion is often referred to as "housing allowance."

What kind of expenses can be used when calculating the housing allowance exclusion?

- Mortgage or rent payments
- real estate taxes
- property insurance
- down payment on a home
- utilities
- furnishings & appliances (purchase & repair)
- remodeling & repairs
- yard maintenance & improvements

How much of a rostered minister's compensation can be used as the Housing Exclusion? Only the **lowest** of the following can be used when the rostered minister files their federal income tax return:

- The fair rental value of the home
- The amount actually spent to provide a home
- The amount officially designated as the housing allowance

If your congregation **DOES NOT** have a parsonage:

In conversation with the pastor, estimate how much of their salary will be used for their qualifying housing allowance expenses. Enter that number here:

A.2. Housing Allowance

A. 4. Put "N/A" or "0" in all the lines.

A.1. Base Cash Salary:

This is the new calculation for the Base Cash Salary (excluding the designated Housing Allowance).

MINISTRY-PROVIDED HOUSING : PARSONAGES

Please note: Portico Benefit Services provides an overview of tax issues for ordained ministers living in church-provided housing and a helpful worksheet at: <https://employerlink.porticobenefits.org/SupportCenter>

Many congregations own a house for the pastor to live in. Considering the cost of housing in many parts of our synod, this can often be an affordable option for ministry between pastor and congregation. If your congregation provides a house (a parsonage), the congregation can count the value of this housing as a portion of the Base Cash Salary. You can calculate this in ONE of three ways:

- The fair rental value of the home

- The amount actually spent to provide a home

- The amount officially designated as the housing allowance by the congregation

We recommend you choose the last option and designate the value of the parsonage as 1/3 of your pastor's base cash salary.

1/3 of your pastor's Base Cash Salary is

This is now your stated value of the parsonage and is an in-kind income to the pastor which does not incur FICA taxes.

On the ELCA Worksheet you will now see this reduced Base Cash Salary

However, as we move forward with calculations, do not forget that the value of the parsonage will still be added in to help us calculate benefits such as retirement contributions, Social Security payment allowance, and Housing Equity allowance.

Where a congregation provides a parsonage, the congregation should assume all costs for maintenance and utilities. The congregation may pay these costs directly or they may be set aside from the pastor's Base Cash Salary. Discuss with your pastor how you will pay for gas, water, electricity, garbage, internet service, appliances, and furnishings. If any numbers are entered into this box, they will be deducted from the Base Cash Salary so as to help the pastor avoid FICA tax on that income.

A.4.a. Utilities

A.4.b. Furnishings Allowance

While living in a parsonage has many advantages, it does not build home equity for retirement. If a parsonage is provided, the congregation is encouraged to provide the pastor an annuity for future housing needs. For this purpose, the congregation should make contributions to a housing equity account. Such plans are provided for by Portico. It is a tax deferred plan which delays the income tax due until the funds are actually withdrawn for use specifically for housing. It is recommended that these contributions total at least 3% of the defined compensation (salary + value of housing provided + utilities & furnishings allowance)

A.4.c. Housing Equity Allowance

When housing is provided for a clergy couple, a 30% housing allowance for each spouse must be included when calculating defined compensation for Portico Benefit Services. This will ensure sufficient retirement contributions are made to each spouse's account.

How is the housing allowance declared?

The amount of compensation that is designated as housing allowance is authorized by the Congregation Council and must be recorded as a vote of the council prior to the housing allowance being paid. We recommend a council motion being made at the end of each calendar year for the upcoming year. It is appropriate for the council to determine this amount in consultation with the pastor. Here is a sample motion that your council may use:

Designation of Housing and/or Furnishings Allowance by Congregation Council

Upon motion duly made and seconded, it was voted to designate \$_____ of the cash salary for 20____ to be paid to the Rev. _____ as a housing/furnishings allowance in response to the pastor's request and acknowledgement that the allowance so designated does not exceed the fair rental value of his/her home, furnished, plus the cost of utilities (or the fair rental value of the furnishings where a parsonage is provided). Therefore, cash salary shall be \$_____ and the housing allowance shall be \$_____.

