

NORTHWEST WASHINGTON SYNOD MINISTRY SITE 2026 COMPENSATION GUIDELINES

For Ministry Leaders:
MINISTERS OF WORD AND SACRAMENT
MINISTERS OF WORD AND SERVICE

Approved by Northwest Washington Synod Council

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To: Northwest Washington (NWWA) Synod Councils and Financial Teams
From: NWWA Synod Personnel Committee: Fred Row, Chair; Dn. Le Brandes, Pr. Paul Benz, Tom Payne, Dan Squires, Pr. Rhonda Bostrom, Pr. J.T. Burke and Pr. Andy Yee, Assistant to the Bishop

We are grateful for the work of all rostered ministers and congregations in our Synod! It is indeed our duty and joy to partner in this work for the sake of Christ and the good news we share. With that, we are pleased to offer our compensation guidelines for the coming fiscal year.

[\(Link: Video Overview\)](#)

Rationale

These guidelines are intended to assist ministry sites in providing adequate compensation to professional leaders in parish settings. In most ministry sites, the funds allocated for such compensation represent a significant portion of the budget. Each ministry site should assure that budget priorities include maintaining staff salaries, ministry programs, benevolences, church partnership, and facilities. Balancing compensation and other program and ministry needs is a challenging responsibility, and it is impossible to develop guidelines applicable to all situations. The ultimate decision in each case rests with the ministry site, based upon prayerful analysis of the ministry and mission of the ministry site and the needs and concerns of its professional leaders.

Fair compensation should be determined out of a mutual trust between the professional leaders and the ministry site. This process should involve a forum where mutual concerns and expectations relating to compensation can be discussed with understanding and confidence.

These compensation guidelines apply to all rostered professional leaders which include lead pastors, co-pastors, assistant and associate pastors, deacons and interim pastors under call. In determining salaries for professional leaders, ministry sites may wish to consider similar experience in the church or other professional positions of the rostered leader before they became rostered.

The ministry site may consider paying a part-time professional leader an hourly rate or salary based proportionately on these guidelines.

The ministry site is responsible for the pension and health insurance benefits for a part-time professional leader. Other benefits are negotiable and the ministry site is urged to provide fair and equitable treatment to a part-time professional leader.

In all cases, compensation, benefits, allowances, and expenses must be based upon and consistent with a rostered professional leader's letter of call.

Facts of Life

In considering compensation, a ministry site is likely to discuss such issues as the following:

- What we can afford;
- Anticipated income; and
- Multiple demands on income. It is important to discuss what is a just and fair salary. This can be based on salaries of those in the community with comparable education, experience, and responsibilities.

Fairness to the professional leader should be balanced with the ministry site's financial resources. We encourage all ministry sites to have open communication with their membership around stewardship and work to increase it annually incrementally. A rostered leader who feels that the ministry site leadership is not fairly compensating them and/or will not discuss the subject openly with the rostered leader may request that a professional mediator work with both sides to help to resolve the disagreement.

Influences on Compensation

In developing the compensation worksheet, the committee took into consideration the following:

- Recognition that there is a wide range in sizes of ministry sites within the Synod.
- There are still residual pandemic impacts for some ministry sites.
- The housing prices in Northwest Washington have continued to change. Recognizing that housing costs sometimes decrease, it is recommended that congregations never lower a previous salary by decreasing the cost-of-living based on a decrease in housing prices.
- More congregations prefer that their ministers live in the communities where their congregations are located.
- The cost of living continues to increase each year.
- Deacons are part of our ordained rosters and should be treated as such when determining compensation.
- Since this time last year, the Cost of Living (COLA) for Seattle increased 6.8% in Seattle. The 2026 base salary reflects this increase.

Changes in Compensation

Changes in compensation must be by mutual agreement between congregational leaders and rostered leaders and should be communicated to the Synod Office using one of these forms:

1. [Definition of Compensation, Benefits & Responsibilities for Minister of Word & Sacrament](#)
2. [Definition of Compensation, Benefits & Responsibilities for Minister of Word and Service](#).
(Guidance at end of each form on how to complete.)

