Northwestern Minnesota Synod
Evangelical Lutheran Church in America

2026 Compensation Guidelines
for Ministers of Word and Service
(Deacons)

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Understanding this Roster (and ELCA Deacons)

In order to equitably compensate ELCA Ministers of Word and Service, we have to understand their roster and the last few years have seen several big changes to it. As of January 1, 2017, the three previous Word and Service rosters of the ELCA were brought together into one Word and Service roster and "deacon" was chosen to be the religious title for these ministers. While deacon is a longstanding religious title in the Christian church, it is new to the ELCA, though related to other titles used in the ELCA such as "deaconess" and "diaconal minister". (Adding some confusion, the ELCA's Deaconess community is still active, though small in numbers, so it is possible that a Minister of Word and Service can be both Deacon and Deaconess.) After the roster of deacon was formed, it was decided that ordination would serve as the entrance rite for all deacons, as it does for pastors. This decision and the accompanying decision that all deacons already in service would be considered ordained effectively shifted all deacons of the ELCA from lay leaders to clergy. All of the above decisions were made faithfully, but also recognizing that we have work to do as a church to navigate the resulting impact. One such area of impact is in determining compensation for our synod's deacons.

While the above-mentioned recent developments brought uniformity to it and while our church's two rosters have increasingly more in common with each other than ever before, the actual people who are included on the roster of Minister of Word and Service have a wide range of ministerial preparation (academic and experiential), responsibilities of call, and context/community. As an example, we have deacons serving faithfully in our church without a bachelor's degree and we have deacons serving faithfully in our church with a doctorate degree. We have deacons whose preparation to serve included an equivalent number of hours of field experience as an "average" pastor and we have deacons whose field experience preparation hours were significantly fewer than the "average" pastor's internship. The same broad range of variety can be found in position descriptions and kinds of leadership responsibility. While many deacons do serve in positions that could be considered primarily "supportive" of another's leadership, our church also has deacons serving in positions of responsibility and leadership parallel to nearly any pastor. **Understanding that this great variety, call, and context is embodied within the ELCA's deacons is foundational to determining fair and equitable compensation for them.**

While our synod benefits from the service of all of our deacons, determining a specific deacon's compensation is more complex than determining the compensation for a pastor. Accordingly, these guidelines have been revised to aid in this process. As a church, we have valued and continue to value ministerial preparation (both education and training), leadership, and prior professional experience in our rostered ministers. The aim of these guidelines is to encourage and equip the equitably compensation across the wide range of ordained deacons, taking into consideration the preparation, leadership responsibilities, and relevant work experience of every deacon.

The Northwestern Minnesota Synod has prepared the following 2027 Compensation Guidelines for use by congregation councils, parishes, other ministry agencies, and ministers. As was the case in previous years, these guidelines suggest minimum levels of compensation that are appropriate for Ministers of Word and Service called to serve in the synod; but these guidelines come with encouragement to determine compensation with equity, equity both in relationship to other ministers (including pastors) and also equity in relationship to the compensation received by other people working in the same community as its ministers.

Synod Compensation Guidelines:
A Resource to Assist Congregations/Parishes and Church Workers

The Northwestern Minnesota Synod has prepared the following 2027 Compensation Guidelines for use by congregation councils, parishes, other ministry agencies, and church workers. These guidelines offer guidance regarding the minimum levels of compensation that are appropriate for rostered ministers, Synod Authorized Ministers and non-rostered employees of congregations/parishes in the synod.

These guidelines are designed to be a ***resource*** to ***assist*** church leaders in compensating church workers in ways that are fair, supportive and mission-driven. These are recommendations, not legislative mandates. They are meant to be helpful, not dictatorial. Those who have drafted these guidelines hope that this resource will allow compensation planning to occur in such a way that the partnership between the Evangelical Lutheran Church in America, the synod, the congregation/parish and all church workers will be strengthened.

How have these guidelines been created?

- First, they were drafted by a team of laity, rostered ministers, and synod staff members.
- Second, these guidelines have been reviewed by the Synod Council, which is made up of laity and rostered ministers from each of the synod's eight conferences.
- Upon the recommendation of the Synod Council, these guidelines were reviewed, discussed and approved by the Northwestern Minnesota Synod Assembly, to which every congregation/parish in the synod is responsible to send voting members.

Throughout the process there has been considerable input from both lay leaders and church workers.

As you use these guidelines, please keep in mind that Ministers of Word and Sacrament, Ministers of Word of Service, and other church workers are valuable resources for the whole church. Rostered ministers, in particular, are called to serve the whole church. When a rostered minister is called to serve a congregation/parish, there are four partners to this process:

A. ***God,*** who calls persons into ministries, through the church;
B. ***The congregation/parish*** which issues the Letter of Call;
C. ***The rostered minister*** who accepts the call; and
D. ***The synod*** which supports the call process, with the synod bishop attesting each Letter of Call.

The compensation provided to a rostered minister is part of the Letter of Call documents that represent a covenant among all parties. This call may not be altered without consultation among and agreement from all parties. Thus it is important that all negotiations for change in compensation be done in conversation with the rostered minister and congregation/parish.

