



**Northeastern Iowa Synod
Evangelical Lutheran Church in America**

2027
MINIMUM COMPENSATION GUIDELINES
for
ROSTERED MINISTERS

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2027 MINIMUM COMPENSATION GUIDELINES **for** **ROSTERED MINISTERS (Pastors & Deacons)**

INTRODUCTION

“Doing God’s work in the world calls for leaders who bring a variety of training, skills, interests and life experiences to the work they do in congregations, communities and partner organizations. Many of these leaders are called to serve as ministers on one of the rosters of the ELCA: Ministers of Word and Sacrament and Ministers of Word and Service. Rostered ministers carry out the work and mission of this church, sharing God’s love with the world through the good news of Jesus Christ.”¹

These guidelines are offered as an avenue of providing support for ministries of pastor and people and deacon and people. The compensation guidelines for this synod are written by a subcommittee of the Synod Council. The work of the subcommittee is reviewed and modified by the Synod Council before being submitted to the Synod Assembly. It is a core value of the Northeastern Iowa Synod to have all of our rostered ministers compensated at minimum guidelines or above.

Many factors influence these guidelines, including, comparison with the compensation guidelines of other synods and recognition of accumulated skills in the practice of ministry and in “first career” settings. Those involved in setting these guidelines are also aware of the high debt load carried by those new to the ministry and the shortage of rostered ministers for ministries in this church.

We urge congregations to study these guidelines and to use them for mutually affirming dialogue about the financial aspect of care for rostered ministers. It is important to note that a ministry site cannot terminate or modify a rostered minister’s call unilaterally (i.e., without the rostered minister’s consent) by reducing the rostered minister’s salary or benefits. In ELCA terminology, when a ministry site issues the call and the rostered minister accepts, our constitutions state that they have a “continuing mutual relationship and commitment” [ELCA 7.46, Synod †S14.18, Model Constitution for Congregations *C9.05]. Looked at this way, the terms of the call can be modified only by agreement between the rostered minister and the congregation. The congregation cannot unilaterally amend the call (e.g., by reducing the agreed compensation) any more than the rostered minister could unilaterally amend the call (e.g., by taking two months of vacation instead of one month). The terms of the call do get modified each year when the ministry site votes to adopt a new budget and the rostered minister agrees to the new compensation package in the budget (which is typically an increase). But when the rostered minister does not agree (e.g., because compensation is proposed to decrease), the terms of the call are not amended, and the rostered minister is entitled to continue receiving compensation at the prior year’s level until agreement is reached on a new compensation package.

Note: Those who prepare these guidelines are not tax professionals, nor do they give tax advice. Congregations, pastors, and deacons should consult a qualified tax professional for tax related questions and advice.

¹ Evangelical Lutheran Church in America, *Rostered Minister of the ELCA* [website], <https://www.elca.org/about/leadership/rostered>, (accessed 8 March 2022)

COMPENSATION FOR ROSTERED MINISTERS (PASTORS & DEACONS)

Pastors and deacons should be compensated according to the base salary grid printed below, including all benefits, and including recognition of prior service in ministry or any vocation completed before ELCA ordination. However, for deacons:

1. Federal Tax Code will not permit a tax-deductible housing allowance for lay ministers. However, congregations may provide additional, taxable compensation for housing costs. The salary grids for pastors and deacons are identical because deacons generally do not receive a housing allowance.
2. Federal Tax Code requires congregations to pay the employer's portion of FICA for deacons. Under the Federal Tax Code congregations MAY NOT pay the employer's portion of FICA to the IRS for pastors and housing allowance eligible deacons, nor may they withhold the minister's portion of FICA taxes. Instead, a FICA offset is paid to the minister for the employer portion of FICA tax owed. The minister is then required to pay the congregation portion and the personal portion of FICA taxes in quarterly tax payments to the IRS.

A. CLERGY HOUSING (generally for pastors only. See item 4 below.)

1. When a parsonage is provided, all utilities and maintenance costs are to be borne by the congregation (see Addendum C). The Fair Rental Value of the parsonage should be determined for tax purposes and to calculate Defined Compensation (see Addendum F-1).
2. When a parsonage is not provided, the congregation should provide a housing allowance at a minimum level of 30% of base salary plus the FICA offset or at a level adequate to pay for mortgage, maintenance, utilities, and taxes (see Addendum D). The pastor is responsible for determining the Fair Rental Value of the home to determine an appropriate housing allowance (see Addendum F-2).
3. Congregations providing a parsonage are encouraged to contribute to a housing equity fund for their rostered minister(s). Housing equity is a designated fund for retirement housing or a down payment on a domicile. This suggested annual contribution is 3% of defined compensation. Congregations contemplating a housing equity arrangement can contact Portico Benefit Services for additional details and assistance (see Addendum F-1 C.3).
4. Housing provided to deacons and lay church employees may not be taxable, if living on the church property is an important and necessary part of the duties of the employee. This could apply to a custodian, for example, and perhaps to other employees who are available to members of the congregation at varying hours as needed.
5. Congregations should pay the moving expenses for rostered ministers. Under the current Federal Tax Code moving expenses are considered a fringe benefit and must be included as taxable income on the minister's W-2 in the year in which they were paid.
6. For clergy couples serving in the same or different calls, both are to receive a housing allowance or reimbursement equal to a provided parsonage.

B. PROFESSIONAL SUPPORT

1. AUTOMOBILE

Automobile and other work-related travel is an expense of the congregation and, as such, is not usually reported as taxable income and should not be considered part of a salary package. Reimbursement for travel expense may be handled in one of three ways:

- a. Reimbursement for actual business miles traveled at the current rate established by the Internal Revenue Service. Congregations and rostered ministers negotiate documentation and frequency of payment details. This is the recommended method

of reimbursement. **The IRS requires that mileage be submitted by month at least every 60 days.** (See Addendum E.)

- b. Payment of a lump sum per year pro-rated to a monthly basis. Rostered ministers need to maintain accurate records of actual business mileage and vehicle expenses and provide that documentation for tax records, as portions of this allowance may be taxable.
- c. The congregation may provide a vehicle for staff use.

2. CONTINUING EDUCATION

- a. Quality, holistic continuing education for rostered ministers provides a source for challenging ideas, cutting edge programs and professional renewal. It is not vacation time. Because both benefit, congregations and rostered ministers share expenses for continuing education. Congregations are encouraged to support continuing education at the \$900 level, plus \$400 annual contribution by each rostered minister. Two weeks of time away, including two Sundays, should be allowed annually for continuing education. If there is a prior agreement between the rostered minister and the congregation's council, continuing education time and money can be cumulative to six weeks in the same ministry setting. The ELCA expectation for continuing education is 50 contact hours per year.
- b. Unused continuing education funds may accrue to three years, and, for accounting purposes, may be placed in a separate account. Termination of the call in that ministry setting will cancel all time and money contributed by the congregation for that rostered minister. The rostered minister shall be reimbursed for personal funds that have been contributed to the continuing education account.

3. FIRST CALL THEOLOGICAL EDUCATION

In the first three years of ministry following ordination, rostered ministers are required to be actively involved in the Northeastern Iowa Synod's program of First Call Theological Education (FCTE), part of a churchwide emphasis on continued learning and development of supportive collegial relationships. The synod's FCTE program involves an annual retreat, mentoring, colleague groups, and elective or required continuing education opportunities. The ELCA expectation for continuing education is 50 hours per year. It is an expectation for a first call ministry site to provide time and financial support for all First Call activities.