Compensation Worksheet

The compensation worksheet is a resource offered to guide open and transparent compensation discussions between ministry sites and their rostered leaders.

A link to a downloadable worksheet (Excel) and tutorial video are provided below for use by ministry sites in identifying a fair and equitable salary. [Compensation Worksheet](#) (click link; "Create a Copy" (or "save as"); download; open your downloaded file to begin work)

- [Tutorial Video](#)

Salary Components

As you work on the compensation package, we invite you to also reference the following more detailed guidelines:

A. Base Salary

The ministry site must provide a salary for their rostered professional leaders. For Ministers of Word and Sacrament, that "base salary" is split into wages and a housing allowance.

- Separating out the housing allowance is necessary because the housing allowance for clergy is not subject to federal income tax.
- The full salary, however, less unreimbursed professional expenses, is subject to social security tax under the Self-Employed Contributions Act (SECA).

The amount of the housing allowance should be determined in conversation with each ordained clergy. Once compensation is agreed upon by both parties, the amount should be recorded in the minutes of a ministry council or ministry site. These amounts may be changed but must be noted in meeting minutes prior to the actual change in payments.

B. Compensation Guidelines

We encourage each ministry site, in partnership with their rostered leader(s), to work through the current Compensation Guidelines and Worksheet to arrive at parity for all position based on the education and scope of responsibility required for the position.

Given the range of economic contexts across synod ministry sites, the Compensation Worksheet provides a guide for determining a fair and equitable salary.

For another comparison of local professional salaries, school districts make teacher and administrators compensation guidelines publicly available. While administrators and teaching responsibilities and church responsibilities are not strictly parallel, the education and preparation that teachers and school administrators can be considered comparable to church rostered leaders.

Congregational Size with single Pastor

The size of the congregation and the ratio of staff to worship attendance should be considered. For example, a single pastor with no program staff serving a congregation with average worship attendance of 200+ it is recommended that they receive an additional \$1,000 compensation to reflect the added demands placed upon that solo pastor.

Staff Supervision

For pastors with supervisory responsibilities of multiple staff it is recommended additional salary be provided based on staff size.

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

C. Tax-Related Issues (Housing Allowance & SECA rules)

Housing allowance often causes some confusion for treasurers and ministry site councils. Federal law limits the amount of housing allowance that can be claimed. It is always the lowest of the following:

1. Fair rental value of the home, including furnishings and utilities;
2. The amount spent for the home, including down payment, mortgage payments, utilities, real estate taxes, property insurance, furnishings and appliances (purchase and repair), remodeling and repairs, and yard maintenance and improvements, or;
3. The amount designated in advance by the ministry site.

It is the responsibility of the pastor to identify the amount of their salary that is to be designated as housing. To be excluded from taxable income, housing allowance needs to be officially designated in a ministry site resolution, meeting minutes or budget before payment is made; i.e., in advance of the calendar year or in advance of a new pastor starting employment.

If a parsonage is provided, 30 percent of any base salary is presumed to be housing. If the rostered leader is living in a parsonage, the ministry site should consider providing a housing equity allowance.

A **housing equity allowance** is used by forward-thinking ministry sites to deal with the situation where a rostered leader has spent their career in ministry sites with parsonages and has essentially been prevented from building up equity over the years that is normal for rostered leaders who own their own home. Because parsonages are generally provided more for the economic benefit and convenience of the ministry site than for the rostered leader, the equity allowance is an appropriate response to the situation by the ministry site.

The housing equity allowance is best accomplished by providing the allowance in the form of a tax-sheltered annuity. This limits the tax burden on the rostered leader; funds in the annuity are not available until retirement.