HOUSING ALLOWANCE ON THE W-2

The housing allowance amount is always excluded from federal income. This means that the congregation or specialized ministry excludes this amount from Box 1 of the W-2. The amount will, however, be entered in Box 14 of the W-2, which is merely an information item. A rostered minister should always check with their own tax advisor for personal questions or concerns about the housing allowance or other tax issues.

SOCIAL SECURITY

Most rostered ministers are employees for federal income tax reporting purposes. This means that they should be completing a W4 for the congregation and be paid accordingly. However, rostered ministers are self-employed for social security purposes (with respect to services they perform in the exercise of their ministry).

This means that rostered ministers are subject to "FICA" taxes only on their cash salary. However, they are subject to "SECA" (social security / self-employment) taxes on all of their income (including their housing allowance or parsonage value) at the rate of 15.30%.

Since congregations are required to pay 7.65% of a lay employee's salary for social security benefits, it would be fair to pay this amount as a Social Security allowance for all or part of this tax expense to the pastor.

This allowance is calculated from the Base Cash Salary + Housing Allowance/Parsonage Value + Utilities and Furnishings. This allowance, if provided, is part of the taxable income for the rostered minister.

A.3. Self-employed Social Security payment allowance

ELCA PENSION AND OTHER BENEFITS PLAN

The congregation should provide for the pastor's participation in the Portico Benefits of the Evangelical Lutheran Church in America. This plan includes coverage for Retirement Pension Benefits, Medical and Dental Benefits, Disability Benefits, and Death Benefits for the pastor.

To calculate the benefits cost for your pastor with Portico Benefits Services, you will need to go to their website for sponsoring congregations (aka employers). [click here](#) or go to employerlink.porticobenefits.org

On that website, your congregation can calculate costs, establish an account with Portico, and receive guidance and help from the customer care representatives. Additionally, Portico Benefit Services serves Sierra Pacific Synod through their representative Andrea Arey. She can be reached at: aarey@porticobenefits.org or (949) 338-9573.

The Sierra Pacific Synod recommends that pastors receive an ELCA Pension contribution of at least 10% of their total defined compensation

Pastors have the option to waive health care coverage through this benefit provider if they are already receiving health care coverage through other means such as a spouse plan or other employer.

Coverage for dependents (spouses and children) is optional only to the extent that it is provided by the employer of the spouse. In other words, if coverage is not provided for dependents by another employer, the congregation is expected to provide coverage as part of the pastor's benefits package.

Remember, if a parsonage is provided, the Sierra Pacific Synod recommends a 3% contribution to a Housing Equity Retirement fund each year that the pastor is in the parsonage.

Portico Benefit Services provides a memorandum to members and congregational treasurers each year (usually in August or September, prior to the enrollment period) which outlines the percentage of defined compensation which will be required for each category of benefits for the following year.

EXPENSES

AUTOMOBILE & TRAVEL ALLOWANCE

Since the cost of operating an automobile or other vehicle car on ministry business is a business expense, the congregation is responsible for the costs associated with this expense. It is important to understand that the cost of operating an automobile is not compensation; it is merely reimbursement for the expenses of doing the ministry of the congregation or specialized ministry. This does not include commuting to and from home but would include use such as home visits, hospital visits, community meetings, and meetings of the greater church. The automobile reimbursement is an administrative expense of the ministry. The Synod's recommended manner of automobile expense reimbursement involves the ministry reimbursing the pastor for actual business miles traveled at \$0.58.5 (58.5 cents) per mile or based upon the current IRS automobile mileage allowance (www.irs.gov; search for "mileage rates"). For this reimbursement not to be considered as income, a record of mileage driven must be submitted for reimbursement.

