

2009

ROSTERED PERSONS'

COMPENSATION AND BENEFITS

GUIDELINES MANUAL

SECTION A – Pastor's Compensation and Benefits Guidelines
SECTION B – Associates' in Ministry Compensation and Benefits Guidelines

Upper Susquehanna Synod
Evangelical Lutheran Church in America

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**RECOMMENDED 2009 CLERGY SALARY GUIDELINES
FOR THE UPPER SUSQUEHANNA SYNOD, ELCA**

Adopted June 21, 2008, Upper Susquehanna Synod Assembly

Years Ordained	Year Of Ordination	2008 Approved Minimum Salary Guidelines	2009 Proposed Minimum Salary Guidelines
0	2009	NA	\$28,200
1	2008	\$27,550	\$28,625
2	2007	\$27,975	\$29,050
3	2006	\$28,400	\$29,475
4	2005	\$28,825	\$29,900
5	2004	\$29,250	\$30,325
6	2003	\$29,675	\$30,750
7	2002	\$30,100	\$31,175
8	2001	\$30,525	\$31,600
9	2000	\$30,950	\$32,025
10	1999	\$31,375	\$32,450
11	1998	\$31,800	\$32,875
12	1997	\$32,225	\$33,300
13	1996	\$32,650	\$33,725
14	1995	\$33,075	\$34,150
15	1994	\$33,500	\$34,575
16	1993	\$33,925	\$35,000
17	1992	\$34,350	\$35,425
18	1991	\$34,775	\$35,850
19	1990	\$35,200	\$36,275
20	1989	\$35,625	\$36,700
21	1988	\$36,050	\$37,125
22	1987	\$36,475	\$37,550
23	1986	\$36,900	\$37,975
24	1985	\$37,325	\$38,400
25	1984	\$37,750	\$38,825
26	1983	\$38,175	\$39,250
27	1982	\$38,600	\$39,675
28	1981	\$39,025	\$40,100
29	1980	\$39,450	\$40,525
30	1979	\$39,875	\$40,950
31	1978	\$40,300	\$41,375
32	1977	\$40,725	\$41,800
33	1976	\$41,150	\$42,225
34	1975	\$41,575	\$42,650
35	1974	\$42,000	\$43,075

RECOMMENDED 2009 CLERGY SALARY GUIDELINES FOR THE UPPER SUSQUEHANNA SYNOD, ELCA			
Adopted June 21, 2008, Upper Susquehanna Synod Assembly			
Years Ordained	Year Of Ordination	2008 Approved Minimum Salary Guidelines	2009 Proposed Minimum Salary Guidelines
36	1973	\$42,425	\$43,500
37	1972	\$42,850	\$43,925
38	1971	\$43,275	\$44,350
39	1970	\$43,700	\$44,775
40	1969	\$44,125	\$45,200
41	1968	\$44,550	\$45,625
42	1967	\$44,975	\$46,050
43	1966	\$45,400	\$46,475
44	1965	\$45,825	\$46,900
45	1964	\$46,250	\$47,325
46	1963	\$46,675	\$47,750
47	1962	\$47,100	\$48,175
48	1961	\$47,525	\$48,600
49	1960	\$47,950	\$49,025
50	1959	\$48,375	\$49,450

Based on your pastor's year of ordination, enter
the minimum base salary from the schedule above.

A.4. \$ _____
Minimum Base Salary

Step 5 Compare the amounts entered in A.3 and
A.4 and enter the larger amount here.

A.5. \$ _____
Next Year's Base Salary

Determining the Housing Equity Allowance or Housing Allowance

Use only one section, B or C below

If your parish provides a PARSONAGE for the use of your pastor and his/her family, complete Section B immediately below, and omit Section C which follows. If your parish provides the pastor with a HOUSING ALLOWANCE, omit Section B and complete Section C.

B - Housing Equity Allowance (with parsonage)

When a parsonage is furnished rent-free as a part of the pastor's compensation, it must be remembered that the pastor does not have the opportunity to build equity as do homeowners. Some parishes choose to compensate for the lack of equity with a Housing Equity Allowance.

