



LETTER FROM BISHOP SHELLEY WICKSTROM..... 3

GUIDELINE EVOLUTION AND REVISION HISTORY 4

GUIDELINE CONTEXT 4

COMPENSATION AND BENEFIT FORM..... 5

 ELCA STANDARD FORMS 5

MONETARY BENEFITS..... 5

 SALARY COMPENSATION..... 5

 • *Salary Compensation Worksheet*..... 5

 • *Use Worksheet as a Tool* 5

 • *Synod Base Salary Adjustment for 2024*..... 5

 • *Synod Base Salary Adjustment after 2024* 6

 • *Creative Compensation* 6

 • *Full time salary out of reach?*..... 6

 SALARY COMPENSATION CONSIDERATIONS 7

SALARY COMPONENTS..... 7

 BASE SALARY 7

 COMPENSATION GUIDELINES 7

 TAX-RELATED ISSUES (HOUSING ALLOWANCE & SECA RULES) 8

NON-SALARY MONETARY BENEFITS 9

 PORTICO BENEFIT SERVICES 9

 • *Retirement Benefits* 9

 • *Health Benefits* 9

 • *Medical Expense Reimbursements*..... 10

 • *Other Benefits (Disability and Life Insurance)* 10

 PROFESSIONAL ALLOWANCES AND EXPENSES 10

 VEHICLE EXPENSES 10

 CONTINUING EDUCATION ALLOWANCE 11

 FIRST CALL THEOLOGICAL EDUCATION 11

 SABBATICAL LEAVE 11

 PROFESSIONAL CONFERENCES AND ASSEMBLIES..... 12

 OTHER PROFESSIONAL EXPENSES 12

 OUTSIDE TRAVEL FOR FAMILIES..... 12

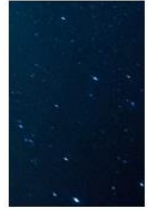
 ADDITIONAL MONETARY BENEFITS 12

NON-MONETARY BENEFITS..... 13

 VACATIONS..... 13

 REGULAR DAYS OFF..... 13

<i>PERSONAL TIME OFF</i>	13
<i>FAMILY CARE LEAVE</i>	13
<i>PARENTAL LEAVE</i>	14
<i>BEREAVEMENT TIME OFF</i>	14
<i>COURT LEAVE</i>	14
<i>MILITARY LEAVE</i>	14
<i>EXTENDED MEDICAL LEAVE AND DISABILITY</i>	14
<i>HOLIDAYS</i>	14
CLOSING THOUGHTS	15
PARSONAGE GUIDELINES APPENDIX	16



November 15, 2022

To the Congregations, Council Members, and Rostered Leaders of the Alaska Synod,

Thank you for your partnership in the Gospel and through this synod. Thank you for tending to the work of your congregation. Compensation Guidelines exist to help you determine fair compensation for your pastor or deacon. Care has been given to adjust compensation based on the cost of living in each community. Every August, these guidelines will be adapted to reflect the Consumer Price Index released by the state.

We have some new language for our ordained leaders. In the Evangelical Lutheran Church in America, we call pastors and deacons who are ordained for service our rostered leaders. Pastors are ministers of Word and Sacrament. Deacons are ministers of Word and Service.

Compensation guidelines are based on the years of service since ordination, not the years served in his or her current parish. Be in conversation with the rostered persons and your ministry context. Be flexible while seeking solutions that both honor the congregation and support the rostered leader.

If you have questions or concerns, please feel free to contact the synod office (907) 272-8899, aksynodbishop@gmail.com.

As a synod, we are grateful to the people who brought these guidelines together.

In Christ's service,

Pastor Shelley Wickstrom
Bishop, Alaska Synod

GUIDELINE EVOLUTION AND REVISION HISTORY

In early 2004, a Clergy Compensation Sub-Committee, appointed by the Alaska Synod Council and serving under the Synod Personnel Committee, met to develop a Clergy Compensation and Benefits package for submission to the Synod Council. Members of that sub-committee included Dana Handeland, Nome; Jay Sweeney, Sitka; Pastor Martin Eldred, Eagle River; Mickey Knapp, Anchorage; and was chaired by then synod Vice President Larry Graham, Anchorage. Those guidelines were revised slightly in 2007, and then again by Larry Graham in 2012.

In 2021, Bishop Shelley Wickstrom, on behalf of the Synod Council, formed an ad hoc sub-committee consisting of Carol Bras, Lou Florence and Bradley Perkins (each with significant HR, employee benefits and employment law experience) to review and update the guidelines for submission to the Synod Council (later joined by Pastor Karen Perkins for her linguistic expertise and pastoral perspective). The sub-committee considered, and in many cases borrowed heavily from, current guidelines from other synods (including those within Region 1), as well as other public-sector and non-profit compensation plans and salary surveys. This sub-committee acknowledges and thanks particularly the work of the Northwest Washington Synod, Southwestern Washington Synod, Oregon Synod, Northeastern Minnesota Synod, and Sierra Pacific Synod.