- Contact Portico Benefits Services (1-800-352-2876) for more information.
- Housing equity contributions must be designated as a line item in the church's budget and shown as a benefit over and above the rostered leader's defined compensation.
- Rostered leaders pay social security taxes on housing allowance, but not on pension plan withdrawals or housing equity.
- It's important for rostered leaders utilizing the housing allowance privilege to keep records of housing expenses for purposes of justifying the non-tax income to the IRS.
- Questions concerning the housing allowance exclusion or the completion of IRS Form 1040 should be addressed with a qualified tax adviser who is knowledgeable about the unique tax situations for ordained clergy.
- *Ministers of Word and Service* are not allowed to exclude a housing allowance from their Federal taxable income. Therefore, their entire salary is subject to Federal income tax withholding and normal social security payment under FICA.

For income tax purposes, rostered leaders are considered employees of the ministry site. Therefore, they must be issued a W-2 because Portico Benefits Systems declares a pension benefit to "employees" only.

- For social security (SECA), however, clergy are considered self-employed. The ministry site is encouraged to provide an allowance to the rostered leader of at least 50 percent of the prior year's actual self-employment tax.
- SECA rules dictate that this allowance be reported as taxable income and Portico Benefits Systems has deemed it to be part of income when computing pension plan contributions.

Pastors are considered employees of the church according to common-law rules, but it doesn't stop there.

- Pastors have what is known as a "dual-tax status." In short, this means pastors are employees for federal income tax purposes and are considered self-employed for Social Security tax purposes.
- Pastors are responsible for withholding and reporting their own taxes.
- A church is not allowed to withhold taxes from a minister's paycheck unless the two parties (i.e., the church and pastor) have entered into a voluntary withholding agreement. (See IRC section 3401 and Treasury Regulation 31.3402(p)-1.)
- If there is not a voluntary withholding agreement, a pastor's income should be reported on Form W-2 as follows:
 - Box 1 should indicate the pastor's salary minus his/her qualifying housing allowance.
 - Boxes 3, 4, 5, and 6 should be left blank since the pastor is responsible for withholding and paying his or her own taxes.
 - Lastly, the housing allowance should be reported in Box 14 of Form W-2.
- Please note that this example of how to report a minister's income on Form W-2 is very general and may vary depending on your specific situation.

[Question: Do Deacons Qualify for a Housing Allowance](#)

The decision by the 2019 ELCA Churchwide Assembly to grant the Rite of Ordination to Deacons raises the question of whether or not Deacons in the ELCA should be treated as clergy by employers and thus may qualify for a housing allowance for IRS purposes. The Churchwide Organization does not take an official position on this matter, and Bishops of the synods of the ELCA are not in agreement about how to advise their congregations. Therefore, there will not be a uniform practice in the ELCA anytime soon.

In the past Deacons have not qualified for a housing allowance. So, what has changed that they possibly could qualify? It depends on the job description of the Deacon. The IRS uses a 5-part test to determine if an individual meets the definition of “Clergy:”

- The taxpayer is ordained, Licensed, or Commissioned
- The taxpayer administers* Ordinances or Sacraments
- The taxpayer conducts Worship
- The taxpayer performs services in the “control, conduct, or maintenance of a religious organization”

PLEASE NOTE: The Personnel Committee and Synod are not making a determination one way or the other. Ultimately, the decision as to whether or not someone qualifies for Clergy status is between the employer, the employee and the IRS. If an employer or calling body decides to grant clergy tax status to the Deacon, then the Deacon should work with a tax professional to confirm their eligibility and quarterly tax payments.

For further background, see the article: <https://www.clergyfinancial.com/who-qualifies-for-clergy-status>

D. Benefits Provided through the ELCA

Ministry sites are expected to enroll rostered persons in the ELCA Pension and Other Benefits Program.

- Enrollment provides for:
 - a retirement account
 - health insurance (medical, dental and disability coverage)
 - survivor benefit plan

Contribution rates (a percentage of “defined compensation”) are set annually.