4. SABBATICAL (Financially Supported Time for Renewal)

Opportunities for a maximum three-month sabbatical are becoming more common in the ELCA. Some congregations include a sabbatical renewal time as part of the call. Others establish sabbatical renewal as congregational policy. The Northeastern Iowa Synod Sabbatical Policy provides some broad guidelines for sabbatical planning and implementation. The synod can also provide a helpful video, contacts with sabbatical "veterans," and reference materials for congregational study and planning. (See the Sabbatical Guidelines section)

5. STAFF SUPPORT/MUTUAL MINISTRY COMMITTEE

It is recommended that a staff support/mutual ministry committee be established within each congregation. Suggestions for creation and maintenance of such an advisory committee may be found in Addendum A.

6. SYNOD ASSEMBLY AND FALL THEOLOGICAL CONFERENCE

Through the letter of call, all rostered ministers are required to attend the Synod Assembly and Fall Theological Conference at congregational expense. In addition, spouses are

encouraged to participate in the Fall Conference, with the congregation providing funds for attendance.

7. BOOKS, PERIODICALS, OTHER EXPENSES

Professional expenses such as books, periodicals, program materials, and other educational materials should be shared by the congregation and the rostered minister. A recommended congregational amount is up to \$700.00 annually.

C. VACATION, SICK LEAVE, AND HOLIDAY BENEFITS

1. Vacation

Due to the rigors and often long hours of congregational ministry, vacation equivalent to four weeks per year (28 days, including four Sundays) should be provided. This does not include time for continuing education. Supply ministers covering for vacation are to be paid by the congregation(s). No more than two weeks of vacation may be carried forward to the following calendar year. Rostered ministers serving a part-time call still receive four weeks of vacation. The number of days earned during the calendar year is prorated based on the percentage of a full-time call, but the rostered minister is still away from the call for a total of four weeks, including four Sundays. When a rostered minister leaves a call, accrued vacation is to be taken prior to the official date of departure, or is to be paid to the rostered minister as additional salary upon departure.

2. Sick Leave

Rostered ministers accumulate 8 hours per month in sick leave. The maximum balance is 360 hours.

3. Holidays

Congregations should provide appropriate time off for holidays. If the actual day cannot be taken, another day should be designated. Holidays include: New Year's Day, Martin Luther King, Jr. Day, Good Friday, Memorial Day, Juneteenth, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve Day, and Christmas Day.

D. ADDITIONAL INFORMATION

1. Love Gifts

So-called cash "love gifts" given to pastors and deacons at Christmas, and at other times of the year are always taxable income, regardless of whether the gifts are given individually by members of the congregation(s), or are gathered by the congregation(s) and given in a single check to the rostered minister(s) and/or lay staff members.

2. FICA Tax

Pastors:

Our nation's tax policy treats pastors as self-employed persons for FICA purposes. Where W-2 employees pay 7.65% of their income for FICA Tax, with the employer providing the remaining 7.65%, ordained clergy pay the full 15.3% FICA Tax on income and housing. Congregations are required to provide a FICA Tax offset equivalent to the employer's portion of this tax, as they now do with non-ordained staff. Note that congregations cannot pay the pastor's FICA tax directly. When it is provided, the offset becomes additional taxable income to the pastor. To determine the amount of FICA offset to pay a pastor, take the sum of the base salary plus the housing allowance (or fair rental value of a provided parsonage as determined by a licensed real estate professional based on furnished housing with utilities paid) and multiply by 7.65%.

Deacons:

Congregations must withhold 7.65% of a deacon's income for FICA taxes, and pay it to the IRS along with the congregation's portion of 7.65% unless it is determined that the deacon is eligible for housing, in which case the deacon must pay all FICA taxes through quarterly estimated tax payments.

3. Sick Leave/Family Sick Leave/Short-term Disability

Sick leave recommendation is one day per month, cumulative to sixty days. Sick leave days may also be taken to care for a sick child, spouse, or parent. The congregation is to assume responsibility for pulpit supply to cover worship services, funerals, etc., during sick leave. In the event of extended illness, the congregation shall assume the responsibility for providing full salary and benefits for the first two months of the illness, at which time the Portico Disability Plan will take effect if the application for disability is approved. The congregation is responsible for arranging pulpit supply during the disability.

4. Parental Leave

The church places a high value on family, therefore a need for guidelines relating to maternity, adoptive and family leave are appropriate. These guidelines are offered to help congregations approach such situations in a caring manner. During any parenting leave period, supply ministers are to be paid by the congregation.

a. Parental leave

A period of six (6) weeks leave is to be offered with full pay and benefits for each rostered parent (with the exception of car allowance). The decision regarding prenatal and postnatal time should be determined on an individual basis at the discretion of the rostered minister and the church council. Accrued vacation may also be used in conjunction with the leave. A rostered minister desiring additional leave, either prior to, or following birth or adoption, may negotiate for unpaid leave.

b. Adoptive leave

Six (6) weeks of paid adoptive leave is available to an adoptive rostered parent(s), following the adoption of a child. Accrued vacation may also be used in conjunction with the leave. A rostered minister desiring additional leave, either prior to, or following birth or adoption, may negotiate for unpaid leave.

c. Family leave

- i. Congregations should be sensitive to family needs, such as family leave or extraordinary illness of children or parents of the rostered minister and arrange proper leave time for these circumstances.
- ii. In the event of a death in his or her immediate family (to include spouse, children, parents, stepchildren, stepparents, brother, sister, grandparents, step-grandparents, grandchildren, step-grandchildren, mother-in-law, father-in-law, or legal guardian), a rostered minister will normally be allowed three (3) days, with pay, to attend the funeral and to deal with family affairs.
- iii. In cases where there is a special need related to circumstances, generally assumed to be the sudden death of an immediate family member, or cases requiring extensive travel, up to a total of five (5) working days may be granted in consultation with the church council. A rostered minister desiring additional leave may negotiate for unpaid leave or vacation.

E. HEALTH, RETIREMENT, DISABILITY, AND BASIC GROUP LIFE

For pastors, the contributions are figured on defined compensation which includes: annual base salary, FICA tax allowance, housing allowance (cash or parsonage), furnishings and/or utilities allowance (if the congregation/organization pays it directly to the rostered minister), housing equity contributions (if the congregation/organization pays them directly to the rostered minister), and additional tax-sheltered annuity contributions made by way of a voluntary salary reduction agreement the rostered minister has reached with the congregation/organization (includes tax-sheltered contributions made to another financial institution).

For deacons, defined compensation is generally limited to the base salary.

Be sure to report your employee's change of compensation via EmployerLink as soon as it is applicable. More information about the process is available here:

<https://employerlink.porticobenefits.org>.

Portico offers two options on its website that help with calculations.

1. Rostered ministers may login to their own Portico account at <https://myportico.porticobenefits.org/>, click the "OVERVIEW & LIFE CHANGES" tab, then click the "Calculating the Cost of Benefits" link under "Understanding Your Benefits."
2. Go through the Employer Link website at <https://employerlink.porticobenefits.org>, click on the "RESOURCES" tab, and click the "Calculators" link under "Understanding Portico's Benefits."

Portico Health Benefits Coverage

Portico Benefit Services, the nonprofit benefit ministry of the ELCA, provides the benefit program for rostered ministers, lay employees, and their families. Portico provides health benefits that also include dental and prescription drugs, as well as retirement, disability, and survivor benefits in one bundled program.* This program is designed to address the needs of rostered ministers and provide seamless benefits during change of call, being on leave, and other events unique to ministry. Portico's bundled approach is designed to help ensure rostered ministers and lay employees are protected against significant financial loss from a variety of risks. Through Portico, congregations** in this synod and across the country pool their collective purchasing power to provide benefits in a cost-effective, consistent, and sustainable manner.

Congregations and plan members share the cost of benefits. Congregations are expected to support the well-being of their covered plan members by paying all or a significant portion of the contributions for benefits (i.e., monthly premiums for the health plan). Plan members are expected to participate in the cost of utilizing their health benefits through out-of-pocket costs when they receive care (e.g., deductibles, copays, and coinsurance).