In October 2023, Bishop Wickstrom asked the ad hoc sub-committee, joined by Jim Roberts (with extensive computer business experience), to reconvene and update the worksheet to the current CPI for 2024. The sub-committee suggested incorporating other changes suggested by congregations, as well making changes to allow the worksheet to update the published CPI each year.

GUIDELINE CONTEXT

There have been challenges in developing new guidelines, as the years leading up to the expiration of the prior guidelines in 2022 were difficult years in many respects. We hope to continue to work together for the sake of Christ and the good news we share. In that spirit, these guidelines try to address the following:

- We have a wide range of congregations in various sizes and stages of ministry — with a wide range of capacities to compensate justly.
- The past years of the COVID-19 pandemic were a financial hardship on many congregations.
- Housing prices in Alaska continued to increase significantly, magnified particularly for those new to the Alaska Synod and moving here from other places.
- During these pandemic years, the cost of living increased significantly.
- Deacons are now a part of our ordained rosters. Where we used “clergy” or “rostered leader” we include deacons (where appropriate).
- Congregation Councils are advised to review their rostered leader’s compensation packages annually and consider making necessary adjustments in light of the current guidelines. This both benefits current clergy and helps to prepare the congregation for their next rostered leader. The congregation should have a reasonable understanding of what a new leader will expect. It is a disservice to both the clergy and congregation to regularly compensate below guidelines.
- Since this time last year, the median Consumer Price Index (CPI) increased 4.0% in Alaska. The 2024 base salary reflects the median increase of 4.0%.

COMPENSATION AND BENEFIT FORM

ELCA STANDARD FORMS

The compensation package must be negotiated by mutual agreement between congregation and clergy and reduced to writing (and signed) on a standard ELCA form (“Compensation and Benefit Form”), which can be downloaded (with their respective guides):

- [Compensation and Benefits for a Pastor Form](#). Instructions can be found in [Compensation and Benefits for a Pastor Guide](#).
- [Compensation and Benefits Word and Service](#) (for deacons). Instructions can be found in [Guide to Compensation Word and Service](#).

Send a copy of the signed Compensation and Benefit Form to the synod office, including any subsequent amendments.

<h3><u>FILLING OUT THE COMPENSATION AND BENEFIT FORM</u></h3>

<p>As you work through these guidelines, you will find directions in these boxes as to where to put your calculations and decisions in the Compensation and Benefit Form.</p>

MONETARY BENEFITS

SALARY COMPENSATION

- **Salary Compensation Worksheet**
The [salary compensation worksheet](#) accompanying these guidelines will help guide compensation discussions, allowing call committees and personnel teams to more fully appreciate the experience and expertise that our rostered ministers bring. [Find a tutorial video here \(from the Northwest Washington Synod\)](#).
- **Changes from Prior Guide and Tables**
The Salary Compensation Worksheet replaces the tables (see the discussion below about change...). [After downloading the worksheet](#) and filling it out (in Excel), you will get the salary guideline number, as you would have derived from the tables in the prior clergy compensation guidelines. However, the selections for parsonages, housing allowances, etc. are now handled in the ELCA Compensation and Benefit Form rather than as they were in the prior tables. As you work through this guide, the worksheet and [video tutorial](#) (if needed), it will make sense.
- **Parsonage Guidelines Appendix**
Since there are so few parsonages in our Synod, the helps in this appendix are not offered as “policy”—but rather as guidelines for those who have parsonages.
- **Use Worksheet as a Tool**
This compensation worksheet is not rule. This is not a substitute for the gifts of conversation and deep listening. We must balance our needs, capacities and work together towards a common mission.
 - Remember to let the Spirit define your space and conversations together.
 - Be creative in helping clergy afford moving to and living in Alaska if the “Alaska Location and Cost-of-Living Adjustment” in the worksheet is not enough.
 - While honoring the work of clergy, mission starts may need to compensate lower than what the worksheet calculates.
 - Remember the caveat from Guideline Context (above): *It is a disservice to both the clergy and congregation to regularly compensate below guidelines.*
- **Synod Base Salary Adjustment for 2024**

Since this time last year, the median Consumer Price Index (CPI) increased 4.0% in Alaska. The 2024 base salary in the worksheet reflects the median increase of 4.0%. So, before starting any new call or clergy compensation review process, download the current worksheet and plan from the synod's website.

- **Synod Base Salary Adjustment after 2024**

Considering the efforts of the Federal Reserve and current stability in the national economy, employment market, etc., the ad hoc subcommittee is recommending that the baseline salary used in the worksheet be automatically updated the median Alaska CPI for each year after 2024.

- **Creative Compensation**

Some congregations may not be able to meet the recommended worksheet guideline. Some creative and alternative ways to compensate clergy include more vacation, increased retirement contributions and deferred compensation, etc. However, some of these alternatives have tax, retirement income and other implications. These are beyond the scope of these guidelines and should be researched by an expert.

- **Full time salary out of reach?**

Consider a part-time or joint call. However, in such a call the congregation must support the rostered leader's other obligations. Additionally, such a call must be mutually defined.