Each congregation has varying amounts of travel required for the ministry of their congregation. However, our geographically large synod ensures that your pastor will at some point drive a fair distance to participate in a conference or synod shared ministry. For this reason we recommend an allocation of at least \$1,000.00 for automobile and travel allowance in your congregational budget.

OTHER PROFESSIONAL EXPENSES

An effective pastor is one that has the resources to do their job well. Your congregation or specialized ministry should provide for professional expenses incurred in the performance of the duties of the pastor. These expenses may be incidentals incurred in the course of public ministry or pastoral care. They may also be expenses related to professional events such as shared ministries with ELCA, eccumenical, or interfaith partners. Some expenses that might arise in the course of ministry are:

- hospitality in pastoral care and outreach
- visitation materials
- association dues
- periodicals and books

For all of these and other unknown expenses, we recommend \$500.00

OFFICIAL MEETINGS OF THE SYNOD

Your pastor is committed to assisting your congregation in their covenants with the greater church. To that end they will be attending conference meetings, synod assembly, and possibly other special meetings of the synod. Often, they do this with lay people from your congregation. Clergy should be reimbursed for the expenses associated with these meetings. However, as there is lay participation alongside the clergy these expenses are often already accounted for in other portions of your congregation budget.

CONTINUING EDUCATION

A minimum of 50 contact hours per year of continuing education is required of every pastor of the ELCA. This time should be considered as necessary for improving and building ministry – it is not vacation time.

Two weeks of continuing education time should be provided for pastors for updating skills and for professional growth, in order to strengthen their ministries. In addition, the ministry should budget at least \$1,000 per year to provide part of the cost for tuition, travel, and books. The pastor is expected to contribute at least \$200 annually for continuing education.

A contact hour is defined as a typical 50-minute classroom instructional session or the equivalent. Continuing education may be courses, seminary classes, workshops, or independent study (when directed toward a specific goal). Each year the pastor's continuing education plan should be developed in consultation with the Congregation Council or appropriate ministry team. It is expected that every pastor will have a completed Continuing Education Covenant with the congregation. If you need assistance in developing a Covenant, contact the Office of the Bishop. During the pastor's absence for continuing education, the congregation continues to pay salary and allowances, and is responsible for pulpit supply and other regular expenses for pastor services.

FIRST CALL THEOLOGICAL EDUCATION (FCTE)

New seminary graduates are required to participate in First Call Theological Education, which means they must take an additional 50 continuing education hours per year for the first three years of their ministry. The congregation that calls a new graduate will submit \$1200 annually to the Office of the Bishop for the cost of the program, as well as grant the pastor the time for the FCTE events each year.

PROFESSIONAL LEADERS' CONFERENCE

Each year the Sierra Pacific Synod organizes a gathering for the professional leaders of this synod called the Professional Leaders' Conference (PLC). Pastors who attend are able to become updated on congregational ministry and resources, make connections for future opportunities, strengthen ties between ministries of the Synod, and stay up-to-date on the latest developments of ministry in the Lutheran expression of the Christian Church.

For the continued strength and relevancy of your congregation in its covenants with the greater church, we highly recommend that you send your pastor to the annual PLC. The approximate cost for their participation is \$1,000.

MOVING EXPENSES

It is increasingly cost-prohibitive for clergy to move between congregations. If your pastor will be relocating to your city for their call to your congregation, the synod recommends that the congregation pay 50% - 100% of the cost of moving. This expense being paid in full by the congregation may serve as an incentive to clergy who are otherwise disinclined to take the financial risk of relocation.

AGREEMENTS

Policies for paid time off should be outlined in the congregation's handbook for all employees including the pastor. If your congregation does not have an employee handbook you can contact the synod staff at the beginning of this workbook for assistance. In situations of part-time ministry, additional unpaid time off may be arranged to allow the pastor to find other means of employment and income. In these cases, this may not be paid time off.