Finally, it goes without saying that compensation decisions should be viewed in light of other significant commitments by a congregation/parish—such as a commitment to justice for church staff persons and a commitment to supporting the work of the wider church through ELCA/synod mission support. If a congregation/parish is chronically under-compensating its staff, or if a congregation/parish is compensating staff in ways that are significantly higher than synod guidelines, it may be important to ponder the implications of this and consider alternatives. Congregation leaders are encouraged to consult with the synod bishop or a member of the synod pastoral staff in such discussions.

We warmly commend these compensation guidelines to the congregations and church workers of our synod.

Synod Council of the Northwestern Minnesota Synod
Evangelical Lutheran Church in America

Introduction: How Our Faith Informs Us

Decisions about compensation for rostered ministers[1] and other church workers, like other issues the church faces, are best made in light of our core biblical and theological convictions. What are some of the faith commitments that will influence our approach to this important subject?

1. Our starting point is that the grace of God in Jesus Christ can be neither bought nor sold. God insists on giving it freely. Indeed, all Christians receive in baptism a call to serve and proclaim the Good News of God's undeserved love in Jesus Christ.

2. All Christians are to declare the gospel, especially to those who have never heard it. Within the church, however, some are called to make this task a major occupational commitment. Some members of the church are asked to devote a significant amount of their time and energy to the ministry of equipping all of God's people for service in the world. When the church calls such persons to dedicate so much of their lives to public ministries that they cannot be employed elsewhere, the church takes upon itself a responsibility to pay those persons a fitting and equitable wage.

3. The principle that laborers deserve their food (Matthew 10:10) is attested throughout the scriptures. In the Old Testament, priests were granted a portion of the sacrifices made by the people; tithes and other offerings were received to support God's servants. In the New Testament, Paul speaks of the duty of churches to support their leaders, even though Paul chose to waive this right for himself (I Corinthians 9).

4. Insofar as the church is institutionally embodied, it ought to be held accountable to standards of justice and equity. The church, however, is more than a human institution. At a deeper level, the church is the community of faith drawn together by God around the Word and Sacraments, empowered for witness in the world and called to love and serve God and neighbor. Pastors, deacons, and lay staff are simultaneously *employed* by congregations/agencies and *called* by the church to be fellow workers with all of God's people in the Body of Christ.

As churches and ministry agencies make decisions about compensation for staff members, they are to bear in mind the identity and calling that are ours in Jesus Christ. Compensation decisions should be made in such a way that

(a) God's mission flourishes,
(b) staff members are cherished as servants of God,
(c) there is a sense of faithful partnership between church members and staff members, and
(d) all areas of the church's ministry thrive.

The following guidelines are designed to assist congregations/parish and ministry agencies (hereafter referred to simply as "congregations/agencies")[2] as they make decisions regarding the compensation of rostered ministers and non-rostered church staff. For additional assistance in determining a fair salary and benefits package for rostered ministers, please contact a member of the synod pastoral staff.

[1] For the purpose of this document, the term rostered minister refers to a person who is on the roster of Ministry of Word and Sacrament or Ministry of Word and Service of the Evangelical Lutheran Church in America.

[2] "Ministry agencies" include organizations such as Bible camps, long-term care facilities, hospitals, campus ministries, etc.

I. MAKING COMPENSATION DECISIONS

The synod recommends that each congregation/agency have a *Personnel Committee* with a minimum of three persons, whose responsibilities would be:

- to develop, review, and revise personnel policies for the congregation/parish;
- to draft and periodically revise clear ministry descriptions (job descriptions) for each employee;
- to provide for regular (annual or semi-annual) evaluation of all members of the staff that includes goal review and goal setting;
- to assist with any needs, concerns, problems that may arise among the members of the staff, both rostered and not;
- to meet annually with each staff member to discuss compensation needs and concerns;
- to recommend to the budgeting body (e.g. congregation/parish council, board of trustees, etc.) specific salary and benefits for each staff member;
- to advocate with the budgeting body on behalf of each staff member's compensation needs.

In congregations/parishes, compensation packages for staff persons should be set by the congregation/parish council or whichever elected body has the responsibility and authority to manage the fiscal affairs of the congregation/parish. This should be done in consultation with the staff person(s) and Personnel Committee with possible input from the Mutual Ministry Committee as an advocate for the staff person. *Congregation meetings are too large to be deliberative regarding specific compensation packages.* Facts necessary for responsible decisions about compensation are not always available to all members of the congregation/parish. The council should place the recommended compensation package(s) in the budget and present it to the congregation(s)/parish for ratification at the annual meeting (or at a special congregation meeting when a new call is being extended).

The ESST (Earned Sick and Safe Time) went into effect on January 1, 2024. All employers in the State of Minnesota, including congregations, are required to comply with Minnesota's "Safe and Sick" law. This also applies to rostered ministers. See Appendix E for more information.

Starting on January 1, 2026, all employers in the State of Minnesota, including congregations, were required to comply with Minnesota's "Paid Leave" law. This also applies to rostered ministers. Please see the link included which explains how to comply with this law. Employers: your role and responsibilities / Minnesota Paid Leave See Appendix F for more information

It is helpful if the **compensation review** is held in the fall as part of the budget process.

- An annual compensation review is normally conducted by the Personnel Committee using these guidelines as the basis for the review. The Personnel Committee makes its recommendation to the appropriate budget-drafting committee and/or to the congregation/parish council.