- **Why a Worksheet?** *(Where are the charts? I liked the charts!)*

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

- Worksheets are dynamic. A worksheet is more dynamic and enables both congregations and clergy to have more in-depth and open conversation about salaries and benefits. This helps to identify all the facets determining compensation, some of which might otherwise go unrecognized or unaddressed, creating potential points of tension. Transparency is incredibly important when it comes to congregation finances.
- Synod housing costs are diverse. Housing costs in Nome are not the same as housing costs in Anchorage. The diversity of housing costs throughout the synod must be considered when assessing reasonable compensation. The compensation worksheet includes a mechanism for equitably adjusting compensation based on the overall cost of living in various cities. These factors are taken from the Alaska Department of Administration, Division of Personnel 2008 study – the latest available.
- Previous experience matters. This worksheet helps to accentuate the immense value of past experiences and wisdom for the work of ministry. For example, 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 organization. Under the former salary scale system, all that experience would be potentially disregarded. We have come to recognize that skills other than those taught in seminaries can be of value in shepherding a congregation.
- Advanced education and language proficiency are valuable. Our congregations 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. Lutherans have long expected that their rostered ministers be well-educated. The worksheet seeks to account for and encourage life-long learning for leadership. Degrees beyond MDiv for pastors and MA for deacons (PhD., DMin, additional graduate level licensing or credentialing) will get credits for each such degree. Likewise, having clergy who are proficient in more than one language can be a gift that would enhance our ministries.
- Salary charts become obsolete over time. The format of the prior salary chart was set up almost ten years ago based on salary studies at the time. The new worksheet can be updated

as necessary. Of course, remember to download the current version of the worksheet before starting any clergy compensation review or call process.

SALARY COMPENSATION CONSIDERATIONS

- Clergy should be rewarded for longevity in their current call. It takes many years to learn the culture of a community and develop the relationships for more meaningful change. However, after a significant number of years, this may no longer be a clear benefit to the congregation. Congregations also benefit from the fresh ideas of new leadership or the generational experiences a different rostered leader may bring to the context. Congregations and communities change over time and may require or desire different clerical gifts. These factors can be addressed in the bonus category of the worksheet.
- Differences in negotiating skills should not result in inequitable compensation. It is important to aim for consistency throughout the process for the sake of accountability, trust, and accuracy.
- Our economic and educational systems have produced far more student debt than ever before. Our newest clergy often begin ministry with massive amounts of student debt, even after working while going to school and living as economically as possible. Compensation committees are encouraged to consider this burden faced by many of our less experienced rostered leaders. This is a larger justice issue than our individual congregations can solve, but neither should it be ignored.
- While not specifically aware of racism, sexism and other intersecting forms of discrimination impacting clergy compensation in our synod, these forms of discrimination have continued to result in compensation inequity among ELCA clergy, in general. Men still tend to receive calls with more compensation and higher prestige. Clergy from racialized communities, especially women, still wait longer for calls and tend to receive lower compensation. These differences increase over time, despite higher student-debt, fewer restrictions and, especially for women, longer retention in ministry. All expressions of the ELCA must be intentional about condemning this disparity and committing to offer equitable compensation.

SALARY COMPONENTS

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

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 person and then approval of amounts recorded in the minutes of a council or ministry site meeting prior to beginning payment to those persons. These amounts may be changed but must be noted in meeting minutes prior to the actual change in payments.

COMPENSATION GUIDELINES

- We encourage each ministry site’s Personnel Committee, in partnership with their professional leader, to work through the current year Compensation Guidelines and Worksheet to arrive at parity

amounts for each individual position based on the education and scope of responsibility required for the position.

- Our Synod includes urban and suburban cities, small towns and rural areas. Our ministry sites range from working class to upper middle class to wealthy. Given the range of economic contexts, one compensation guideline number, reflecting years of service, will not be appropriate for all settings. The Salary Compensation Worksheet is one way to guide the work of determining a fair and just salary.
- For another, local perspective, school districts make teacher compensation guidelines publicly available. While teaching responsibilities and church responsibilities are not strictly parallel, the education and preparation that teachers and church leaders bring to their positions do often compare. In this Synod's experience, teacher and church leader salaries are often comparable.

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.
 4. 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 ministry site fails to designate an allowance in advance of a calendar year it should do so as soon as possible in the new year. The allowance will operate prospectively, but never retroactively.
- 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. This 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 the 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 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.
- Also keep in mind that the housing allowance privilege ends when the rostered leader dies; surviving spouses are not eligible. The same is true in cases of divorce.

- 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 the 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.

COMPENSATION AND BENEFIT FORM ENTRIES

At this point, using the results from the Salary Compensation Worksheet and any modifications from the discussions above, you should be able to fill in section A. COMPENSATION. Note that the TOTAL BASE SALARY from the worksheet does NOT address allocating part of that salary into A. COMPENSATION 1. Housing Allowance or 4. parsonage expenses. There is some information in the guides to the compensation and benefit forms on these items. Additionally, you can seek guidance from the IRS and tax advisors.