VACATION

A paid vacation of at least four weeks, including four Sundays (20 days total), should be granted to the pastor and the cost of pulpit supply for these absences shall be borne by the congregation. Time spent in outdoor ministries or retreats with congregational youth, adults, or family groups should not be considered as vacation time when it is part of the church program or a job-related activity. Congregations may wish to provide an additional 2 Sundays per year in order to allow pastors the opportunity to take a "3 day weekend." Vacation time should be granted in a lump sum at the beginning of each fiscal year and may carry over from year to year up to a maximum of four weeks total.

When a Federal Holiday falls on a pastor's regular day off, the pastor, in consultation with the Congregation Council, shall schedule additional time off during that pay period. This is often referred to as "comp time."

CONTINUING EDUCATION

Each pastor on the roster of Word and Sacrament Ministers must complete at least 50 contact hours of continuing education, annually. To allow the pastor sufficient time and space to complete these hours, maintain their credentials, and benefit the congregation, we recommend a minimum of 2 weeks, including 2 Sundays. This time does not include participation in the Professional Leaders' Conference or First Call Theological Education.

FIRST CALL THEOLOGICAL EDUCATION

In those congregations being served by a pastor in their first call, time for the mandatory First Call Theological Education program should be provided. This schedule is often shifting but will never occur on a Sunday. Scheduling for this requirement should be coordinated between pastor and congregation.

MUTUAL MINISTRY

As a way to foster a healthy ongoing relationship between pastor and congregation, the congregation may want to assemble a mutual ministry committee. Your congregation's constitution should have provisions for a mutual ministry committee. If your constitution does not include this provision, we recommend the Model Constitution for Congregations, found here.

DISABILITY & SICK LEAVE

In order to avoid painful and hardship situations, both for pastors and their families, and for the ministry of the congregation, it is recommended that each congregation develop an explicit written policy relating to disability. In case of disability, it is expected that the congregation will continue to pay full salary, housing and benefits contributions for the first 60 days of disability (2 months), until the disability benefits of the Portico Benefit Services Plan go into effect. Any period of disability (beginning date, length, and return to active duty) should be based on a physician's recommendation. Ministries may wish to consult with an insurance company to arrange coverage for the first 60 days at a minimal annual cost rather than being faced with major expenses should disability occur.

All Portico Benefit Services plans coordinate with the benefits of Social Security or other governmental benefits. Disability benefits for pastors who have chosen to opt out of Social Security would be reduced by the amount of benefits Social Security would have paid. During the first two months of a disability, the congregation provides full compensation. Beginning with the third month, a member of the Portico Benefits Plan is entitled to receive a monthly benefit equal to 66% of the member's defined compensation, minus any social security benefits to which the member may be entitled, and minus any other governmental disability program benefits payable to the member based on the disability. In general, the monthly benefits continue until the member recovers from the disability. However, if the member has not recovered by his or her 65th birthday, the monthly benefits will stop and pension benefits will begin.

During the first 2 months of disability, the congregation should be responsible for continuing to pay the monthly contribution to the Medical and Dental Benefits Plan and the Survivor Benefits Plan. If coverage has been continued during the first 2 months, then thereafter the Disability Benefits Plan will pay the cost of continued coverage under the Medical and Dental Benefits and Survivor Benefits Plans.

It is the responsibility of the congregation or specialized ministry to develop a sick leave policy. A suggested standard for all employees, including pastors, is to provide one (1) day of paid sick leave for each calendar month worked. Employees may be permitted to carry over sick leave up to a maximum of twenty-four (24) days.

FAMILY LEAVE

It is the responsibility of the congregation or specialized ministry to develop a family leave policy. Caring for children and parents is a high priority in our church and therefore, for our pastors. Paid leave of 12 weeks is recommended when a child is born or placed in the home for adoption. A paid leave of 3 weeks is recommended to care for an immediate family member with a serious health condition. Upon a death within the pastor's family, a paid leave of up to 3 weeks is recommended. When the specified leave period is exhausted, an unpaid leave of absence may be granted.