- Current information can be found at [Portico](#).
- The NWWA Synod recommends that rostered leaders’ healthcare contribution be at the Gold Plus level (or equivalent) of the Portico offerings unless a careful analysis by the rostered leader determines that another plan would be better suited to their needs and the needs of any covered family members.

Participants in the ELCA Pension Plan normally participate in the:

- medical and dental coverage
- disability coverage
- survivor benefit plan
- Individual professional leaders may waive medical and dental coverage; however, ministry sites are expected to offer all ELCA benefits.
- Ministry sites also should provide coverage for the spouse and children if other coverage is not available.

For pension calculation purposes, a parsonage fair-market value should be the amount used to calculate the base salary.

- A ministry site contribution of 10% of defined salary to pension is the minimum required for all rostered leaders, ordained and lay.
- For non-rostered lay employees enrolled in Portico benefits, the minimum is 6%.
 - **Note:** The ministry site may contribute amounts in excess of the prescribed contribution to the pension fund on behalf of the professional leader.
- *If both spouses are enrolled in the ELCA Pension Plan*, each ministry site will be billed for the medical and dental plan, rather than the entire amount for the couple being billed to the employer paying the higher salary.

Questions regarding pensions, health insurance, and other ELCA benefits should be addressed to the Portico Benefit Services, 800 Marquette Avenue, Suite 1050, Minneapolis, MN 55402; (800) 352-2876; <http://porticobenefits.org> . You can email questions to mail@porticobenefits.org.

E. Congregational Staff Unemployment Insurance

The Synod Personnel Committee recommends that ministry sites in the NWW Synod adopt a policy of paying unemployment insurance and workers compensation for all eligible staff. If the ministry site does not cover Unemployment Insurance for employees, it is appropriate and just for the ministry site to pay severance for staff separated involuntarily for reasons other than cause.

F. Professional Allowances and Expenses

The following allowances and expenses are a normal part of compensation, and ministry sites should provide them consistent with the letter of call.

Reimbursement for Use of Privately Owned Vehicle

Revisions in the Internal Revenue Code dictate the elimination of non-accountable auto allowance.

- The preferred method is for the reimbursement of actual travel based on the current IRS mileage reimbursement recommendation. It is essential to maintain adequate records to support the payments.
- An alternative method is for the ministry site to own or lease an automobile for the use of the rostered leader.
 - The professional leader, in order to comply with tax regulations, would be required to report and be taxed on personal use of such a vehicle.

Continuing Education Allowance

The ministry site should provide time and funds to the rostered person for the purpose of continuing education, consistent with the letter of call. The suggested amount for continuing education for professional leaders is \$1,000 annually;

- the suggested time allowance for a professional leader is two weeks per year, including two Sundays.
- As ministry sites review salaries annually, these benefits should also be reviewed.
- The professional leader and the ministry site may negotiate to "bank" funds and time allocated to continuing education for up to three years.
- Ministry sites may send continuing education allowance funds to the Region 1 Financial Services Office (FSO) each year for a specific ministry leader. The FSO will hold the funds and make them available through the proper form submitted by the professional leader.
 - FSO will not calculate accruals, nor will it attribute interest to the accounts.

- In all cases, the ministry site and the professional leader should plan together regarding continuing education programs and areas of study.

G. First Call Theological Education

Newly ordained persons are required by the ELCA to participate in a First Call Theological Education program.

- The ministry site should provide time and funds for participation in this program.
- It should be noted that the program is three years in length and may extend to a “second call” if the rostered leader should accept another call during this period.

Allowance for Resource Material

The ministry site is encouraged to provide a book/periodical allowance for the education requirements of the professional leader.

- Note: If provided, this allowance should not be considered part of the continuing education allowance.

Other Professional Expenses

The ministry site should provide for expenses of the rostered leader relating to attendance at the Synod Assembly, Bishop’s convocations, cluster meetings, synod convocations and/or related conventions at which attendance is required or strongly encouraged.