The ELCA Church Council endorses a balance of cost-sharing between congregations and plan members; the cost-sharing is reflected in all the ELCA-Primary health benefit options offered by Portico, effective Jan. 1, 2026: Select Copay, Select HDHP, Value Copay, and Value HDHP. Each fall, congregations should engage in conversation with their sponsored plan member(s) to determine the option that best fits their needs and then make their election online during Portico's annual enrollment. Current contribution rates are available at EmployerLink.PorticoBenefits.org or by calling Portico at 800.352.2876.

*A plan member may waive health coverage if they have access to valid medical insurance coverage through their spouse or another employer, or if they qualify for a subsidy due to income level when purchasing health coverage through the exchange.

***"Congregations" may also refer to multi-point parishes or other non-parish ministry agencies such as Bible camps, long-term care facilities, hospitals, campus ministries, etc.

1. Sponsored Couples

If both spouses are sponsored under Portico Benefit Services, each sponsor is required to contribute to the ELCA benefits program for that individual. Employers will receive a “couple credit” that will be applied toward the cost of health benefits. Full contributions for retirement, disability, and group life coverages are required for both spouses.

2. Waiver of Medical-Dental Coverage Possible

Sponsored members may waive unnecessary additional medical-dental coverage under Portico Benefit Services. If a member is eligible for employer-provided medical benefits coverage **through a spouse's employer** or through a former employer, the rostered minister can select that coverage and waive coverage under the ELCA benefits program while continuing to participate in the ELCA retirement, disability, and group life plans. The sponsoring employer will be billed for these benefits.

Most members who waive coverage will incur additional costs to cover the contributions required by the spouse's plan, and to cover higher out-of-pocket costs if benefits under the spouse's plan are not as generous. Congregations, on the other hand, will save money due to lower ELCA plan contributions. Most congregations will find it appropriate to provide a larger-than-usual salary increase or additional retirement contributions when the plan member waives coverage.

Any salary increase should be unrelated to the rostered minister's decision to continue or waive coverage. If a salary adjustment is offered in exchange for reduced health benefits, the congregation may be required to establish a Health Savings Account (HSA), or a "cafeteria plan" under Section 125 of the Internal Revenue Code in order to avoid adverse tax consequences for rostered ministers who do not waive coverage. Please consult your tax advisor.

A member who has other employer-provided medical benefits coverage and wants to waive Portico coverage should contact the Customer Care Center of Portico Benefit Services.

When a rostered minister chooses to accept a non-congregational call where Portico benefits are not provided, the rostered minister should ensure that the employer provides comparable disability and life insurance benefits.

If a ministry site chooses to supply benefits through a different provider, those benefits must be comparable to, or better than, those benefits offered through Portico Benefit Services and must include a retirement plan and health, disability, and life insurance.

F. ROSTERED MINISTERS MINIMUM BASE STARTING SALARY ACCORDING TO YEARS OF EXPERIENCE AND ANNUAL INCREASE

(Base Minimum Salary Grid) (Housing is not included in this base salary chart)

The following salaries are recommended for 2027. The salaries listed in the grid on page 9 are minimum starting salaries for years of experience. Second career rostered ministers entering the ministry receive one year of credit on the grid for every three years of first career experience after age 22. When a pastor or deacon has served in other professional church vocations, the rostered minister will receive one to one credit on the base salary grid.

Ministers of Word and Sacrament ordained through the 3-year Theological Education for Emerging Ministries (TEEM) program receive a TEEM certificate, rather than a Master of Divinity degree. Therefore, second career persons entering the ministry through TEEM receive one year of credit for every four years of first career experience after age 22. When a TEEM graduate possesses a master's degree in any field of study, previous experience will count at the standard one-to-three ratio.

Each call situation is unique. The varieties of situations for pastors include solo or staff ministry team, solo or multiple parish site, specialized ministries in a congregational or non-congregational setting, senior pastor, associate or assistant pastor, little or no staff to extensive staff supervision and planning. If the condition of service involves a special measure of responsibility, such as working alone in a parish and/or lack of support staff, heavier than normal workload, or head of staff responsibilities, additional compensation would be appropriate. The same is true for a deacon whose call includes additional duties beyond the norm.

To make annual compensation increases and congregational budgeting easier and more predictable, the Northeastern Iowa Synod has moved to a flat 3% increase of base salary every year, rather than a combination of an annual salary step increase plus a cost-of-living adjustment (COLA).

This document will no longer provide a complicated, multi-year grid to determine the new base salary for rostered ministers for the coming year.

In your budgeting for the coming year, simply increase the base salary of the rostered minister by 3%.
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It is certainly acceptable and encouraged to provide a higher percentage if your rostered minister has taken on additional responsibilities, has gone above and beyond normal expectations in completing ministry tasks, or has not been compensated at Synod Guidelines in the past.

The grid below is only used to determine the starting base salary according to years of service for a rostered minister who is beginning a new call.

2027 Base Starting Salary Grid

Years of Service	2027 Base Salary
Seminary Grad	\$50,624
1	\$51,298
2	\$51,971
3	\$52,645
4	\$53,319
5	\$53,992
6	\$54,666
7	\$55,340
8	\$56,013
9	\$56,687
10	\$57,361
11	\$58,034
12	\$58,708
13	\$59,382
14	\$60,055
15	\$60,729
16	\$61,403
17	\$62,076
18	\$62,750
19	\$63,424
20	\$64,097
21	\$64,771
22	\$65,445
23	\$66,118
24	\$66,792
25	\$67,466
26	\$68,139
27	\$68,813
28	\$69,487
29	\$70,160
30	\$70,834
31	\$71,508
32	\$72,182
33	\$72,855
34	\$73,529
35	\$74,203

Add \$635 for every year after 35 years of service.

G. COMPENSATION FOR PART-TIME CONTRACT MINISTRIES

Part-time contracts can be very flexible to meet the needs of the ministry site and the rostered minister. Days and hours to be worked should be negotiated and included in the ministry agreement. This often includes having some Sundays off. For example, it is common practice for a rostered minister working under a 50%-time contract to have two Sundays off per month. The ministry site is responsible for finding supply coverage for these Sundays, but rostered ministers often help secure regular coverage.

The minimum defined compensation for a part-time contract or call should be equivalent to the compensation amount for the rostered minister at their level of experience reduced by the percentage of full-time of the contract or call. Full-time is defined as no more than 40 hours per week. The ELCA Philosophy of Benefits extends to rostered ministers in part-time calls, meaning that there is not a separate category of part-time benefits. Some benefits are calculated as a percentage of the defined compensation, so will reflect savings over a full-time rate. Health benefits use defined compensation as one factor in determining the cost of the benefit. Congregations are still expected to provide coverage for the rostered minister and family members as needed. Since defined compensation is lower for a part-time rostered minister, that will result in savings over a full-time rostered minister. Continuing Education and Publications and Professional Expenses are prorated to the percentage of the contract or call. Sick leave, disability, and parental/family leave remain at the level outlined in the Minimum Compensation Guidelines. For example, a half-time contract pastor would receive four weeks of vacation, not two weeks. Vacation time is only taken for those days/hours that a rostered minister works during an average work week. Regular days off remain regular days off, even during vacation time.