OTHER PROVISIONS

Equally as important as naming the compensation and benefits of the pastor are naming the responsibilities of the pastor and the congregation. Our strongest recommendation is for congregation and pastor to discuss and come to a mutual agreement on the emphasis of the pastor and encouragement and support of the congregation.

When filling out the ELCA Worksheet for the first time in a new call, guidance for these provisions may be found in the congregation's Ministry Site Profile. The sections about "Goals," "Purpose," or "Mission" might inform the provisions. However, it is recommend to be specific and realistic about emphasis for one year at a time.

Additionally, the encouragement and support of the congregation may be drawn from the pastor's needs, or the congregation's goals and purpose as discussed in the Ministry Site Profile. These provisions describe the way in which the congregation will join the pastor as partners in ministry.

Annual mutual assessment and evaluation between pastor and congregation would ideally take place all year round. However, this document, if completed each year in the annual budget cycle, can also serve as a starting point for mutual evaluation prior to the year ahead.

OTHER MATTERS

As a part of the pastor's call in each congregation's constitution they promise to "impart knowledge of this church and its wider community through available channels of communication" and " encourage adherence to covenantal relationship with this church as an expressed in the *Constitution, Bylaws, and Continuing Resolutions of the Evangelical Lutheran Church in America.*"

To this end, your pastor will be involved in volunteer service on synod committees, projects, or task forces; or in service with partner ministries of the synod and ELCA. If it is known how the pastor will specifically be involved in these parts of their call, it may be prudent to list them here for clarity and transparency.

There could also be other expectations or provisions in the relationship between pastor and congregation that you may want to describe in this section of the ELCA's "Definitions of Compensation...."

SABBATICAL LEAVE

From time to time, a pastor may desire an extended period for in-depth study, rest and rejuvenation, or personal growth. The following guidelines are suggested to assist pastors and ministries in the consideration of sabbatical leaves:

- Pastors and ministries contemplating sabbatical leaves should consult with the Bishop or an Assistant to the Bishop early in the process.
- Sabbatical leaves are intended for in-depth study or personal growth related to the regular call of the pastor, and should include time for personal and familial reflection. Sabbatical leaves will normally be for a period of not less than three months and not more than twelve months.
- Pastors who have a minimum of seven years of active service, and who have served their current call or appointment for five or more years, may present proposals for sabbatical leaves.
- A proposal should include:
 - a. A rationale for the sabbatical, including personal goals and potential value for the ministry.
 - b. A detailed outline of the intended courses of study and use of time.
 - c. An outline of the financial implications of the sabbatical.
 - d. An indication of the use of vacation time during the sabbatical. At least one-half of the period normally granted as annual vacation leave shall be so designated in sabbatical leaves of 3-6 months. Sabbatical leaves of 7-12 months should include the entire annual vacation.
- Realizing that the congregation will be without the services of its pastor during the sabbatical, the pastor should seek the counsel and consent of the Office of the Bishop before finalizing the agreement. In addition, the Office of the Bishop may be a valuable resource in identifying available pastors to provide pastoral services during the time of the sabbatical.
- Proposals for sabbatical leaves should be presented to the Congregation Council or other governing body not less than six months prior to the beginning of the leave. Careful consideration should be given to all aspects of the proposal and implications for the ministry and the pastor.
- Normally, the financial considerations for the sabbatical should be negotiated by the pastor and the ministry. It is suggested, however, that salary, housing allowance and the ELCA Pension and Other Benefits Plan be maintained at the current level, with the pastor assuming responsibility for all other expenses.
- When a sabbatical leave is granted, the pastor should normally agree to serve the ministry for a minimum of two years following the completion of the leave. Within six weeks of the completion of the sabbatical leave, the pastor should present to the ministry and the Office of the Bishop a detailed reflection on the experiences of the leave.