- Ministry sites should also provide reimbursement for other out-of-pocket expenses incurred by the minister in the course of the day-to-day life of the ministry site.

H. Creative Options & Part-Time Compensation

All ministry sites are encouraged to faithfully meet the Synod guidelines. We realize that some ministry sites may have greater difficulty doing this than others, particularly when circumstances beyond a ministry site's control arise which make it difficult to keep pace with the year-to-year incremental salary increases recommended by the guidelines.

It is important to work openly and jointly with rostered leaders and other staff to develop alternatives.

- Changes in compensation must be mutually agreed upon.
- The objective is to provide sufficient compensation for a minister to fully engage their ministry while still providing for their family’s livelihood.
- This is important even during times when full incremental cash salary increases may not seem feasible. We recommend that you consider ways to creatively “think outside of the box” relative to compensation choices that benefit both the rostered leader and the ministry site.

More Vacation Time

- To determine the value of one week of vacation time, divide the Guidelines compensation by 52.

Increased Retirement Contributions

- These contributions actually save the church and rostered leader 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 rostered leader.
- An attorney or tax advisor should be consulted when drawing up such agreements.

Potential Negative Effects on Retirement Income

The above strategies have a net effect of cutting the ministry site's 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, the above techniques also reduce the required amount that must be paid by the ministry site to Portico. This includes the retirement portion of those payments, which can have an effect on the rostered leader's ability to save enough for retirement in their ELCA Retirement Plan account.
- To minimize this negative outcome, a ministry site that utilizes non-cash strategies to augment the rostered leader's salary may make additional contributions on the rostered leader's behalf to their ELCA Retirement Plan account with Portico.
- *The Synod strongly urge that ministry sites using any of these strategies restore the retirement portion of payments made to Portico 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 rostered leader who has helped their ministry site reduce current expenses.
- With respect to disability benefits, rostered leaders will have to assess the risk for themselves. ELCA disability benefits provided by Portico are based on a percentage of "Defined Compensation" at the time of disability.

Part time Ministry (also called Shared-Time Ministry or Bi-vocational Ministry)

- ***As long as all parties agree to such an arrangement***, part-time ministry may allow ministry sites to meet salary guidelines while still maintaining a tight budget.
- For example, perhaps a ministry site desires a full-time rostered leader for a call and yet is only able to produce a package that corresponds to 75% of the recommended guidelines. In this case, the ministry site could offer a ¾-time call rather than a full-time call and comply with the synod guidelines by paying ¾ of the recommended full-time guidelines.
- The same could be done for a part-time position or any other position with a percentage less than full-time. In general, the ELCA restricts calls to half time or greater. (Please contact the synod office if a call less than half time is being considered.)
- This arrangement anticipates that the time and workload would be reduced proportionally to the reduction in compensation.
- To provide clarity of role and expectations for both rostered leader and ministry site, it is important that the two parties work together to create a written plan before finalizing the call document.
- Changes in responsibility (both for rostered leader and ministry site) should be spelled out in enough detail that both leader and ministry site will understand and feel well supported.
- The ELCA's Definition of Compensation, Benefits, and Responsibilities form should also be sent to the synod office to document when a full-time to part-time change is made.
- In co-creating a part-time call there are some questions that should be considered:

1. How will pastoral emergencies be covered? This is a significant issue if the rostered leader takes on other employment. Will ministry site members take on this responsibility?
 2. How many Sundays a month is the part-time rostered leader to cover? (i.e., 3 out of 4 for a ¾ time call?)
 3. How can the time away be coordinated so that the rostered leader could arrange other employment if necessary?
 4. How much flexibility can the ministry site provide?
 5. What aspects of the rostered leader's work can either be turned over to the ministry site or let go? (note that the constitution lists some tasks required of the pastor).
 6. Based on the gifts of both ministry site members and rostered leader, could the ministry site:
 - provide for the routine administrative tasks of the ministry site?
 - provide for leadership of various ministries currently led by rostered leader?
 - share in visitation of and connection with prospective new members?
 - share in providing pastoral care to each other as members of the ministry site?
 7. How will the ministry site address particularly busy times (like Holy Week or multiple funerals)? Will the rostered leader be able to take compensatory time off when workload of necessity exceeds compensated time?
 8. How will these changes impact the mission and future of this ministry site? Does the ministry site have a plan for either growth or eventual closure, and will this staffing model achieve the goal? If not, please consider the foregoing details and suggestions for alternative compensation mechanisms which might avoid the part-time discussion.
- As the agreement is written and mutually agreed upon, salary should be prorated relative to the Synod's recommended guidelines at a minimum. Time away would also be reduced; for example, a part-time rostered leader working three days per week would still receive four of their regular (part-time) work weeks off.
 - If it is not possible to come to mutual agreement on a plan, the next step would include bringing in a mediator to facilitate a discussion based on these recommendations.

Non-Monetary Benefits

A. Vacations

The ministry site should grant an annual vacation to the professional leader, consistent with the letter of call.

- Recommended vacation minimum for a pastor is four weeks (28 days incl four Sundays).
- The amount of vacation for other professional leaders depends upon their position, responsibilities, and other factors, but should not be less than two weeks.
- Additional vacation time, based on length of time with the ministry site, service in the ministry, and other factors, should be determined by the personnel committee ministry site leadership in collaboration with the rostered leader.
- Functions requiring the rostered leader's attendance, whether church-related or military duties, should not be considered vacation.

B. Days Off

The ministry site should see that the rostered leader receives and takes two regular days per week as time off.

- Meetings and congregational events should not be scheduled on the rostered leader's days off.
- Rostered leaders should be available for consultation only in the event of an emergency.

C. Sick Days

The ministry site should create a written policy regarding sick leave that is consistent with the letter of call and *coordinated with Portico pension and benefit guidelines*.

- A policy should specify how many days of sick leave are granted each year, when it accrues (i.e., monthly or every 6 months); and
- Identify how it should be cumulated and whether unused sick leave is cumulative year-to-year,
- Set out criteria as to how the employee will be paid for unused sick leave when the call terminates.
- Sick days may be used to care for a sick dependent child or other relative under certain circumstances. After benefits set out in a Family Leave and Bereavement Policy are exhausted.
 - Churches, at a minimum, must follow State Laws regarding awarding sick leave based on hours worked. A congregation could award more days based on the individual contract negotiations with the Pastor but as a minimum must comply with [State Laws](#).*

D. Childbirth/Adoption Leave

The ministry site Family Leave and Bereavement Policy should address childbirth/adoption leaves for a rostered leader.

- The Synod recommends provision for childbirth/adoption leave of six weeks with full salary, housing, and benefits. It is important that the specific benefits be clearly defined and consistent with the ministry sites family leave and Bereavement Policy. Some ministry sites also allow paternity leave, which may be considered on an individual basis.

E. Bereavement Leave

The ministry site's Family Leave and Bereavement Policy should provide regular, full-time and part-time ministers who have completed their first three months of ministry with paid leave for up to five days in the event of the death of a spouse, domestic-living partner, child, parent, sibling, grandparent, grandchild, or corresponding in-laws or "step" relations.

Additional leave with pay may be granted for a reasonable period of time by the Council President and then communicated with the Council.

F. Sabbatical or Extended Study Leave

The ministry site should periodically consider granting a professional leader an extended period for study, personal growth and reflection.

- Information regarding sabbatical or extended leave may be obtained from the Synod office.

- All ministry sites are encouraged to develop a Sabbatical Leave Policy.

G. Jury Duty

The ministry site is encouraged to pay a professional leader full pay during jury duty leave of up to two weeks each time they are called for jury service.

- If the leader chooses to receive full pay, fees paid to him or her for serving on jury duty are to be reimbursed to the ministry site.
- The professional leader is required to provide the ministry site with proof of jury service.