H. COMPENSATION AND BENEFITS FOR TEMPORARY MINISTRIES

Temporary staff compensation and benefits should be based on the duties and the amount of time spent completing ministry tasks. The interim rostered minister serving a congregation between permanent pastorates should be compensated as agreed upon by the rostered minister and all church councils involved, taking into account the following:

1. Full-time Interim

- a. Parish supplies housing for the pastor, spouse, and family.
- b. Compensation should be on the basis of the interim minister's number of years of experience according to synod guidelines. Under no condition shall it be less than the minimum guidelines for seminary graduates. Auto allowance should also be paid. Supplemental benefits should also be included.
- c. Furthermore, if the parish situation requires concentrated effort above the normal routine, serious consideration should be given to meet the guidelines for a rostered minister of the experience and skills which the interim brings to bear on the problems of the parish. It must be remembered that restorative and creative ministry on the part of the interim rostered minister may be much more difficult and exhausting than regular parish ministry.
- d. Interim calls are issued by the synod council in consultation with a local site.

2. Part-time Interim (at least 10 hours per week, on average)

Compensation will be proportionate to the base salary, benefits and auto allowance of a full-time interim rostered minister. Interim calls are issued by the synod council. In no instance shall the minimum hourly wage fall below \$30 per hour inclusive of travel and

preparation time plus mileage at the current IRS rate.

3. Supply Ministry

Compensation should include preparation time, travel time, and mileage for worship services, Bible studies, confirmation, visitation, and funeral planning. It is courteous to have a check on hand to reimburse one-time supply ministers immediately. When supply is provided for multiple weeks or on an ongoing basis, payment arrangements may be agreed upon by the congregation and the supply minister.

In the event that weather or some other issue requires the cancelation of a worship service, the supply minister must be notified as soon as possible. The supply minister shall be paid \$100 for preparation time. No mileage shall be paid, unless the minister was already traveling to the congregation before being notified of the cancelation. Only the round-trip mileage actually traveled will be paid to the supply minister in this case.

4. Weekly Worship

Single Service - \$200; each additional service - \$50 (\$100 if additional travel is required, e.g., for a Saturday evening service).

If a class is taught - \$50 additional

Communion presider only - \$30 per service.

Total mileage should be paid at the IRS approved rate.

5. Other Services (weddings, funerals, etc.)

\$200 per service, plus mileage at the IRS approved rate, paid by the congregation. This would be in addition to any honorarium the pastor might receive from the family members.

I. COPYRIGHT

Copyright law is an important consideration for rostered ministers and congregations. Sermons and other forms of oral or written resources used in ministry are subject to copyright. In copyright law, when a pastor or deacon creates a copyrightable work as part of their call, by default the ministry site as the employer becomes the owner of the work's copyright. All sermons and resources are considered to be a work-for-hire. Even if a rostered minister writes sermons or curriculum at home, it is likely that the copyright is the exclusive property of the ministry site. The ministry site can publish the material without the rostered minister's permission. And the rostered minister cannot sell or reproduce the materials for personal benefit. Work-for-hire is the default rule, but a rostered minister and the ministry site can sign an agreement that the rostered minister retains copyright of all materials produced while called to the ministry site. It is wise for the pastor and ministry site to consult with an attorney when developing such an agreement.

J. SABBATICAL GUIDELINES

INTRODUCTION

What is 'Sabbatical'?

"Sabbatical" is a significant amount of time away from ministry responsibilities and is to be used for both professional growth and personal renewal. The intent of sabbatical is to sharpen the recipient's skills and to refresh both the spiritual life and a sense of calling.

Definitions:

The phrase “extended study leave” means the same as “sabbatical.” When the word “congregation” is used in these guidelines, the terms “agency” or “employer” also apply.

Scriptural background:

The word “sabbatical” is rooted in the word “Sabbath.” The Sabbath is about time. When the work of creation was finished, God rested and reserved the seventh day as time to rest and reflect on the goodness of creation. In the third commandment, “Remember the Sabbath day to keep it holy,” God protects the gift of time from the insatiable demands of work. In the New Testament, Jesus insisted that “the Sabbath was made for humankind and not humankind for the Sabbath.” (Mark 2:27) As the Son of Man and Lord over the Sabbath, Jesus reclaimed the Sabbath to serve human physical and spiritual needs as God the Creator intended. In so doing, Jesus set the needs for renewal and restoration above the burdensome labor of religious obligations. In these brief examples from Scripture, a picture of the Sabbath emerges. The Sabbath recognizes the physical and spiritual strain of routine toil. It also hallows the time that will be given to God for renewal.

What’s done on Sabbatical?

The time may be used for a) further academic study; b) enhancement of professional skills; c) purposeful creative expression relating to ministry; d) purposeful travel in connection with an area of study; and/or e) serving a mission endeavor.

Is there a need?

Ministry changes often cluster around five-to-seven-year marks. At that time, it is normal for both the rostered minister and the congregation to become aware of the need for change. As a particular ministry unfolds over time, the cumulative weight of sharing crises, nurturing new programs and striving to meet ever-changing demands and expectations eventually affects the rostered minister’s performance and attitudes. That might be called “burn out” or “fatigue.” Both the rostered minister and the congregation may sense that “something is not right.” The most common recourse is to seek a new call. Effective use of a properly planned sabbatical will allow a rostered minister to more effectively utilize the experience already gleaned in a congregation. At the same time, well planned sabbaticals allow the rostered minister to bring new ideas and challenges, enthusiasm and directions to enrich and invigorate existing ministries.

The sabbatical is one of the most effective ways for a rostered minister and parish to develop and maintain a long-term relationship. In that sense, both the rostered minister as well as the congregation benefit from the rostered minister’s sabbatical. Taking a longer hiatus from the scheduled routine helps the rostered minister update outdated or stale skills. When study is coupled with the sabbaticant’s intentional and guided spiritual renewal discipline, the sabbaticant can return to the ministry re-equipped in skills and more deeply aware of the sustaining presence of God. Moreover, a rostered minister’s renewed sense of perspective gleaned from the sabbatical experience may lead to more productive goal setting and mission planning in the ministry site.

What is not a Sabbatical?

Sabbatical a) is not additional vacation. Sabbaticals, unlike vacations, assume that the church council and the synod play a significant role in the planning, execution and evaluation in shaping the outcome; b) is not an opportunity to do similar work in a different setting; and c) it is not the same as annual continuing education. Continuing education is taken annually and usually not for more than an accumulated one or two weeks of time. Sabbatical time is at least three months and is granted not more than once every five years.

1. ELIGIBILITY AND LENGTH

- a. Rostered ministers shall not be eligible for a sabbatical until they have served in their present call for at least five years.
- b. Recipients of sabbatical opportunities are expected to return to their existing ministries for at least a year after the sabbatical unless noted otherwise in the shared planning documents.
- c. A typical extended study will be thirteen weeks or three months. Vacation and continuing education time are not included in sabbatical. Variations from the thirteen week/three month sabbatical are to be approved by the congregation and reported to the Assistant to the Bishop for Rostered Leadership. It is not recommended that pastors “save” either annual continuing education time or stipends for their sabbatical, but rather use their continuing education time on an annual basis. However, as long as the rostered minister is participating in appropriate annual continuing education, unused continuing education funds may be designated to an account and accumulated to help cover sabbatical expenses.

2. GOAL SETTING GUIDELINES

- a. The Synod Council encourages that the sabbatical option be included in the Letter of Call or appointment for rostered ministers.
- b. At least six months before the sabbatical is to begin, the applicant shall submit a written plan to the congregational council for study including the proposed dates. The proposal must be approved by both the rostered minister and the congregational or administrative council. The proposal is then submitted to the Assistant to the Bishop for Rostered Leadership for comment, clarification and endorsement. Such a plan needs to include:
 1. Filling out sabbatical forms available from the Northeastern Iowa Synod.
 2. Providing the congregational council/administrative board and the Assistant to the Bishop for Rostered Leadership a statement of expected educational and spiritual benefits.
 3. Written plans about how the parish duties and existing programs will be covered. Major decisions should be made prior to the sabbatical, or, if they cannot be made, they should be delayed until the rostered minister has had time to become reoriented in the ministry.
 4. Openness to input from others that the plan may be overly ambitious, especially when a major writing project is involved.
 5. A plan for re-entry into the ministry once the sabbatical is complete, since both the congregation and rostered minister will have undergone changes and a loss of intimacy. A re-entry plan includes:
 - i. selecting a person to keep a diary of parish happenings to share at the return;
 - ii. staggering committee and board meetings to facilitate a gradual re-entry into the ministry;
 - iii. renewing ties by visiting, for example, the congregation’s homebound members who may have felt the absence most acutely;
 - iv. publicly affirming the ministry done during the absence, even though some things might have not gone smoothly;
 - v. determining a date to report to the congregation about short-term, intermediate and projected long-term benefits of the sabbatical.