For help in establishing a Personnel Committee, please refer to the resources listed in *Appendix C - Pastor and People: Making Mutual Ministry Work,* Augsburg Fortress. You may also contact a member of the synod pastoral staff for assistance.

II. COMPENSATION FOR MINISTERS OF WORD AND SERVICE

A. Minimum Base Salary Guidelines

These 2027 guidelines are intended to assist congregations/agencies and deacons in their annual compensation review. As is true with the guidelines provided for the determination for the minimal compensation of a Minister of Word and Sacrament, these figures represent base salary only and do not include social security, pension, medical insurance, or any other benefits. The number in the table provided is to be taken as a ***baseline number***, to which additional considerations (see below) are to result in an increase in compensation.

(*As the entrance rite has recently changed, years of consecrated and ordained service together reflect years on a roster of Word and Service in the ELCA.)

Years of Experience	Year of Consecration/ Ordination	Bachelors Minimum Base Salary	Masters Minimum Base Salary
New	2027	52,274	58,355
1	2026	53,089	59,170
2	2025	53,904	59,985
3	2024	54,719	60,800
4	2023	55,533	61,615
5	2022	56,348	62,430
6	2021	57,163	63,245
7	2020	57,978	64,060
8	2019	58,793	64,875
9	2018	59,608	65,690
10	2017	60,423	66,505
11	2016	61,238	67,320
12	2015	62,053	68,244
13	2014	62,868	68,950
14	2013	63,683	69,765
15	2012	64,498	70,580
16	2011	65,313	71,395
17	2010	66,128	72,210
18	2009	66,943	73,025
19	2008	67,758	73,839
20	2007	68,573	74,654
21	2006	69,388	75,469
22	2005	70,203	76,284
23	2004	71,018	77,099
24	2003	71,833	77,914
25	2002	72,647	78,729
26	2001	73,462	79,544
27	2000	74,277	80,359
28	1999	75,092	81,174
29	1998	75,907	81,989
30	1997	76,722	82,804
31	1996	77,537	83,619
32	1995	78,352	84,434
33	1994	79,167	85,249
34	1993	79,982	86,064
35	1992	80,797	86,879
36	1991	81,612	87,694
37	1990	82,427	88,509
38	1989	83,242	89,324
39	1988	84,057	90,139
40	1987	84,872	90,953

B. Additional Considerations

While the table to the right and the considerations below are provided as recommendations for determining compensation for a deacon, a consideration of equity ought to guide all such decisions.

1. Education and Training.

a. **Additional earned degrees.** The table to the right+ illustrates minimal compensation for Ministers of Word and Service with either an earned Bachelor's degree or an earned Master's degree. Note that the Master's degree reflected in the chart is roughly two years of full-time study or 16 full courses and the increase in compensation suggested is $6,081 above the compensation suggested for an earned Bachelor's degree. Master's degrees do vary a great deal, however, and a deacon may also have additional earned degrees beyond that Master's. Ministers of Word and Service with a more intensive Master's (beyond 16 full courses) or a second and relevant Master's or an earned and relevant PhD deserve an additional increase and this could be based on a percentage of the $6,081.

b. **Additional training and certification.** Relevant study and training do not always result in earned degrees but do positively impact the deacon's capacity to serve. Such study and training should also be taken into consideration when determining compensation. As this kind of professional development will range greatly, consider the equivalent in "full courses". For example, a certificate of eight full graduate-level courses could translate to an additional $2,938 per year. A training program determined to be roughly equivalent to two full courses could translate to an annual increase in compensation of $735 above the appropriate column and years of experience in the chart. (An education professional--a teacher, a school administrator, etc.--could be very helpful in translating professional development in this way.)

2. **Leadership responsibility.** Our church is increasingly looking to deacons to take on leadership responsibility in new and expansive ways. While many Ministers of Word and Service have done so for years, our compensation guidelines have previously only accounted for Ministers of Word and Service serving in roles of support and assistance. For deacons providing leadership through co/leading a congregation, ministry, and/or organization; through supervising other professional staff; and/or for equipping an expansive lay-supported program (i.e. a vital youth ministry utilizing small groups with adult lay mentors), we recommend adding $750 to $2,000, commensurate with duties. Another option could be boosting the years of experience level 1 to 3 years.

3. **Previous experience**. When selecting the starting base salary for ministers entering their first call who have prior work experience outside the ordained ministry, congregations should consider granting ministers a credit of 50% of their total prior years of experience, recognizing the value of their acquired work skills and leadership experience.

4. Congregations are encouraged to provide a matching contribution of up to $100 per month to aid in reducing educational debt.

5. Part-time Ministers of Word and Service will have consideration for salary and benefits corresponding to the duties, amount, and length of time of service.

