



Steps for Completion of Definition of Compensation, Benefits, and Responsibilities of the Pastor

1st LINE: Name and city of congregation; name of pastor

2nd LINE: Indicate full-time or percent of full-time (50%, 75%, etc.) and duration (normally one year, with annual review)

A. ANNUAL DEFINED COMPENSATION / NO PARSONAGE PROVIDED

LINE A.1: Enter annual base salary (see chart in Synod Compensation Guidelines).

LINE A.2: Enter the dollar amount of housing allowance to be paid to the pastor. Designation of the percentage and amount of salary devoted to housing allowance must be done in an annual resolution of the congregation council's minutes. The individual pastor is finally responsible for any tax implications of the housing allowance.

LINE A.3: Add Lines A.1 and A.2.

LINE A.4: Enter dollar amount of any payment allowance (*if provided*) for Social Security (FICA) tax. (Ex.: 7.65% x Line A.1.)

LINE A.5: Add Lines A.3 and A.4. (Continue at Section B.)

OR

A. ANNUAL DEFINED COMPENSATION / PARSONAGE PROVIDED

LINE A.1: Enter annual base salary (see chart in Synod Compensation Guidelines).

LINE A.2: Enter dollar amount of any payment allowance (*if provided*) for Social Security (FICA) tax. (Ex.: 7.65% x Line A.1.)

LINE A.3: Add Lines A.1 and A.2.

LINE A.4: Enter 30% of the annual base salary plus Social Security allowance (Line 3). This amount will be used to calculate Pension and Other Benefits in Section B, but will not be paid to the pastor.

LINE A.5: Optional: Enter cost of household furnishings allowance, utilities allowance, or any other allowance to be paid to the pastor.

LINE A.6: Add Lines A.3, A.4, and A.5.

LINE A.7: Annual payments to the pastor will be the Total Annual Defined Compensation (Line 6) minus the 30% figure used for benefits calculations (Line 4). (Continue at Section B.)

B. ELCA PENSION AND OTHER BENEFITS

The Pension and Other Benefits Program of the Evangelical Lutheran Church in America was established to provide the pastor with retirement, disability, survivor, and medical/dental coverage.

LINE B.1: Calculate the amount on the basis of the total annual defined compensation of the pastor (Line A.5 [no parsonage]) or A.6 [parsonage provided]). The percentage is based on current requirements of the plan and the policy of the synod for Letters of Call.

To answer questions B.2-B.3, see Portico Benefit Services' web site for calculators.
(<https://employerlink.porticobenefits.org/Home/Resources/Calculators.aspx>).

LINE B.2: Sponsorship will include health/dental coverage (*when applicable*) for the pastor's spouse and children unless they have other employer-provided group medical insurance and the pastor consents to waiving medical/dental coverage under the ELCA Pension and Other Benefits Program. Enter dollar amount and check one category on the list.

LINE B.3: Disability, basic group life, and retiree support are required contributions. See the Portico EmployerLink calculators (above) for rates. List optional amounts of other insurance or benefits to be provided to the pastor (Ex.: Flexible Spending Account).

LINE B.4: Add Lines B.1, B.2, and B.3 a-d.

LINE B.5: When there is no parsonage provided, add Lines A.5 and B.4. When a parsonage is provided, add Lines A.7 and B.4.



C. EXPENSES

Expenses are *NOT* part of the pastor's compensation. Rather, these items represent payment of costs related to the carrying out of this ministry.

LINE C.1: Automobile expenses may be covered by a specified total annual amount or on an actual recorded mileage basis. Other travel allowance provisions would be noted here as well.

LINE C.2: Indicate amount (*if any*) to be provided for other professional expenses, such as an allowance for theological books and periodicals.

LINE C.3: Coverage of expenses for official meetings of the synod (synod assembly, synod theological conference) is required.

LINE C.4: Indicate amount provided for continuing education. (Note: Newly-rostered pastors and lay leaders are required to participate in the First-Call Theological Education program during their first three years of rostered service.)

LINE C.5: List other items and amounts to be provided.

LINE C.6: For pastor accepting a call, define arrangements and reimbursements for moving expenses. Moving expenses normally are paid in full by the calling congregation.

D. AGREEMENT

LINE D.1: Enter vacation time. Normally four weeks per year encompassing four Sundays is provided.

LINE D.2: Enter time for continuing education. Minimum recommendation is indicated on the form.

LINE D.3: Provision must be made for the First-Call Theological Education program for newly-rostered pastors and lay leaders during their first three years of rostered service.

LINE D.4: This line provides a reminder of the congregation's commitment to the care exercised by a Mutual Ministry Committee (C.13.04. in the Model Constitution for Congregations).

LINE D.5: Disability leave provisions are coordinated with the ELCA Pension and Other Benefits Program and with Social Security.

a. If the rostered leader becomes medically disabled, up to two months of continued salary, housing, and contributions to the pension program in a 12-month period are to be provided by the congregation.

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

LINE D.6: Where applicable, parental leave is noted.

***A DESCRIPTION OF THE PARTICULAR RESPONSIBILITIES OF THE POSITION
MAY BE ATTACHED OR CONTINUE WITH SECTIONS E AND F.***

E. OTHER PROVISIONS

A list may be included here indicating the areas to which the pastor will give special attention and the ways in which the congregation will offer encouragement (Ex.: Sabbatical policy – 1-3 months for every 5-7 years in current call).

F. OTHER MATTERS

Additional detail may be inserted here related to the broader responsibilities that a pastor may carry in the life of the church.

SIGNATURES

Normally, the president or vice-president of the congregation and council secretary sign and date the document, which is forwarded with the Letter of Call to the synod office. After review, the agreement is sent from the synod office to the pastor being called. When accepting the agreement, the pastor signs and dates the document.