NON-SALARY MONETARY BENEFITS

PORTICO BENEFIT SERVICES

Congregations are expected to enroll clergy in Portico Benefit Services (formerly called the ELCA Pension and Other Benefits Program). This one enrollment provides for health, retirement, disability, and survivor plans as a package. [The ELCA Philosophy of Benefits](#) provides more information about the ELCA’s philosophy of benefits.

- [Portico Benefit Services Rate Calculators](#) will provide the rate calculations you will need to determine both the congregational and the clergy contribution to the clergy compensation package for these benefits.
- The rates are calculated based on “defined compensation” which includes salary, housing, and social security offset, if offered. The contribution rates — a percentage of “defined compensation” — are set annually.
- 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) 352-2867 (note: Portico is very responsive and easy to work with!).
 - For those clergy who live in the congregation’s parsonage, calculation for Portico health benefits will be based on the salary plus 30% of the salary.
 - Note: If both spouses are enrolled with Portico because they are working with two different congregations, each congregation will be billed for the health plan, rather than the entire amount for the couple being billed to the employer paying the higher salary.
- **Retirement Benefits**

The ELCA’s overall retirement contribution in the range of 10% to 12% still reflects the compromise between predecessor church bodies from our merger in 1988. However, congregations may contribute amounts to the retirement fund on behalf of the rostered leader in excess of the prescribed contribution, if desired. The synod recommends that this be seriously considered.
- **Health Benefits**
 - Congregations are expected to provide all available health coverage for all family members if

- other coverage is not available.
- If a rostered leader elects to waive the medical and dental coverage through the Portico Benefit Services, the rostered leader may negotiate with the congregation to allocate those dollars to another portion of the total compensation package or to establishing a flexible spending account for out-of-pocket health expenses.
- Clergy couples CANNOT opt out of the health plan.
- **Medical Expense Reimbursements**
 - Congregations and clergy are urged to share the cost of regular health physical examinations that may not be covered by ELCA or other health insurance plans.
 - If congregations opt to reimburse clergy for deductible medical charges not covered by the Portico Benefit Services Health Plan, an account should be established at the beginning of the year with the maximum amount that will be reimbursed for those expenses. Reimbursements are tax free in all respects, should not appear on W-2 forms, and are not considered part of Defined Compensation when calculating medical/dental contributions to the ELCA plan. Congregations offering such a program must make them available to all full-time employees and the appropriate motions must be passed by the congregation council at its first meeting after the congregation's budget is passed. An accounting system must be established to which the congregation employee submits vouchers and receipts for reimbursement.
- **Other Benefits (Disability and Life Insurance)**

The cost of these benefits is a set percentage of "Defined Compensation" for all members of Portico Benefit Services. Members may not "opt out" of this portion.

COMPENSATION AND BENEFIT FORM ENTRIES

At this point, using the results from the Portico Benefit Services Rate Calculators and other information from the discussions above, you should be able to fill in section B. PENSION AND OTHER BENEFITS.

PROFESSIONAL ALLOWANCES AND EXPENSES

The synod recommends that congregations consider several other areas of support for clergy, some of which are listed below. These may make a difference in congregational budgets. These policies should be part of the Compensation and Benefit Form.

VEHICLE EXPENSES

Transportation is an essential ministry tool for clergy. Auto expenses and other work-related travel are considered business expenses for congregations, not salary. This line item might appropriately be placed in the congregation budget under congregation operating expenses, not under clergy salary and benefits. Any tax implications are beyond the scope of these guidelines. Consider consulting a tax expert.

- The least complicated and much preferred Accountable Plan is reimbursement using the "standard mileage rate," which can be found at <https://www.irs.gov/tax-professionals/standard-mileage-rates>. The rate for each year is updated at least every December (but can be adjusted more frequently). Clergy simply keep track of the miles used for business purposes and receive reimbursement from the congregation.
- If vehicles are owned or leased by clergy, another method is for clergy to turn in expense reimbursement forms for any expenses.
- A more complicated Accountable Plan is the plan that reimburses all actual auto expenses. These expenses can include depreciation, licenses, gas, oil, tools, lease payments, insurance, garage rent,

registration fees, repairs, and tires, but must be paid only as they are used for business purposes. The separation of business and personal makes this method more complex.

- Another type of Accountable Plan is to pay an amount to the clergy for this purpose and to have clergy submit expenses which apply to business and return any amount advanced which is not used.
- Still another method of making transportation available is for the congregation to purchase or lease a car and assume the total of all auto expenses (insurance, tolls, parking fees, maintenance and repair coverage including a credit card for fuel). Clergy, in order to comply with tax regulations, are then required to report personal use of the vehicle for tax purposes. This same plan would apply to those congregations that furnish snow machines and four-wheelers for transportation in rural villages. Clergy would only have to report personal use for tax purposes.

Note: The Internal Revenue Code discourages use of the “auto allowance.” Though still possible, it means the rostered leader owns or leases the car and the congregation pays a determined car allowance as detailed in the congregation budget. This auto allowance is considered taxable income and should appear as part of wages on Form W-2. Actual expenses, if documented, can be deducted by the rostered leader on IRS Form 2106 (Employee Business Expense). It also leaves exposure to an IRS audit.