6. A congregation/parish should consider additional compensation based on exemplary service.

C. Housing

Determination of Clergy Tax Status for Deacons of the ELCA in the Northwestern Minnesota Synod

Memorandum for Record (MFR) by Bp. Bill Tesch

The decision by the 2019 ELCA Churchwide Assembly to grant the Rite of Ordination to Deacons raises the question of whether or not Deacons in the ELCA should be treated as clergy by employers and calling bodies for IRS purposes. The Churchwide Organization does not take an official position on this matter, and Bishops of the synods of the ELCA are not in agreement about how to advise their congregations. Therefore, there will not be a uniform practice in the ELCA anytime soon. The purpose of this MFR is to provide guidance for the Committee working to update the Northwestern Minnesota Synod 2027 Compensation Guidelines for Ministers of Word and Service (Deacons) and, in the interim, for Deacons, employers and calling bodies setting 2027 compensation packages for Deacons.

1. It depends on the job description of the Deacon. The IRS uses a 5-part test to determine if an individual meets the definition of "Clergy:"
   - The taxpayer is ordained, Licensed, or Commissioned
   - The taxpayer administers* Ordinances or Sacraments
   - The taxpayer conducts Worship
   - The taxpayer performs services in the "control, conduct, or maintenance of a religious organization"
   - The taxpayer is considered to be a spiritual leader by the related religious body.

   **NOTE: Several Bishops, myself included, believe that "Administers" is not the same as "Presides." Many of our Deacons carry the sacraments from the altar to people who for a variety of reasons are unable to be present. Many deacons participate in the preparation of candidates for Baptism and/or in the Baptismal Rite itself. Many Deacons guide, direct or participate in the planning of worship which includes the sacraments. All of these activities could easily be interpreted as "Administering" sacraments, and, respecting the separation of Church and state, the courts tend to rely on the religious body's interpretation of the language.*

2. Ultimately, the decision as to whether or not someone qualifies for Clergy status is between the employer, the employee and the IRS. I believe that there no longer remain barriers to treating a Deacon whose job description conforms to the above test as Clergy for tax purposes, and I am aware that many synods are now and have for some time been doing so.

3. If an employer or calling body decides to grant clergy tax status to the Deacon, then this means that the Deacon will have a portion of the salary designated as a housing allowance and that the Deacon will be considered self-employed, just like a Pastor. The employer or calling body would no longer withhold a portion of salary for income

and payroll tax purposes. The Deacon can receive a 7.65 % Social Security reimbursement in lieu of the employers' share of the payroll taxes. The Deacon should work with a tax professional to determine their quarterly tax payments.

The ministry of Word and Service is an evolving office in our church that I believe holds great promise for helping this church respond to the missional needs of our communities in this new era of ministry in which God has called us share the Gospel. For Deacons whose job descriptions qualify, the designation of the Clergy tax status can be a way for greater equity between the rosters and can provide an additional benefit to our Deacons at little or no cost to the employer or calling body.

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

D. Worship Supply

When a minister is not available to conduct worship services in the congregation/agency, the congregation/agency should secure a supply pastor/deacon/worship leader, using the following guidelines.

a. For Sunday mornings and midweek services, the congregation/parish shall compensate the supply pastor/worship leader $175 for the first worship service and $50 for each additional service paid on the same day in addition to travel reimbursement at the IRS recommended rate.
b. For weddings and funerals, the supply pastor/deacon/worship leader shall be compensated at least $175 per service, and $25 for each additional contact hour (wedding rehearsal, premarital counseling, meeting at the funeral home, etc.), in addition to any honorarium and travel reimbursement at the IRS recommended rate.
c. Other supply services such as meeting, confirmation, calls, etc. shall be paid at a minimum of $25 per hour, or at a rate mutually acceptable (to be negotiated prior to onset of services)

III. COMPENSATION AND BENEFITS

A. Letter of Call

Every Rostered Minister serves under the terms of a Letter of Call. The bishop/synod staff are consulted prior to the issuance of the Letter of Call.

B. Moving Expenses

Good beginnings are important. It is helpful that the relationship between a rostered minister and congregation/agency "get off on the right foot." The congregation/agency and rostered minister are urged to give thoughtful consideration to the needs of the other when undertaking a move. Because moving can be both exciting and stressful, the congregation/agency and rostered minister will want to reach a mutually satisfactory decision about the move as part of the compensation negotiations.

In making such decisions, the following guidelines should be kept in mind:

- The congregation/agency is normally responsible for moving all household, professional, and personal goods of a newly-called rostered minister and their family.
- This same principle applies during the course of a rostered minister's ministry if the congregation/agency takes steps that require a rostered minister to make a local move.
- It is recommended that professional movers be utilized. If their services are not used, the means of transporting the rostered minister's belongings must be mutually agreed upon ahead of time.
- When the services of professional movers are not used, a separate insurance policy covering the transported goods should be purchased by the congregation/agency. These policies are available from most insurance agencies.
- If a congregation reimburses a leader's moving expenses, these may be considered taxable income. Please check with your tax professional regarding moving expenses.

C. Portico Benefit Services (ELCA Pension) and Other Benefits Plan

Congregations/agencies are to participate in **Portico Benefit Services** (ELCA Pension) **and other benefits plan** on behalf of the minister, their spouse, and eligible children. Complete information on enrolling and maintaining the pastor's membership in **Portico Benefit Services and other benefits plan** at https://porticobenefits.org/.