3. COSTS DURING SABBATICAL

- a. During the sabbatical, the rostered minister shall remain at full salary and benefits, excluding automobile allowance.

- b. The participant will bear the cost of sabbatical activity. However, congregations may choose to assist in these costs by designating the current year's continuing education stipend to the sabbatical. The intent of only using the current year's stipend is to prevent rostered ministers from skipping continuing education in the years leading up to a sabbatical in order to build a sabbatical fund. If a congregation banks unused funds, the current funds, plus unused funds from the previous two years may be used toward sabbatical costs (see section B.2.b). Rostered ministers and congregations need to check current tax laws and retirement benefits rules about pre-designating a portion of the rostered minister's salary as an "education offset" during the sabbatical year.
- c. Whether a congregation initially enters into a sabbatical arrangement by Letter of Call or by congregational decision, it needs a fair estimate of the cost of providing interim ministry services. That estimate can serve as the basis for a savings plan. Some congregations may train lay persons to assume major responsibility during the sabbatical and may then budget for an interim minister only to provide minimal service. Sacramental ministry (baptism and Holy Communion) may only be performed by an ordained Minister of Word and Sacrament. Neighboring rostered ministers may make themselves available for crisis situations. When paid staff members assume the additional work of the sabbaticant, congregations may offer them an additional paid week of vacation as thanks for their cooperation.
- d. Because a sabbatical offers the congregation the chance for renewal as well as the rostered minister, congregational members are encouraged to try new ministry roles or to develop new ministries (e.g. Lay Communion Ministry Teams, Worship Leadership Teams, Preaching Teams, Confirmation Teaching Teams). In congregations served by two or more rostered ministers, the congregation is expected to partner with the remaining rostered minister(s) to ensure that the ministry of the congregation remains vibrant.
- e. Providing housing away from the congregational setting during the sabbatical is the responsibility of the sabbaticant.
- f. Grants to support a sabbatical may be available. Contact the synod office for information.

APPLICATION FOR SABBATICAL
Northeastern Iowa Synod
For submission to the Assistant to the Bishop for Rostered Leadership

for the period of _____ thru _____

Name: _____

Address: _____

Phone: (____) _____ (Office) (____) _____ (Home)

In existing ministry since:

Proposed period of sabbatical

Congregation/employer approved sabbatical

☐ By Call? ☐ By Resolution? ☐ If by Resolution, list date of Council meeting:

Brief preliminary explanation of proposal:

Preliminary statement of Intended Benefits:

Site of Study/Experience:

Approximate costs: Tuition & housing \$_____ Transportation \$_____
Food and incidentals \$_____

I am working with a local committee or council and have set the following goals:

- a. Responsibility for existing ministry _____ (date) *(see 2.b.3. and 3.c.-d. above)*
- b. Approval of final proposal _____ (date)
- c. Approval of "re-entry" plan _____ (date) *(see 2.b.5. above)*
- d. Date to report on sabbatical _____ (date)

Rostered Minister

Council President

Addendum A

MUTUAL MINISTRY COMMITTEE

The purpose of the Mutual Ministry Committee is to foster communication and coordination between the pastor or deacon (hereafter referred to as “minister”) and the members of the congregation/parish, and to provide support to the minister in the call. The committee develops policy recommendations, consults on continuing education plans, oversees long-range planning of the congregation, contributes to reviews of ministers and congregational ministries annually, and undertakes projects requested by the minister or council.

The Mutual Ministry Committee consists of a maximum of 6 members. The minister chooses three members, but the church council may veto any of the choices. The church council chooses three members, but the minister may veto any of the choices. When the minister is serving multiple congregations, all congregations should have at least one member on the committee. Members of the committee should not serve on the church/parish council while serving on the Mutual Ministry Committee. It is suggested that the committee meet at least four times per year.

First Meeting of the Year (late January – early February) – This meeting is best scheduled shortly after each congregation’s Annual Meeting. Review the ministry goals from the previous year and acknowledge progress made on these goals. Set new ministry goals for the coming year. Both the congregation(s) and the minister should bring ideas for ministry goals to the meeting. The goals of the congregation(s) are brought by the lay members of the Mutual Ministry Committee with input from the church council and committees of the congregation(s). Special attention should be given to goals or emphases for programs/ministries that were discussed at the Annual Meeting of the congregation(s).

Second Meeting of the Year (early March) – The emphasis of this meeting should be on continuing education for the minister and members of the congregation(s), especially any continuing education needed to meet the ministry goals which have been set for the year. A report is made on continuing education that was completed during the past twelve months by the minister and any members of the congregation(s). A plan is proposed and sent to the Council for approval for continuing education that will be completed during the coming year by the minister and members of the congregation(s). The continuing education plan for the minister may take the form a written and signed “Continuing Education Covenant.”

Third Meeting of the Year (mid-summer) – The third meeting begins by reviewing progress made on the current ministry goals and determining any further steps that are needed to complete the goals. The remainder of this meeting focuses on the minister and the Mutual Ministry Committee discussing openly any topics that are “hot” in the congregation(s) at the moment – ideas for ministry, ideas for worship, ideas for fun events, complaints or concerns, etc. *This is not a place to bring up individual grievances!*

Fourth Meeting of the Year (November – early January) – In this meeting the Mutual Ministry Committee reviews the goals that were set at the beginning of the year and discusses progress made by both the congregation(s) and the minister to complete these goals. The committee and minister also discuss how these goals helped or hindered the ongoing and long-range ministry of the congregation(s)/parish. Goals that have not been completed may be carried over into the next year.

It is **not** recommended that the Mutual Ministry Committee be responsible for performing an annual review of the minister. Such a review should be performed by the Executive Committee of the Council(s)/Parish Council. The Mutual Ministry Committee may provide input into an annual review, and should advocate for the minister being compensated at least at minimum guidelines. The Review of Minister of Word and Sacrament, Minister of Word and Service, and Congregational Ministry is a suggested format for the review. It may be found in Addendum B of the Northeastern Iowa Synod Minimum Compensation Guidelines. The current version of these guidelines may be found on the synod website neiasynod.org by clicking the “Resources” link.

Based upon its work throughout the year, the Mutual Ministry Committee may at any time forward recommendations to the Church Council(s)/Parish Council for action at their regular meetings, or as an agenda item for the Annual Meeting of the congregation. These recommendations should include advocating for fair and competitive compensation for the rostered minister, developing a sabbatical policy if one does not exist, and updating and changing personnel policies as needed.

Addendum B

REVIEW OF MINISTER OF WORD AND SACRAMENT, MINISTER OF WORD AND SERVICE, AND CONGREGATIONAL MINISTRY

INTRODUCTION

Effective ministry is the result of an interaction between the rostered minister and the congregation(s). It is always important to stay in touch with shared goals and expectations.

The following documents are provided as a means to review the mutual ministry of the pastor(s)/deacon(s) and the congregation(s) based upon the Letter of Call issued to each rostered minister, which is reflected in the constitutional provisions related to the pastor(s)/deacon(s) and the congregation(s).