CONTINUING EDUCATION ALLOWANCE

All rostered leaders of the ELCA are expected to complete at least 50 contact hours of continuing education annually. Therefore, continuing education time and funding should be provided for clergy in order to strengthen our ministries. The purpose of continuing education is professional growth, updating skills and self-renewal. It is separate from program development, vacation, or synod and regional pastoral leadership retreats. The synod recommends that:

- congregations provide a minimum of two weeks, including up to two Sundays, and \$1,000-\$2,000 annually for continuing education;
- clergy contribute a minimum additional amount of \$500 annually for continuing education; and
- the unused portion time and allowance be accruable up to no more than three years. (The Financial Services Office of Region 1 (206-624-0093) can assist clergy and the congregation in “banking” the accrued continuing education allowances.)

In all cases, congregations and clergy should plan together regarding continuing education programs and areas of study. Congregations should establish a policy to determine how accumulated continuing education time and money is to be dealt with when clergy resign.

FIRST CALL THEOLOGICAL EDUCATION

Newly rostered clergy are required to participate in First Call Theological Education during the first three years of rostered service. Congregations are expected to provide time and funds for participation in this program. Each “first call” congregation should set aside \$500 each year for the cost of participating in this annual training. Participation in the first call program may also extend to a “second call” if the rostered leader should accept another call during this three-year period.

SABBATICAL LEAVE

Sabbatical leave has been shown to benefit both clergy and congregations. All congregations should consider establishing a sabbatical leave policy for their clergy.

- Congregations and clergy should share expectations and allow adequate time for planning.
- Communication with the synod office is required before sabbatical approval can be given.
- Congregations should consider offering sabbatical leave after the rostered leader completes six years of continuous service in one congregation.
- A sabbatical may be 60-90 days in length and can be broken up into no more than three separate timeframes.
- Sabbaticals should include:

- re-creation
- spiritual, educational and pastoral study or projects, and
- exploration of an area of particular interest to the rostered leader.
- Clergy should commit to staying with the congregation for at least one full year after returning from a sabbatical.
- Credit for years served does not pass from one call to another.
- Clergy should start planning their sabbatical in consultation with the congregation council one year prior to going on sabbatical.
- Congregations are expected to pay the rostered leader’s full salary, housing allowance, and health and pension benefits during the sabbatical, but not a car allowance, mileage reimbursement, or travel costs.
- Congregations will need to provide pulpit supply during sabbaticals and may need to employ part-time interim pastoral help. These budget matters should be thought through as early in the budget process as possible so that they can be included in the budget for the sabbatical year.

PROFESSIONAL CONFERENCES AND ASSEMBLIES

Congregations are expected to pay for or reimburse clergy for expenses relating to attendance at all Alaska Synod Assemblies, bishop’s convocations and clergy collegia. Congregations may also consider reimbursement for clergy to attend other congregation related conventions, clusters, convocations, or meetings. Congregation councils and clergy should discuss attendance at such meetings in advance so the council knows about and can be supportive of the rostered leader’s attendance.

OTHER PROFESSIONAL EXPENSES

- Congregations should consider helping with costs of such professional expenses as books, vestments, spiritual direction, staff consultation expenses, periodicals, professional dues, entertaining and hospitality costs incurred in the performance of the duties of clergy. A set amount might be placed in the congregational budget for this purpose.
- If clergy are reimbursed from this account, rather than paid as an allowance, the cost does not need to be reported to the IRS as income. Clergy may also set up a Professional Expenses account by reducing salary by the specific amount for the year. These funds, also, would not be reported to the IRS as income.

OUTSIDE TRAVEL FOR FAMILIES

Clergy who live and serve in remote areas of Alaska may have trouble affording travel “outside” Alaska for their families to be able to accompany them on vacations or conferences. These congregations should consider budgeting for the travel of the rostered leader’s family for one trip per year, or at least one trip every two years to the other 49 states.

ADDITIONAL MONETARY BENEFITS

Congregations may wish to consider a number of additional programs currently available as further benefits for clergy. These include: optional or additional retirement payments to Portico, supplemental health insurance, tax-sheltered annuities, 403B tax-deferred plans, individual retirement plans, and Keogh retirement plans. The complexities of these programs require research and assessment of each individual’s specific situation. More information can be acquired from professionals trained in these fields.

COMPENSATION AND BENEFIT FORM ENTRIES

At this point, using the results from the discussions above, you should be able to fill in section C. EXPENSES and D. AGREEMENT 2 and 3. Include Sabbatical Leave, Outside Travel for Families and Additional Monetary Benefits in E. OTHER PROVISIONS 2, if agreed upon.

NON-MONETARY BENEFITS

The provisions in this section primarily deal with clergy being gone from the congregation. Open communication between clergy, congregation councils and/or congregation about when, and for what purpose, any absence will occur is essential. Except in an emergency, that communication should take place well in advance of the absence. Most congregations will be very understanding of the need to be gone, as long as the rostered leader has communicated with them. However, concerns may arise if congregants simply realize the rostered leader is gone or “gone again.”