We continue the recommendation to maintain appropriate level health benefits for our rostered ministers and lay church workers. All congregations and parishes of the NW MN Synod are encouraged to offer to pay for Portico's Gold+ plan option or the Silver+ plan option. This will both continue to care for the health of all who serve under call or terms of employment and eliminate many of the variables facing congregations/parishes.

a. ELCA Health Plan benefits should be provided for the **minister, spouse and eligible children** unless such coverage is waived because family members are covered by the spouse's health insurance.
b. Health Care Benefits should be provided through the ELCA Health Plan.
c. Rostered ministers serving under call are eligible to enroll if they are employed by an eligible employer and are scheduled to work at least 15 hours per week for six or more months per year.
d. In order to ensure adequate retirement income for all pastors, the synod encourages congregations that may be paying a pastor below "guidelines" to make Portico Benefit Services contributions/parishes based on a compensation package that is "at guidelines."

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, dental, prescription drug, retirement, disability, and group life insurance benefits in one bundled program.* This program is designed to address the needs of rostered ministers and provide seamless benefits during change of call, leave from call, and other events unique to ministry. A bundled approach helps 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 manner. For more information, see the ELCA Philosophy of Benefits at PorticoBenefits.org/philosophy.

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. Plan members are expected to participate in the cost of utilizing the benefits (e.g., deductibles, coinsurance, and copays).

The ELCA Church Council has approved a balance of cost-sharing between congregations and plan members. Portico offers a choice of ELCA-Primary health benefit options that fit this approved balance: Gold+, and Silver+ with either Level A or B employer HSA contribution. Each fall, congregations should engage in conversation with their sponsored plan members to determine the option that best fits their needs and then make their selection during 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.*

** *"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.*

D. Travel Expense Reimbursement

Automobile and other work-related travel expenses are business expenses for the congregation/agencies and should not be regarded as part of the minister's salary. The current IRS mileage reimbursement rate, based on actual miles driven and reported by the minister using their personal vehicle, should be used by congregations/agencies. Congregations/agencies are advised to stay abreast of current IRS regulations pertaining to auto expense reimbursement rates.

Instead of reimbursing the minister for use of their personal vehicle, the congregation/agencies may choose to lease or purchase a car and assume the operating costs of the vehicle. For additional guidelines on auto reimbursement, see *Appendix A - Northwestern Minnesota Synod Travel Expense Reimbursement.*

E. Professional Expense Reimbursement

It is recommended that professional expenses such as books, vestments, periodicals, professional dues, entertaining, communication (basic cell phone) and hospitality costs incurred in the performance of the duties of the call be shared by the congregation/agencies.

F. Official Synod Events

The constitution of the Northwestern Minnesota Synod requires all Rostered Ministers under call to attend meetings of the Synod Assembly.

In addition to the Synod Assembly, the synod expects that all rostered ministers under call will attend the

- **Synod Theological Day** (normally in the spring)
- **Theology for Ministry Retreat** (normally in the fall)
- **First Call Theological Education core event** (for rostered ministers in their first three years of called ministry)[3]

Attending these events is part of working in a collegial relationship with other ministers and sharing mutual accountability with one other. Because these are expectations the synod has for all rostered ministers under call, congregations/parishes will pay registration fees and/or reimburse the minister for expenses incurred in participating in these events, not as compensation, but as part of the cost of doing the business of the congregation/agencies.

The synod also encourages rostered ministers to attend conference gatherings.

[3] Newly rostered ministers are required to participate in First Call Theological Education during the first three years of rostered service.

G. Continuing Education

All full- and part-time rostered ministers of the ELCA are expected to complete at least 50 contact hours of continuing education annually.[7] Therefore, continuing education time and funding should be provided for them for updating skills and for professional growth in order to strengthen their ministries.

It is recommended that a minimum of two weeks (including up to two Sundays) and a minimum of $1,100 be granted annually for continuing education. The unused portion of the rostered minister's annual continuing education leave or continuing education allowance may be accumulated over a period of no more than three years for more major continuing education opportunities. Continuing education may include courses, seminary classes, workshops, or independent study when directed toward a specific goal.

Use of continuing education funds is granted by the congregation/agency council or other appropriate authority. Termination of employment may cancel all time and money contributed by the employer for that employee. Congregations/parishes are encouraged to consider a sabbatical policy for their rostered ministers. The Evangelical Lutheran Church in America recommends that rostered ministers be granted a period of extended study and renewal, a period of 1-3 months every 5-7 years in the present call.

H. Sabbath Rest and Time Off

Adequate time off for rostered ministers is essential. It is recommended that vacation time be 4 weeks (including 4 Sundays) for all rostered ministers regardless of how long they have served in rostered ministry. Two full days off per week are recommended.[4]

Vacation: Vacation time is offered purely for the rest, relaxation, and renewal of rostered ministers. The following should not be considered part of vacation time: official synod events at which attendance is required; continuing education; time spent in outdoor ministries and retreats with congregation/parish youth and family groups; work on synod or Churchwide boards or committees.

Employers may find it useful to negotiate with the minister for additional vacation time or additional continuing education time in lieu of appropriate full salary increases, if acceptable to all parties.

Holidays: Holidays should be granted as days off in addition to vacation days. When the services of the rostered minister are required on recognized holidays, time off with pay should be granted at another time which causes minimal disruption to the congregation/parish. The following eight days are traditionally considered paid holidays: New Year's Day, Martin Luther King Day or Presidents Day, Easter Sunday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

Other Circumstances:

- On rare occasions the minister and congregation/agency may need to negotiate the carrying over of unused vacation time into the following year.
- An additional two to four Sundays a year may be granted a minister, with the congregation/agency providing for worship supply.