H. Health and Wellness

The Synod Office encourages ministry sites to provide the opportunity for rostered leaders to have a regular exercise program by providing for an athletic club or YMCA membership.

Malpractice Insurance

The ministry site should provide professional liability coverage for the rostered leader. Questions regarding this insurance coverage should be addressed to the ministry site's insurance agent.

I. Additional Benefits

The ministry site should consider providing rostered leaders: supplemental health insurance, tax-sheltered annuities, 403B tax-deferred plans, individual retirement plans, and Keogh retirement plans.

Payment to Supply Pastors & Visitation Ministers

When the called minister is unavailable due to vacation, illness, attendance at a church event, military duty, sabbatical, or the like, the ministry site should establish reasonable reimbursement rates for supply pastors who conduct worship services, teach classes and provide visitation ministries.

Compensation for supply pastors includes reimbursement of travel expenses at the recommended IRS rate.

- Recommended rates for:
 - Preaching and presiding at one worship service, \$250, for two services \$375.
 - Preaching, but not presiding, \$200
 - Presiding, but not preaching, \$125.
 - Teaching a class, \$100.
 - Hourly rates for visitation ministers, \$45 per hour, with preparation, travel time and taxes to be taken into consideration.

Taxes

Tax laws related to compensation, benefits, allowances, and expenses are increasingly complex in general and particularly regarding the clergy. These guidelines are not intended to provide tax or financial planning advice. Rostered leaders and ministry sites are advised to consult professionals in these areas to address specific questions regarding the tax consequences of Compensation packages.

Rationale for Only One Worksheet

Many synods have begun to make the switch from salary charts to a worksheet. The reasons for this are manifold:

1. A worksheet is more dynamic and enables both churches and rostered leaders to have more in-depth and open conversation about salaries and benefits. This helps to illumine all the facets of how pay is determined, many of which might normally go unrecognized or stay under the water line as potential points of tension. Transparency is incredibly important when it comes to church finances.
2. Housing in Concrete, WA is not the same cost as housing in Seattle, WA. We must consider the diversity of costs throughout our synod when assessing reasonable compensation. If churches want their rostered leaders to live in close proximity they must consider the financial ramifications of that desire.
3. Previous experience. A 50-year-old woman with a PhD in Management and extensive experience with decision making, managing staff, budgeting, etc. is ordained after working for 25 years in an executive level position at a prestigious non-profit company. Under the former salary scale system, all that experience would potentially be disregarded. This worksheet helps to accentuate the immense value of past experiences and wisdom for the work of ministry. We can probably all agree that seminary does not teach all the skills required to shepherd a congregation well.
4. Advanced education/language proficiency. Our churches support the continuing education of our leaders through time off and financial commitments because they know it will benefit both the individual and the community itself. Likewise, having a leader who is proficient in more than one language is a gift that our ministries should value and compensate for.
5. The format of the salary chart was set up almost 20 years ago based on salary studies at the time. Year after year the amounts were increased based on cost-of-living increases. Over time, the impact of a blanket percentage increase to the chart means that salaries on the upper end of the scale are going to increase significantly more than those at the lower end. The result is that over years there is far more income disparity from the bottom and top and injustice towards those on the lower end of the spectrum. There was also a decision at some point in the past to make salary increases based on experience happen every two years instead of every year from 10 years of experience onwards.

Some considerations:

1. One could argue that rostered leaders should be responsible for negotiating their salaries based on all these considerations, putting the impetus on them. We believe rostered leaders should not be punished for having poor salary negotiating tactics or for being sheepish about requesting salary changes. Our desire is to automate this process as best as possible for the sake of accountability, trust, and accuracy.
2. It is true that our economic and educational systems have produced far more student debt than ever before. Our youngest clergy often begin ministry with massive amounts of student loans, even after working while going to school and living as cheaply as they are able. Compensation should take into account this burden faced by many of our less experienced rostered leaders. This is a larger justice issue than our individual congregations can solve, but it also can't be ignored.