Some of these policies may already be in the congregation’s constitution, bylaws, employee manual or if not, need to be included in the Compensation and Benefit Form.

VACATIONS

Congregations should grant annual vacation to clergy and include specifics in the Compensation and Benefits Form.

- The recommended annual vacation for clergy is four weeks (24 days), including four Sundays.
- Additional vacation time — based on length of time with the congregation, service in the ministry, and other factors — should be determined by the congregation.
- Clergy should plan to take all their vacation each year for their own health and the ultimate health of congregations. However, flexibility should be allowed for unusual circumstances that necessitate carrying over unused vacation days.
 - ELCA policy guide states, “A maximum of ten days” vacation time may be carried over from one year to the next. No more than ten days of additional vacation time may ever be retained.
- Time spent in outdoor ministries, retreats, etc., with congregational members (who are often themselves on their own vacation time) should not be considered vacation time when it is part of the rostered leader’s job-related activity. Functions requiring attendance, whether congregation-related or military duty (addressed below), should not be considered vacation.

REGULAR DAYS OFF

Congregations should ensure that clergy receive and take a minimum of one day per week as time off. Meetings and events should not be scheduled on the day off, and the rostered leader should be available for consultation only in the event of an emergency.

PERSONAL TIME OFF

Congregations are encouraged to provide rostered leaders at least twelve personal days per year. Personal time off (PTO) time is not an entitlement (and is not banked) and can be used at the discretion of the rostered leader. However, it is granted in lieu of traditional “sick days,” and can be used to care for themselves and immediate family members who are ill, since vacation or continuing education time should not be jeopardized by illness.

FAMILY CARE LEAVE

Congregations should support their rostered leader by providing family care leave, which is paid time off for the rostered leader for up to six weeks for a family emergency or extraordinary illness of an immediate family member. Family care leave should be documented in the Compensation and Benefits Form. Clergy may have additional rights under the Family and Medical Leave Act of 1993 (FMLA).

PARENTAL LEAVE

Congregations should support healthy relationships for rostered leaders in having the time needed to adjust to new family dynamics, which exemplifies the church's value of family. Parental leave with full salary, housing, and benefits for a minimum of twelve weeks is appropriate when a child is naturally born, adopted, foster placed or placed by guardianship. Develop an explicit written policy relating to parental leave and include in the Compensation and Benefits Form.

BEREAVEMENT TIME OFF

Congregations should develop an explicit written policy relating to bereavement time off. Clergy should be granted a minimum of three (3) days of bereavement pay for a death of an immediate family member. Personal leave may be used for additional days. Immediate family, for the purpose of bereavement leave, will mean spouse, domestic partner, child, parent, person who stood *in loco parentis* for the rostered leader, sibling, parent-in-law, grandparents, grandchildren, foster-children, and stepchildren.

COURT LEAVE

Clergy who are subpoenaed to appear as witnesses, or to present themselves for jury duty, should be granted court leave. Congregations should develop an explicit written policy relating to court leave. Clergy should be paid the difference between the rostered leader's regular pay and the pay received for jury duty. Written documents of jury duty should be provided (i.e., the court's statement of attendance and compensation for service, per diem, and travel).

MILITARY LEAVE

Clergy may be required at times to serve our country through military service. Congregations should develop an explicit written policy relating to military leave. Clergy requesting military leave should supply a copy of their military orders to the congregation council president or designee, in advance of leave.

- Clergy who are placed on reserve military duty, either through an armed forces reserve unit, or through the National Guard, shall be on military leave status.
- Clergy should have the option of taking military leave as annual leave or leave without pay.
- If a rostered leader is called to duty due to declared disaster, that person should be on military leave.

EXTENDED MEDICAL LEAVE AND DISABILITY

Congregations should develop explicit written policies relating to extended medical leave and to short-term disability.

- If a rostered leader becomes disabled as a direct result of injury or physical or mental disorder and is unable to perform the duties of the position, Portico Benefit Services expects the employing congregation to pay full salary and benefits during the first two months of disability.
- Beginning with the third month of disability, Portico Benefit Services picks up two-thirds of pre-disability pay. Congregations should be aware that for clergy who are working part-time or below guidelines when becoming disabled, the disability income will be based on that lower salary figure.

HOLIDAYS

Holidays should be granted as days off in addition to vacation days and personal days. When the

services of clergy are required on recognized holidays (i.e., Good Friday and Christmas), another day off should be granted at a time that will cause minimal disruption to the congregation. According to ELCA churchwide policy, the following days are traditionally considered paid holidays: New Year's Day, Martin Luther King Day, Good Friday or Easter Monday, Memorial Day, Juneteenth, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. If desired, congregations may designate other federal or state holidays for this purpose.