I. Mutual Ministry

In order to help each congregation/parish of the NW MN Synod function effectively, the Synod strongly recommends that each congregation/agency form a Mutual Ministry (Staff Support) Committee. According to the model constitution of the ELCA, this committee should be composed of six persons who are appointed for two-year terms, three each on alternating years. Appointments are made by the president of the congregation/agency together with the minister. However, it may be that size and method of appointment may vary in a given entity.

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[4] Author and pastor, Eugene Peterson, describes Sabbath rest as follows: At regular intervals we all need to quit *our* work and contemplate [*God's* Work], quit talking to each other and listen to *him*. God knows we need this and has given us a means in Sabbath a day for praying and playing, simply enjoying what he is. One of my tasks [as pastor] is to lead you in the celebrative keeping of Sabbath each Sunday. But that is not a Sabbath for me. I wake up on Sunday morning with the adrenalin flowing. It is a workday for me. Monday is my Sabbath, and I need your help to observe it. From *Working with Angles: That Shape of Pastoral Integrity* (Grand Rapids: Eerdmans, 1987) pg 82.

The purpose of the Mutual Ministry (Staff Support) Committee is to affirm and strengthen the mission efforts of the congregation/agency and the ministry which is performed by the staff.

Functions and benefits of a Mutual Ministry (Staff Support) Committee include:

- Helps develop open communication about expectations, attitudes, and concerns within the congregation/agency, the community, and staff.
- Identifies early warning signs of misunderstandings and takes action to diffuse certain problem situations before they escalate.
- Serves as a group with whom the rostered minister and other staff members can test new ideas and share confidential matters.
- Can plan strategies to improve skills of staff members or help develop plans within the congregation/agency to solve problem situations.

It is important that congregations/agencies establish a Mutual Ministry (Staff Support) Committee as part of their normal programming and not wait until there is a time of crisis in the congregation/agency with misunderstandings and hurt feelings. The committee should be understood as a significant element in the life of the rostered minister with regular reports to both the council and the congregation(s)/parish, although these reports will NOT include confidential matters.

For more information about Mutual Ministry (Staff Support) Committee it is suggested that each congregation/parish secure a copy of the booklet, *Pastor and People: Making Mutual Ministry Work,* Augsburg Fortress.

J. Military Leave

A congregation/agency whose rostered minister serves simultaneously as a chaplain in a military reserve unit must by law grant leave time for the minister to fulfill their military obligations. Such military leave time is to be granted exclusive of vacation and continuing education time.[5]

It is recommended that each congregation/agency develop written policies relating to *compensation issues* for rostered ministers while on military leave. Policy guidelines are available from the ELCA Federal Chaplaincy website (www.elca.org/federalchaplains/involuntarycallupguidelines.html).

K. Part-Time Staff

Rostered Minsters serving part-time in congregations/agencies should have consideration for salary and benefits corresponding to a percentage of a full-time salary and benefits package. The required minimum continuing education should not be reduced by a percentage, however.

L. Severance Policy

It is recommended that each congregation/agency develop written policies relating to severance compensation for rostered ministers.

M. Other Provisions

Please see section IV for provisions that normally apply to all employees of congregations/parishes.

Please also see: *Appendix B: Worksheet for Ministers of Word and Service*

[5] The same law applies to rostered and non-rostered persons who belong to military reserve units and who work in congregations or ministry agencies.

IV. PROVISIONS THAT APPLY TO ALL EMPLOYEES

A. Disability

In the event that any church staff person covered under the **ELCA Pension** (Portico Benefit Services) **and other benefits plan** becomes medically **disabled**, it is expected that the congregation/parish provide up to two (2) months of continued salary, housing, and contributions to the ELCA Pension (Portico Benefit Services) and other benefits plans in a 12-month period.

B. Sick Leave (ESST)

Earned sick and safe time is paid leave employers must provide to employees in Minnesota that can be used for certain reasons, including when an employee is sick, to care for a sick family member or to seek assistance if an employee or their family member has experienced domestic abuse. https://www.dli.mn.gov/sick-leave ***See Appendix E***

C. Emergency/Funeral Leave

Absence of an employee for up to five days due to a death in the immediate family is normally permitted. "Immediate family" is typically defined to include spouse, parents, siblings, children, in-laws, grandparents, and grandchildren. If more than five days are needed, additional leave time may be granted at the discretion of the congregation/agency council.

D. Flexible Spending Accounts

All employees of congregations/parishes covered under Portico Benefit Services and other benefits plan may set up a Flexible Spending Account (FSA) to cover the family's eligible health care expenses and eligible dependent (day) care expenses. For complete information on this option, please refer to https://porticobenefits.org/.

E. Ministry Descriptions ("Job Descriptions")

The personnel committee or congregation/agency council should provide clear, well-defined ministry descriptions for all employees of the congregation/agency. Doing so will enhance performance and satisfaction for all employees.