The review of the rostered minister(s) is generally completed annually by the executive committee of the council (or the executive committee of the parish council, if a geographical parish), but each congregation or shared ministry setting may choose which entity is best suited to conduct the review. The review of the congregational ministry is generally completed annually by the pastor(s)/deacon(s) and council(s) together.

The goals of the review are:

- a. To identify and affirm the accomplishments, faithfulness and competencies of the congregation and the pastor(s)/deacon(s).
- b. To help congregations sharpen personal goals and to define areas of needed or desired professional, spiritual, and personal growth.
- c. To help laity and rostered ministers clarify expectations of one another and to improve the effectiveness of their shared ministries.

Prior to completing the review, each person doing the review is encouraged to consult the expectations of rostered ministers as outlined in Section S14.12 of the Northeastern Iowa Synod Constitution, ELCA, for Ministers of Word and Sacrament; and in Section S14.32 for Ministers of Word and Service; and the expectations of a congregation as contained in Chapter 4, “Statement of Purpose,” in the Model Constitution for Congregations of the Evangelical Lutheran Church in America, Sections C4.02 and C4.03.

If the ministry site has a position description for the pastor(s)/deacon(s), strengths and growth areas may be assessed for additional duties mentioned in the position description.

Please note that the synod’s Minimum Compensation Guidelines are set at a level to adequately compensate a rostered minister who is meeting the minimum expectations of a Minister of Word and Sacrament or Minister of Word and Service as outlined in the Letter of Call and the Synod Constitution. If a rostered minister is performing above minimum expectations, it is appropriate to provide compensation above the minimum level for years of service.

REVIEW OF PASTOR BASED ON THE SYNOD CONSTITUTION

Section S14.12 of the Northeastern Iowa Synod Constitution:

†S14.12. Consistent with the faith and practice of the Evangelical Lutheran Church in America,
a. Every minister of Word and Sacrament shall:

1) preach the Word;

List the pastor's strengths in the area of preaching:

List areas of growth related to preaching:

2) administer the sacraments;

List the pastor's strengths in the area of administering Baptism and Holy Communion:

List areas of growth related to administering Baptism and Holy Communion:

3) conduct public worship;

List the pastor's strengths in the area of conducting worship:

List areas of growth related to conducting worship:

4) provide pastoral care;

List the pastor's strengths in the area of providing pastoral care:

List areas of growth related to providing pastoral care:

5) seek out and encourage qualified persons to prepare for the ministry of the Gospel;

List the pastor's strengths in the area of encouraging others to consider a call to ministry:

List areas of growth related to encouraging others to consider a call to ministry:

6) impart knowledge of this church and its wider ministry through distribution of its communications and publications;

List the pastor's strengths in the area of informing the congregation(s) about the ministries of the synod and the ELCA, and encouraging participation:

List areas of growth related to informing the congregation(s) about the ministries of the synod and the ELCA, and encouraging participation:

7) witness to the Kingdom of God in the community, in the nation and abroad; and

List the pastor's strengths in the area of witnessing to the Kingdom of God outside the congregation(s):

List areas of growth related to witnessing to the Kingdom of God outside the congregation(s):

8) speak publicly to the world in solidarity with the poor and oppressed, calling for justice and proclaiming God's love for the world.

List the pastor's strengths in the area of speaking publicly on behalf of the poor and oppressed, calling for justice, and proclaiming God's love:

List areas of growth related to these areas:

b. Each pastor with a congregational call shall, within the congregation:

1) offer instruction, confirm, marry, visit the sick and distressed, and bury the dead;

List the pastor's strengths in the areas of Christian education, confirmation, marriages, visitation, and funerals:

List areas of growth related to these areas:

2) relate to all schools and organizations of the congregation;

If applicable, list the pastor's strengths in relating to schools, daycare, and other organizations that are ministries of the congregation.

If applicable, list areas of growth in the pastor relating to congregational ministries.

3) install regularly elected members of the Congregational Council; and

List the pastor's strengths in the area of installing the Council, Sunday school teachers, etc.:

List areas of growth related to installations:

4) with the council, administer discipline; and

If applicable, list the pastor's strengths in administering discipline along with the council:

If applicable, list areas of growth related to administering discipline along with the council:

5) endeavor to increase the support given by the congregation to the work of the ELCA Churchwide organization and of this synod.

List the pastor's strengths in encouraging regular increases to Mission Support:

List areas of growth related to the pastor encouraging regular increases to Mission Support:

List mutually agreed upon goals for the pastor for the coming year, focusing especially on areas of growth mentioned above:

REVIEW OF DEACON BASED ON THE SYNOD CONSTITUTION

The following constitution-based review should ONLY be used for deacons who were consecrated after 2018, or for those who were a deaconess or diaconal minister before the Word and Service roster was unified. It is not an appropriate resource for those who were an associate in ministry prior to the unification of the lay roster. This review is also not suitable for use for deacons who are called to a specific ministry that does not require preaching, community outreach, advocacy, etc., as duties of the call. As an alternative, a review should be developed that is based on the job description for the position that the deacon holds in the congregation or ministry. The job description should also be a part of the review even if the following tool is used.

Section S14.12 of the Northeastern Iowa Synod Constitution:

†S14.32. Consistent with the faith and practice of the Evangelical Lutheran Church in America, every minister of Word and Service shall:

a. Be rooted in the Word of God, for proclamation and service;

List the deacon's strengths in the area of using scripture in preaching and service:

List areas of growth related to using scripture in preaching and service:

b. Advocate a prophetic diakonia [service] that commits itself to risk-taking and innovative service on the frontiers of the Church's outreach, giving particular attention to the suffering places in God's world;

List the deacon's strengths in the area of advocacy and action related to service ministries within the congregation(s) which reach out into the world:

List areas of growth related to such advocacy and action within the congregation(s):

c. Speak publicly to the world in solidarity with the poor and oppressed, calling for justice and proclaiming God's love for the world, witnessing to the realm of God in the community, the nation, and abroad;

List the deacon's strengths in the area of advocacy and action related to service ministries outside the congregation(s):

List areas of growth related to such advocacy and action outside the congregation(s):

d. Equip the baptized for ministry in God's world that affirms the gifts of all people;

List the deacon's strengths in the area of equipping others for ministry:

List areas of growth related to equipping others for ministry:

e. Encourage mutual relationships that invite participation and accompaniment of others in God's mission;

List the deacon's strengths in the area of encouraging mutual relationships:

List areas of growth related to encouraging mutual relationships:

f. Practice stewardship that respects God's gift of time, talents, and resources;

List the deacon's strengths in the area of personal stewardship and encouraging generosity in others:

List areas of growth related to stewardship:

g. Be grounded in a gathered community for ongoing diaconal formation;

List the deacon's strengths in the area of participating in a gathered community:

List areas of growth related to participating in a gathered community:

h. Share knowledge of the ELCA and its wider ministry of the gospel, and advocate for the work of all expressions of this church; and

List the deacon's strengths in the area of sharing knowledge of and advocacy for participation in the ministries of the ELCA, including its three expressions: Churchwide Office, Synods, and Congregations:

List areas of growth related to these areas:

i. Identify and encourage qualified persons to prepare for ministry of the gospel.

List the deacon's strengths in the area of encouraging others to consider a call to ministry:

List areas of growth related to encouraging others to consider a call to ministry:

List mutually agreed upon goals for the deacon for the coming year, focusing especially on areas of growth mentioned above:

REVIEW OF CONGREGATIONAL MINISTRY BASED ON THE MODEL CONSTITUTION FOR CONGREGATIONS AND THE LETTER OF CALL

Model Constitution for Congregations of the ELCA, Section C4.03:

***C4.03. To fulfill these purposes [listed in *C4.02], this congregation shall:**

a. Provide services of worship at which the Word of God is preached and the sacraments are administered.