COMPENSATION AND BENEFIT FORM ENTRIES

At this point, using the results from the discussions above, you should be able to fill in D. AGREEMENT 1, 5 and 6. Include Bereavement Time Off, Court Leave, and Military Leave, in E. OTHER PROVISIONS 2, if agreed upon (and not part of the congregation's constitution, bylaws, or employee manual). Finally, there are additional sections in the Compensation and Benefit Form that are not addressed in these guidelines. These will also need to be completed (instructions can be found in the Compensation and Benefit Form Guide) before the form can be signed.

CLOSING THOUGHTS

While the issues and minutiae surrounding clergy compensation, its determination, negotiation, and documentation can become formulistic, legalistic and contentious, please try to step back and remember our original purpose for starting on this path and whom we actually serve. Trust that we are all doing God's work.

4 ¹I, therefore, the prisoner in the Lord, beg you to walk in a manner worthy of the calling to which you have been called, ²with all humility and gentleness, with patience, bearing with one another in love, ³making every effort to maintain the unity of the Spirit in the bond of peace: ⁴there is one body and one Spirit, just as you were called to the one hope of your calling, ⁵one Lord, one faith, one baptism, ⁶one God and Father of all, who is above all and through all and in all.

⁷But each of us was given grace according to the measure of Christ's gift. ⁸Therefore it is said,

"When he ascended on high, he made captivity itself a captive; he gave gifts to his people."

¹¹He himself granted that some are apostles, prophets, evangelists, pastors and teachers ¹²to equip the saints for the work of ministry, for building up the body of Christ, ¹³until all of us come to the unity of the faith and of the knowledge of the Son of God, to maturity, to the measure of the full stature of Christ. (Ephesians 4:1-8, 11-13 New Revised Standard Version Updated Edition)

PARSONAGE GUIDELINES APPENDIX

Since there are so few parsonages in our Synod, the helps in this appendix are not offered as “policy” — but rather as guidelines for those who have parsonages.

A parsonage is the home provided by the congregation for its minister. It should not only be a comfortable home for the minister and family, but one that also provides an environment that will be helpful to foster partnership and serve to enhance the ministry. (From: [Nebraska Synod, ELCA](#))

These guidelines are designed to help both the minister and the congregation. Following them will help the congregation become aware of needed improvements and let them know if their parsonage meets the synod-wide standards for their minister. These guidelines will also alert the congregation and minister of any abuses of the parsonage property.

Since the parsonage is the minister’s home, privacy should be respected. Members of the congregation should follow the same standards of politeness for such things as entering the parsonage as they would for any other home in the community. Because it is the home of the minister, his/her desires should be consulted when changes are necessary. The quality of the parsonage should meet a standard set by the homes of the majority of the congregation’s members. The size should be adequate to accommodate families.

The tenant/landlord model may apply on occasion, but its application is quite limited. Contrary to renters, the minister normally has little choice of residence. The relationship between the minister and congregation is not based on a lease or rental agreement, but upon a common bond in the ministry of the congregation. These guidelines are suggested for congregations and their minister to use to discuss the matters of maintenance, repair and responsibilities relative to a church-owned home.

- a. Before a minister moves into a parsonage, the congregation should see that it is thoroughly cleaned and may want to use this occasion to update and redecorate the parsonage. The colors, fabric, design, etc., selected in the redecoration would normally be selected by those who will be living in the house in consultation with the appropriate committee. The congregation, of course, shall determine the price ranges for these items.
2. Annual Inspection of the Parsonage and Dealing with Needs
 - a. As part of the call process, the new minister (and spouse) should tour the parsonage with a member of the call committee, congregational council chairperson and appropriate property committee person and agree as to what repairs and redecorating are to be done before the new minister arrives.
 - b. There should be an annual inspection of the parsonage by persons designated by the congregational council. The purpose of the inspection is to discover

- needed repairs, improvements, and refurbishing, and to make short-term and long-term plans for accomplishing these, with prompt attention given to safety and health factors. This annual inspection is important so that appropriate attention is provided to the home.
- c. Needs which arise between inspections should be taken care of promptly. It is the responsibility of the minister to promptly make known to the council or appropriate committee the need for any repairs or improvements. It is expected that once a need is expressed, the council or committee will respond appropriately to the request and will coordinate with the minister and family to schedule repairs.
3. It is expected that the following appliances be provided in the parsonage:
 - a. Stove with oven
 - b. Refrigerator
 - c. Dishwasher
 - d. TV antenna/cable/satellite
 - e. Air conditioning
 - f. Humidifier/de-humidifier (if needed)
 - g. Soft water conditioner (if needed)
 - h. Washer & dryer
 4. It is expected that the following utilities be paid directly by the congregation, or an adequate utilities allowance be provided for the minister to pay for them:
 - a. Electricity
 - b. Gas
 - c. Water/sewer/garbage
 - d. Telephone
 - e. Internet
 5. Items that would normally be supplied by the congregation include:
 - a. Paint
 - b. Wall coverings
 - c. Floor coverings
 - d. Ceiling fans
 - e. Window coverings
 - f. Light fixtures
 6. Appropriate to the community setting, the following are also recommended:
 - a. A two-car garage
 - b. An outdoor living space (such as porch, deck, or patio)
 - c. A safe and adequate area in which children can play
 7. Services
 - a. An adequate supply of hot and cold water, in all rooms using water
 - b. Proper sewage system