F. Paid Leave Starting on January 1, 2026, all employers in the State of Minnesota, including congregations, were required to comply with Minnesota's "Paid Leave" law. This also applies to rostered ministers. Please see the link included which explains how to comply with this law. **Employers: your role and responsibilities / Minnesota Paid Leave** **https://pl.mn.gov** ***See Appendix F***

G. Personal Days

The congregation/agency may grant each employee 1-2 personal days off per year. Personal days are similar to vacation days. If they are not taken during the year granted, they may not be carried over to the following year.

H. Unemployment Compensation

Federal and state law generally exempts churches from this requirement as service performed in the employ of a religious organization.

I. Workers' Compensation

All congregations/agencies are required by law to provide Workers' Compensation coverage for all employees. For purposes of Workers' Compensation, pastors are employees and therefore must be covered under Workers' Compensation.

Appendix A: Northwestern Minnesota Synod Travel Expense Reimbursement

In the total planning of the compensation/reimbursement package for the rostered minister, it is important to disconnect compensation from reimbursement. One is salary; the other is repayment to the rostered minister for out-of-pocket expenses incurred during their ministry on behalf of the congregation/agency.

The automobile reimbursement[6] may be the single largest item of reimbursement for the rostered minister, so it is important to plan wisely. Although the ministry of the congregation/parish must be of primary importance, pertinent tax issues must also be considered. The congregation/agency must fully reimburse the rostered minister for official use of their vehicle for church business. Automobile expense reimbursement should be considered a congregation ministry expense not a part of the salary.

The following are options that rostered ministers and congregations/parishes may consider:

1. The congregation/agency leases the automobile and provides insurance, tolls, parking fees, maintenance, and repair coverage including a credit card for fuel.

2. The rostered minister owns their car and is reimbursed from a draw account by the church treasurer.

3. The rostered minister owns their car and the congregation/parish pays a flat car allowance as detailed in the church budget. If this option is chosen, the rostered minister must file a Form 2106 detailing his/her costs and reimbursements. If the rostered minister cannot verify that all dollars received were for professional miles driven, the residue must be claimed as taxable income.

4. The rostered minister leases a vehicle and is reimbursed from a draw account by the church treasurer.

Regardless of the option used, the rostered minister must keep complete records of automobile expenses, professional miles driven, and personal miles driven.

As leaders of congregations/agencies consider what is fair reimbursement for expenses incurred, they need to remember that the rostered minister is assisting them in their ministry. The automobile is as important a ministry tool as is the telephone. Without full access to such tools, the entire ministry of a congregation/parish may be inhibited.

Adapted from documents used in the St. Paul Area Synod and the Southwestern Minnesota Synod.

[6] Congregations/Parishes should stay abreast of changes in IRS regulations pertaining to automobile reimbursement

Appendix B: Worksheet for Ministers of Word and Service

This worksheet is designed to help congregations/parishes and ministry agencies build a compensation package for ***Minsters of Word and Service.*** Each item listed below is described in this document.

A. Compensation

1) Base Salary:
   a. Yrs. of Experience/Yr. of Ordination (**5 years**) $ _____
   b. Additional Education/Training (**graduate work**) $ _____
   c. Additional Leadership Responsibility $ _____
   d. Other Considerations $ _____
   Subtotal Base Salary $ _____

2) Housing Allowance
   [line 1 (base salary x .30] $ _____
   (See p. 8-C. Housing)

Subtotal of line 1 OR Line 1 & 2 $_____

3) Social Security Reimbursement on subtotal x .0765) $ _____
   [Base salary OR base salary and Housing Allowance]

4) **Defined Compensation** (Add subtotal + Line 3) $ _____

B. PENSION & OTHER BENEFITS

Step by step procedure:

Please note that the Portico Benefit Calculators are no longer accessible without a User Name and Password. Most Congregation Treasurers and current plan members should already have User Names and Passwords.

Also, you will need to know the Health Benefit Option chosen by your congregation council or sponsoring organization before proceeding.

a) Go online to https://porticobenefits.org
b) Click on the "myPortico" button for an individual plan member or the "EmployerLink" button for a sponsoring organization.
c) Enter User Name and Password in the proper boxes. Then, click the "Sign In" button.
d) Click on "Overview & Life Changes."
e) Under "Understanding Your Benefits," click on the "Calculating the Cost of Benefits" line.
f) Under "Plan Member Benefit Costs," click on the "Benefits Costs Calculator" button.
g) On this page you will need to select the proper plan year, select the proper Health Benefit Option (chosen by your congregation council or your sponsoring organization), select "Northwestern Minnesota Synod-3D" in the "Synod, Seminary, or Churchwide Ministry" box, then click on the continue button.
h) On this page you will need to enter the Total Defined Compensation (line 5 of the worksheet).
i) Next, in the "Plan Member Health Coverage" box, you will need to select between "ELCA primary," "ELCA Medicare-Primary," and "Waive Health Benefits," then enter the plan members birth date.
j) Next, under "Spouse Health Coverage" and "Children Health Coverage" you will need to select between these four options under each: None, ELCA-Primary, ELCA Medicare-Primary, and Waive.
k) Under "Special Circumstances" you will need to answer "yes" or "no" to two questions.
l) Under Retirement Contributions, enter Employer Retirement Contribution Percentage. In most cases, unless otherwise negotiated, this would be 10%. Some long-serving pastors, from ELCA predecessor churches, are to be compensated at 12%.
m) Under "Housing Equity Retirement Contribution" you will need to select between three options: None, Flat Rate, and Percentage of Total Defined Compensation. If the plan member is receiving a housing allowance, in the vast majority of cases, "None" would be the proper selection. If the plan member is to live in housing (a parsonage) provided by the congregation or sponsoring organization, then the latter two options are in play. If you select "Flat Rate," you will need to then enter a dollar figure per month. If you select the "Percentage"

option, you will need to enter the proper percentage. (see the Housing Equity section of the guidelines for the recommended percentage. Then click on the "Continue" button.