Definition of Compensation, Benefits, And Responsibilities for Ministers of Word and Sacrament Under Call

Prepared by _____

for the Reverend _____

for the period: _____ to _____

A. COMPENSATION

The congregation will provide the following annual compensation:

- | | |
|---|----------|
| 1. Base Cash Salary | \$ _____ |
| 2. Housing Allowance (<i>if provided</i>) | \$ _____ |
| 3. Self-employed Social Security payment allowance (<i>if provided</i>) | \$ _____ |
| 4. If a parsonage or other housing is provided: | |
| a. Utilities allowance | \$ _____ |
| b. Furnishings allowance | \$ _____ |
| c. Housing equity allowance | \$ _____ |

B. PENSION AND OTHER BENEFITS

The congregation will sponsor the pastor in the Pension and Other Benefits Program of the Evangelical Lutheran Church in America, which provides retirement, disability, survivor, and medical-dental coverage.

(Sponsorship will include medical-dental coverage for the individual's spouse and children unless they have other employer-provided group medical insurance coverage and the individual consents to waiving medical-dental coverage for them under the ELCA Pension and Other Benefits Program.)

1. ELCA Pension at _____ % of defined compensation
2. ELCA Medical-and-Dental Insurance (*check one below*):

<input type="checkbox"/> a. Member only	<input type="checkbox"/> c. Member and children	<input type="checkbox"/> e. Coverage waived
<input type="checkbox"/> b. Member and spouse	<input type="checkbox"/> d. Member, spouse, and children	
3. Other insurance or benefits: _____ \$ _____
 _____ \$ _____

C. EXPENSES

The congregation will provide for the following expenses related to this pastor's ministry.

- | | |
|---|----------|
| 1. Automobile and travel allowance | \$ _____ |
| 2. Other professional expenses | \$ _____ |
| 3. Expenses for official meetings of the synod, as reimbursed | |
| 4. Continuing education (<i>\$1,000 recommended; minimum \$700 from calling source</i>) | \$ _____ |
| 5. Other (_____) | \$ _____ |
| 6. Pay the moving expenses to this field of service as follows: _____ | |

D. AGREEMENT

1. Vacation time of _____ days per year, including _____ Sundays;
2. Continuing education time of _____ weeks per year (*recommended minimum of two weeks per year that may be accumulated up to three years, as reflected in a continuing-education agreement developed by the rostered lay person and congregation council*);
3. Participation in a First-Call Theological Education Program, where applicable;
4. Ongoing care through a Mutual Ministry Committee;
5. Up to two months of continued salary and contributions to the ELCA Pension and Other Benefits Program in a 12-month period in the event that the pastor is physically or mentally disabled*; and
6. Maternity/Paternity or Adoptive leave of _____ weeks with full salary, housing, and benefits (Recommended 6 weeks; 4 weeks minimum).

*Revisions may be made for further unpaid time for disability recovery as agreed by the congregation, but with the stipulation that unused accumulated sick leave will not be compensated at the end of this call.

A description of the particular responsibilities of this position may be attached to this "Definition of Compensation, Benefits, and Responsibilities."

<or the following may be completed>

E. OTHER PROVISIONS

Special emphases of the pastor and special encouragement by the congregation:

1. During this time period, the pastor will give special attention to the following:

- (a) _____
- (b) _____
- (c) _____
- (d) _____
- (e) _____

2. The congregation will encourage and support this pastor's ministry in the following ways:

- (a) _____
- (b) _____
- (c) _____
- (d) _____
- (e) _____

F. OTHER MATTERS

(Such as accountabilities, service on synodical or churchwide boards and committees, work in church-camp programs, or other such details.)

We, the undersigned, certify that the necessary approvals of the congregation and congregational council have been granted for the provisions set forth above.

Congregation President

Council Secretary

Date: _____

I certify that I accept the above statement:

The Reverend _____ Date of signature: _____

NOTE: Retain original in records of the congregations. Make a copy for the pastor. As a matter of information, send a copy to the synod office. A description of the particular responsibilities of this position may be attached to this "Definition of Compensation, Benefits, and Responsibilities." 15