List strengths in providing services of worship, proclamation of the Word, and administration of Baptism and Holy Communion:

List areas of growth related to providing services of worship, proclamation of the Word, and administration of Baptism and Holy Communion:

b. Provide pastoral care and assist all members to participate in this ministry.

List strengths in providing pastoral care and assisting all members to participate in ministry:

List areas of growth related to providing pastoral care and facilitating participation:

c. Challenge, equip, and support all members in carrying out their calling in their daily lives and in their congregation.

List strengths in this area of ministry:

List areas of growth related to this area of ministry:

d. Teach the Word of God.

List strengths related to Bible study, Sunday school, confirmation, adult education, Vacation Bible School, worship, and other teaching opportunities:

List areas of growth related to this area of ministry:

e. Witness to the reconciling Word of God in Christ, reaching out to all people.

List strengths in this area of ministry:

List areas of growth related to this area of ministry:

f. Respond to human need, work for justice and peace, care for the sick and the suffering, and participate responsibly in society.

List strengths in this area of ministry:

List areas of growth related to this area of ministry:

g. Motivate its members to provide financial support for the congregation's ministry and the ministry of other parts of the Evangelical Lutheran Church in America.

List strengths related to educating members regarding stewardship and mission support:

List areas of growth related to educating members regarding stewardship and mission support:

h. Foster and participate in interdependent relationships with other congregations, the synod, and the churchwide organization of the Evangelical Lutheran Church in America.

List strengths in this area of ministry:

List areas of growth related to this area of ministry:

i. Foster and participate in ecumenical relationships consistent with churchwide policy.

List strengths in this area of ministry:

List areas of growth related to this area of ministry:

In the Letter of Call issued to the rostered minister, it states these responsibilities for the members of the congregation(s): "With this call, we pledge our prayers, love, esteem, and personal support for the sake of the ministry entrusted to you by God and for our ministry together in Christ's name."

List ways that the congregation(s) are fulfilling these responsibilities:

List areas of growth related to the congregation(s) fulfilling these responsibilities:

List mutually agreed upon goals for the congregation(s) for the coming year, focusing especially on areas of growth mentioned above:

Addendum C
CHECKLIST FOR PARSONAGE USE

This checklist is being offered to promote ongoing discussion between congregational leadership and pastors relative to the maintenance, repair, and general use of a church owned home. It is understood the following areas may have more or less relevance to specific congregational situations.

_____ 1. The congregation has thoroughly cleaned, and redecorated as needed, the parsonage prior to use by incoming pastoral family.

_____ 2. The following appliances have been installed in the parsonage, are being properly maintained by the parsonage family, and serviced and annually inspected by the congregation

Recommended:

_____ Stove _____ Refrigerator _____ Dishwasher _____ Washer/Dryer

_____ Air conditioning _____ Microwave _____ Water Softener

As Needed/Optional:

_____ Garbage disposal _____ Water purifier

_____ TV antenna/Cable/Dish _____ Humidifier/Dehumidifier

_____ 3. The following services/utilities are being paid directly by the congregation:

_____ Electricity _____ Soft water service _____ Gas/LP _____ Cable (optional) _____ Telephone
(excluding personal calls) _____ Garbage (and other city-billed services) _____ Internet

_____ 4. The following items have been supplied by congregation by mutual agreement:

_____ Paint _____ Wallpaper _____ Window coverings

_____ Floor coverings _____ Light fixtures _____ Ceiling fans

_____ 5. Because the congregation owns the parsonage and grounds, it shall be their responsibility to provide regular grounds maintenance (e.g. lawn mowing, landscaping, snow removal).

Therefore, any expected role of the pastor in such matters has been discussed initially and reviewed annually.

_____ 6. When it becomes time to redecorate the parsonage, consideration of such matters as color and fabric selection, floor covering options, and overall design has been done in consultation with those living in the parsonage. The congregation will determine the price range for both individual items and the total cost of the redecoration.

_____ 7. An annual inspection of the parsonage has been conducted that included:

_____ - Major kitchen appliances and heating and cooling systems.

_____ - Areas in need of minor and major repair.

_____ - Immediate and long range redecorating and modernizing projects

_____ - _____

_____ 8. After the annual inspection, the pastor and congregational leaders have discussed inspection findings and have mutually agreed on: 1) the repairs, maintenance, and any redecorating plans that will be undertaken during the upcoming year, 2) who will be responsible for completing the work, and 3) who will pay for each approved expenditure.

Addendum D

HOUSING ALLOWANCE RESOLUTION

(Insert for Congregation Council Minutes)

In order to permit _____ (Name of Pastor) _____ to benefit from the provisions of Section 107 of the Internal Revenue Code of 1986, the council specifies that the total compensation paid to her/him during the fiscal year ended (Subsequent Year) includes a housing allowance. Since such approval by the council would permit her/him to deduct that amount from her/his taxable income and has no further effect upon our congregation or budget, it was

RESOLVED,

That the total compensation of \$ _____ (Amount) _____ paid to _____ (Name of Pastor) _____ includes a housing allowance of \$ _____ (Amount) for the current year and for all future years, unless otherwise provided.

Signature

Title

Date

The above resolution should be included in the minutes of the congregation council prior to January 1 of each year. A copy should be made of the motion as it appears in the minutes and given to the pastor(s) for her/his records.

This same resolution format may be used for a parsonage allowance when a pastor chooses to declare some of the base salary as a parsonage allowance to be used for expenses related to the parsonage.

Addendum E
ROSTERED MINISTER AUTOMOBILE EXPENSE REPORT
 For the Month of _____, 20____
 Vehicle Description: _____
 (Use a separate report for each vehicle)

MILEAGE METHOD

Day Of Month	General Description of Travel Purpose (At the discretion of payroll person, minister/staff person's appointment book must reconcile with this column. When confidentiality is necessary, use "private" as descriptor.)	Total Miles Traveled (Do not include commute or personal miles) [1]	Tolls & Parking [2]
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
Total for Columns [1 & 2]:			
Current Mileage Reimbursement Rate Per Mile:			
Total for Column [1] times (x) current mileage reimbursement rate per mile:			
TOTAL Automobile Business Expense (A) Add last line of column [1 & 2]:			

NORTHEASTERN IOWA SYNOD

Compensation Worksheet for a Rostered Minister Living in a Parsonage

Congregation(s) _____

Name of Pastor _____ Years of Service _____

Start Date: _____

For the fillable form, **DO NOT USE COMMAS IN NUMBERS****A. COMPENSATION/SALARY**

1. Base salary paid to pastor \$ _____

*Note: For First Call pastors, base salary increases will follow synod guidelines for at least the first three years.**It is appropriate to increase base pay beyond years of service for head of staff positions, advanced degrees, additional responsibilities, or merit.*2. Parsonage Value for Determining FICA Allowance only (Base salary x 30%) \$ _____

This amount is NOT paid to the pastor. It is only used to determine Defined Compensation. For the possible tax benefit and protection of the pastor, it is recommended that the ministry site and pastor seek the services of a realtor or tax professional in determining the Fair Rental Value of the parsonage if it were a fully furnished rental property. However, the Portico Housing Factor below will always be (line 1 + 3) x 30%.

i. Basic utilities are to be paid by the ministry site (internet, gas, electricity, sewer, garbage). The pastor and congregation may negotiate whether cable/satellite is paid by the congregation. In some cases, a tax professional may recommend that a pastor receive a utilities allowance instead. If that is the case, list the utilities allowance paid to the pastor here: _____.

ii. A pastor may choose to designate some of the base salary as a Furnishings Allowance. This provides a tax advantage to the pastor by reducing taxable income for expenses related to furnishing the parsonage and covering monthly expenses not covered by the congregation. If the pastor is designating an amount of salary as a housing allowance, list that amount here: _____.