n) On the page next generated, you can review the Input Summary by clicking on the small blue downward arrow on the right side of the page.

o) By clicking on the small blue downward arrow on the right side of the page corresponding to the Health Benefit Option, you will get the calculated numbers of benefit costs per month and per year.

Carry total from line 4 (Defined Compensation) to here → $ _____

5) ELCA Medical, Dental and Pension Plan (enter "Total Benefits Contribution") $ _____
6) Additional Benefits $ _____
7) **Compensation and Pension and Other Benefits Total** (Add lines 4, 5,6) $ _____

C. Expenses

8) Transportation Mileage/Travel Expense Reimbursement $ _____
9) Professional Expense Reimbursements (cell phone, vestments, etc.) $ _____
10) Official Synod events (includes Synod Assembly, Synod Theological Day, Theology for Ministry Conference, and First Call Theological Education Core Events) $ _____
11) Continuing Education (Minimum $1,100) $ _____

Total Compensation, Pension and Other Benefits, and Expenses (Add lines 7-11) $ _____

D. Non-financial Compensation

Vacation: _____Weeks Including _____ Sundays
Continuing Education: _____Weeks Including _____ Sundays

Appendix C: SAMPLE Worksheet for Ministers of Word and Service

This worksheet is designed to help congregations/parishes and ministry agencies build a compensation package for ***Minsters of Word and Service.*** Each item listed below is described in this document.

E. Compensation

1) Base Salary:
   a. Yrs. of Experience/Yr. of Ordination (**5 years**) $ 54,443
   b. Additional Education/Training (**graduate work**) $ 5,876
   c. Additional Leadership Responsibility $
   d. Other Considerations $
   Subtotal Base Salary $ 60,319

2) Housing Allowance
   [line 1 (base salary x .30] $ 18,096
   (See p. 8-C. Housing)

   Subtotal of line 1 OR Line 1 & 2 $ 78,415

3) Social Security Reimbursement on subtotal x .0765) $ 5,999
   [Base salary OR base salary and Housing Allowance]

4) **Defined Compensation** (Add subtotal + Line 3) $ 84,414

5) ELCA Medical, Dental and Pension Plan (enter "Total Benefits Contribution") $ 40,479
6) Additional Benefits $
7) **Compensation and Pension and Other Benefits Total** (Add lines 4, 5, 6) $ 124,893

Expenses

8) Transportation Mileage/Travel Expense Reimbursement $ 1,100
9) Professional Expense Reimbursements (Cell phone, vestments, etc.) $ 850
10) Official Synod events (includes Synod Assembly, Synod Theological Day, Theology for Ministry Conference, and First Call Theological Education Core Events) $ 1,500
11) Continuing Education (Minimum $1,100) $ 1,100

Total Compensation, Pension and Other Benefits, and Expenses (Add lines 7-11) $ 129,443

Non-financial Compensation

Vacation: 4 Weeks Including 4 Sundays
Continuing Education: 2 Weeks Including 2 Sundays

Appendix D: Resources for Personnel and Compensation Issues in Congregations/Parishes of the ELCA

Bacher, Robert and Cooper-White, Michael, *Church Administration: Programs, Process, Purpose*, Minneapolis: Augsburg Fortress, 2007.

Berry, Erwin, *The Alban Personnel Handbook for Congregations*, Washington DC: Alban Institute, 1999.

Holford, Trish*, Our Staff: Building Our Human Resources,* Minneapolis: Augsburg Fortress, 2002.

Pastor and People: Making Mutual Ministry Work, Minneapolis: Augsburg Fortress, 2003.

Peterson, Eugene, *Working the Angles: The Shape of Pastoral Integrity*, Grand Rapids: Eerdmans, 1987

Church Salary—website information from *Christianity Today*

Appendix E: Earned Sick and Safe Time (ESST)

A guide to Minnesota's laws about sick and safe leave

Employer checklist

Earned sick and safe time checklist

An example of the notice to be given to employees.

ESST sample notice.docx

Frequently asked questions

FAQs: Earned sick and safe time (ESST) | Minnesota Department of Labor and Industry

Appendix F: Paid Leave

Employers Role and Responsibilities

Employers: your role and responsibilities / Minnesota Paid Leave

Employers Toolkit

Employer resource toolkit / Minnesota Paid Leave

Equivalent Plans

Equivalent plans for paid leave / Minnesota Paid Leave

Frequently Asked Questions

Frequently asked questions / Minnesota Paid Leave

Comparison for ESST and Paid Leave

Comparison of Earned Sick and Safe Time and Paid Leave