-
- c. Weekly trash pick-up when available
 - d. Water treatment if needed
 - e. Regular professional pest control if needed
 - f. Smoke detectors, carbon monoxide detectors, fire extinguishers, and radon inspection where deemed necessary
 - g. Outside water faucets and electrical outlets
 - h. Snow removal and lawn service to be determined at time of call
8. Maintenance and Improvements
- a. It is important to plan ahead for repairs and improvements. These should be a line item in the church budget in the amount of at least 1.5% of the insured value of the parsonage to take care of routine and emergency expenses. If these funds are not used in any given year, they should be held in escrow for when it is needed. There should be a clear understanding in writing of who can use these funds and to what extent they can be used without the consent of the appropriate committee.
 - b. The electrical service should be inspected, and all wiring, including the installation of circuit breakers, required number of outlets, wall switches, and light fixtures are to meet the National Electrical Code.
 - c. It is important in the interest of both comfort and stewardship that all windows and doors be weather tight, with either storms or thermal pane glass, and that there be screens for all windows. If new windows are installed, they shall be high-performance energy efficient type.
 - d. Both the interior and exterior of the parsonage should be kept in such repair as to preserve not only its physical condition, but also its aesthetic value, and this includes sensitivity to the historical design of a building when making changes. Painting and papering should be done regularly, in consultation with the parsonage family.
 - e. It should be the responsibility of the minister to provide for the cleanliness of it and the repair of any damage that they or their pets have caused to the interior, exterior, or grounds. An exiting minister should also be responsible for removing swing sets, above ground pools, and other personal nonpermanent additions. If, when leaving, the cleaning, restoration, and repair of damage have not been done, the minister will be billed for it. If he/she does not pay this bill, or contests it, a recording of refusal or negotiations should become a permanent part of the minister's record.
9. Safety and Security
- a. If security is an issue in the community, whatever is needed to make the dwelling secure should be provided, i.e. dead-bolt locks, security systems, outdoor lighting, etc. A key change is suggested at the time of change of call.
 - b. To make access to the house safe for occupants and guests, the driveway and the steps and sidewalks to all doors need to be of an even surface and kept in good repair.
 - c. All outside steps should have safe and secure railings.

-
- d. As noted above, radon detection kits, smoke and carbon monoxide detectors should be provided. Regular testing of detectors should be done, and it is strongly suggested that a mitigation plan be put in place of how to address radon concerns if they arise.
10. Pets in the Parsonage
 - a. While it is recognized that it is the right of the parsonage family to have pets, it is also recognized that the ownership of pets requires the minister to assume responsibility for them. At minimum these responsibilities include:
 - b. Caring for the pets in a humane and responsible manner.
 - c. Securing permission of the local church for the construction of any needed facility.
 - d. Assuming financial responsibility for construction, maintenance, and eventual removal (at time of move) of any facility, such as a dog house, fenced enclosure, etc.
 - e. Replacing/repairing any damage done by pets to the carpets, floors, drapes, doors, lawn, etc., as well as cleaning and deodorizing to the approval of the appropriate committee and the incoming minister.
 - f. Any cleaning, repair, or removal resulting from the ownership of pets that is not done by an outgoing minister shall be billed to him/her.
 11. A Parsonage Notebook or File
 - a. It is recommended that every parsonage family maintain and pass on to the next minister a notebook or file of records and helpful household data, including, but not limited to:
 - b. A record of the date and place of purchase of all appliances and equipment. Manuals and service contracts for these are to be kept together.
 - c. A record of the date and name of contractor and a description of any work done on the parsonage.
 - d. A record of any decorating or refurbishing, to include paint color, type, brand, etc.
 - e. Any special information necessary regarding shrubs, flowers, etc.
 12. When a minister moves out of a parsonage, and before all financial obligations are completed, there should be an inspection of the property to see that it is left clean and in good repair. The minister should be held responsible for any excess wear or damage caused to the parsonage while he or she was living there. This would include any damage caused by children or pets.
 13. The grounds around the parsonage are usually the responsibility of the congregation. The congregation should see that the lawn, shrubbery and flowerbeds are in good condition when a minister moves into the parsonage. It should be determined if the minister is expected to care for these grounds (mow, rake, remove snow, apply fertilizer, insecticides, herbicides) or the congregation will bear these responsibilities. (The minister and a person from

congregational council should negotiate the division of labor immediately after the minister's arrival.) Congregations should consider taking care of the grounds around the parsonage while the minister is on vacation or study leave if it has been decided this is the congregation's responsibility.

Parsonage Guidelines from other Synods:

- [Eastern Washington Idaho Synod, ELCA](#)
- [Southwest Washington Synod, ELCA](#), p 11 ff.
- [Northern-Illinois Synod, ELCA](#)
- [South Dakota Synod, ELCA](#), also concentrates on "housing equity"