3. FICA Allowance Paid to Pastor as Additional Salary: (line 1 + 2) x 7.65% \$ _____

Our nation's tax policy treats pastors as self-employed persons for FICA purposes. Where straight W-2 employees pay 7.65% of their income for FICA Tax, with the employer providing the remaining 7.65%, ordained clergy are required to pay the full 15.3% FICA Tax on income and housing. Congregations must provide a FICA Tax offset equivalent to the employer's portion of this tax which is paid as regular salary.

4. Portico Housing Factor for determining Defined Compensation (line 1 + 3) x 30% \$ _____

5. **TOTAL DEFINED COMPENSATION** (Lines 1 + 3 + 4) \$ _____**B. REIMBURSEMENTS**Required:

1. Travel ☐ Reimbursement at current IRS rate (enter budgeted amount or leave blank)
☐ Annual Allowance (enter budgeted amount for annual allowance) \$ _____

2. Official required meetings (Synod Assembly & Fall Conference) \$ _____

3. Continuing Education (\$900 recommended for full-time call) \$ _____

4. Moving Expenses and Arrangement: _____ \$ _____

(Note: Under the current federal tax code, moving expenses are considered a fringe benefit and must be included as taxable income on the pastor's W-2)

Recommended:

5. Publications and Professional Expenses (\$700 recommended for full-time call) \$ _____

6. Amount set aside annually if Sabbatical Leave is offered (\$400 recommended) \$ _____

(This is set aside by the congregation to pay for coverage while pastor is on sabbatical.)

7. **TOTAL** for all items in section B. REIMBURSEMENTS \$ _____**C. PAID BENEFITS**

To calculate retirement & medical you must sign into your Portico EmployerLink account, select "Resources" then "Understanding Portico's Benefits" and select "Calculators," or call Portico Customer Care at 800.352.2876.

1. Required Retirement Plan Contributions

Indicate percentage: 10% 11% 12% (% x Total Defined Compensation) \$ _____

2. Health + Disability + Basic Group Life \$ _____

Plan Option: _____

☐ Member only ☐ Member & spouse ☐ Member & children☐ Member, spouse, children ☐ Coverage waived

3. Housing Equity Allowance paid as additional retirement contributions \$ _____

4. Reimbursement for medical expenses not covered by medical plan \$ _____

5. **TOTAL** for all items in section C. PAID BENEFITS \$ _____

D. OTHER BENEFITS

1. Vacation Four weeks including four Sundays
2. Continuing education Two weeks including two Sundays
3. Sabbatical Leave _____ weeks after _____ years of service in this congregation
4. Parenting leave of _____ weeks with full salary, housing, and benefits.
(Recommended 6 weeks)

E. AGREEMENTS

YES NO

1. We presently have or will establish a Mutual Ministry Committee. _____
2. Congregation has or will establish a Sabbatical Leave Policy. _____
3. Other _____
4. When calling a new seminary graduate, the congregation(s) must fully support the pastor participating in the Synod First Call Theological Education Program.

F. OTHER PROVISIONS (may be copied from the Mutual Expectations section of the Ministry Site Profile)

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

- a. _____
- b. _____
- c. _____
- d. _____
- e. _____

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

- a. _____
- b. _____
- c. _____
- d. _____
- e. _____

3. Other matters:

CONTACT PERSON:

Name: _____ Phone: _____

Address: _____

10/09/2025

Addendum F-2
NORTHEASTERN IOWA SYNOD

Compensation Worksheet for a Rostered Minister Receiving a Housing Allowance

Congregation(s) _____

Name of Pastor _____ Years of Service _____

Start Date: _____ For the fillable form, **DO NOT USE COMMAS IN NUMBERS**

A. COMPENSATION/SALARY

1. Base salary paid to pastor \$ _____

*Note: For First Call pastors, base salary increases will follow synod guidelines for at least the first three years.
It is appropriate to increase base pay beyond years of service for head of staff positions, advanced degrees,
additional responsibilities, or merit.*

2. Housing Allowance (No Parsonage) Paid to Pastor. \$ _____

For the initial calculation, this is the base salary x 30%. Once the call is issued, the pastor may raise or lower the amount of the housing allowance as needed. If the housing allowance is raised, the base salary is lowered by the same amount. If the housing allowance is lowered, the base salary is raised by the same amount. The pastor is responsible for determining the Fair Rental Value of the home with the assistance of a realtor or tax professional.

3. FICA Allowance Paid to Pastor as Additional Salary: (line 1 + 2) x 7.65% \$ _____

Our nation's tax policy treats pastors as self-employed persons for FICA purposes. Where straight W-2 employees pay 7.65% of their income for FICA Tax, with the employer providing the remaining 7.65%, ordained clergy are required to pay the full 15.3% FICA Tax on income and housing. Congregations must provide a FICA Tax offset equivalent to the employer's portion of this tax which is paid as regular salary.

4. **TOTAL DEFINED COMPENSATION** (Add lines 1-3) \$ _____

B. REIMBURSEMENTS

Required:

1. Travel ☐ Reimbursement at current IRS rate (enter budgeted amount or leave blank)
☐ Annual Allowance (enter budgeted amount for annual allowance) \$ _____

2. Official required meetings (Synod Assembly & Fall Conference) \$ _____

3. Continuing Education (\$900 recommended for full-time call) \$ _____

4. Moving Expenses and Arrangement: _____ \$ _____

(Note: Under the current federal tax code, moving expenses are considered a fringe benefit and must be included as taxable income on the pastor's W-2)

Recommended:

5. Publications and Professional Expenses (\$700 recommended for full-time call) \$ _____

6. Amount set aside annually if Sabbatical Leave is offered (\$400 recommended) \$ _____

(This is set aside by the congregation to pay for coverage while pastor is on sabbatical.)

7. **TOTAL** for all items in section **B. REIMBURSEMENTS** \$ _____

C. PAID BENEFITS

To calculate retirement & medical you must sign into your Portico EmployerLink account, select "Resources" then "Understanding Portico's Benefits" and select "Calculators," or call Portico Customer Care at 800.352.2876.

1. Required Retirement Plan Contributions
Indicate percentage: 10% 11% 12% (% x Total Defined Compensation) \$ _____

2. Health + Disability + Basic Group Life \$ _____

Plan Option: _____

☐ Member only ☐ Member & spouse ☐ Member & children

☐ Member, spouse, children ☐ Coverage waived

3. Reimbursement for medical expenses not covered by medical plan (optional) \$ _____

4. **TOTAL** for all items in section **C. PAID BENEFITS** \$ _____

D. OTHER BENEFITS

5. Vacation Four weeks including four Sundays
6. Continuing education Two weeks including two Sundays
7. Sabbatical Leave ____ weeks after ____ years of service in this congregation
8. Parenting leave of _____ weeks with full salary, housing, and benefits.
(Recommended 6 weeks)

E. AGREEMENTS

YES NO

1. We presently have or will establish a Mutual Ministry Committee. _____
2. Congregation has or will establish a Sabbatical Leave Policy. _____
3. Other _____
4. When calling a new seminary graduate, the congregation(s) must fully support the pastor participating in the Synod First Call Theological Education Program.

F. OTHER PROVISIONS (may be copied from the Mutual Expectations section of the Ministry Site Profile)

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

- a. _____
- b. _____
- c. _____
- d. _____
- e. _____

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

- a. _____
- b. _____
- c. _____
- d. _____
- e. _____

3. Other matters:

CONTACT PERSON:

Name: _____ Phone: _____

Address: _____

10/09/2025