The following suggested contractual provisions are recommended in support of a housing equity allowance for pastors whose congregations provide a parsonage:

1. the housing equity allowance be an amount equal to at least 3% of Line (E1) (Defined Compensation);
2. the congregation pay this amount in regular installments to a depository agreed to by the congregation and the pastor;
3. use of the funds be limited to the provision of housing whenever it is needed, specifically at the time of retirement, disability or death or when a congregation disposes of its parsonage;
4. provision be made for changes of depository when required by re-location provided that the original contractual limitations for the use of funds be maintained.

Enter amount to be paid here.

**B. \$ _____
Equity Allowance**

C - Housing Allowance (without parsonage)

If your parish provides a Housing Allowance for your pastor and his/her family, this amount should be sufficient to provide adequate housing as well as care for the related expenses of utilities and upkeep. Your pastor may exclude the Housing Allowance from his/her taxable income up to the "fair rental value" of a furnished home plus utilities, to the extent that the allowance is actually expended for housing. Expenses which qualify to be used for a Housing Allowance include payments on purchase, principal and interest payments on mortgages, taxes, utilities, maintenance, insurance, furnishings, landscaping, etc.

The Housing Allowance for 2009 is to be an amount that accurately reflects local conditions. The minimum housing allowance range recommended by the synod for 2009 is \$13,300 to \$16,300. Congregations located in areas of the synod where housing is more costly should consider the higher amount in this range as the minimum.

Place the amount designated for Housing Allowance here:

**C. \$ _____
Housing Allowance**

D - Social Security Allowance

For Social Security purposes, pastors are taxed as if they are self-employed. In 2009, self-employed persons are required to pay an effective rate of 15.30%.

Synod policy is that congregations assume at least 50% of the Social Security tax which the pastor is required to pay or an equivalent amount if the pastor has opted

out of Social Security.

Step 1: Determine what portion (at least 50%) you will pay your pastor as a Social Security Allowance.

D.1. _____ %
Portion to be paid by parish

Step 2: Figure the salary on which Social Security will be paid next year by adding the amounts of Base Salary and Housing.

Base Salary (line A5) \$ _____

Housing: If you provide a parsonage, use 30% of base salary (which the church uses to represent annual fair rental value) \$ _____

OR

If you provide a Housing Allowance, insert the total amount here (line C) \$ _____

Add Base Salary and Housing and enter amount here.

D.2. \$ _____
Estimated Salary Subject to Social Security

Step 3: Effective Social Security Rate for 2009

D.3. _____ 15.30%

Step 4: Multiply (D2) by (D3)

D.4. \$ _____
Social Security Tax

Step 5: Multiply (D4) by (D1)

D.5. \$ _____
Social Security Allowance or its Equivalent

PART II. Determining Cost of Benefits

E - Pension Contribution

In the Upper Susquehanna Synod, the recommended minimum contribution rate is 12% of Defined Compensation as calculated below.

DEFINED COMPENSATION: This figure is used by the ELCA Board of Pensions in calculating all benefit contributions.

- 1. Base Salary (line A5) \$ _____
- 2. Social Security Allowance (line D5) \$ _____
- 3. Total Cash Salary (1 + 2) \$ _____
- 4. With Parsonage (30% x 3) \$ _____
- 5. Without Parsonage (line C) \$ _____
- 6. Total (3 + 4 or 5) \$ _____

DEFINED COMPENSATION -

Enter Total from Line 6 here E.1 \$ _____

Enter here the parish's pension contribution rate E.2 _____ 12%

Multiply line E.1 by E.2 - Pension Contribution E.3 \$ _____

Waiver of Medical-Dental Coverage Possible

The ELCA Medical and Dental Benefits Plan provides for necessary health benefits coverage for pastors, lay employees, and their families and discourages unnecessary duplicate coverage. Sponsored members and/or their spouses and children who are eligible for medical benefits coverage through a spouse's employer or through a former employer may waive ELCA plan coverage, while continuing to participate in the ELCA disability, survivor, and pension plans. The option of waiving coverage is particularly attractive for members who can obtain medical coverage at subsidized rates through a spouse's employer plan. **Unless your pastor's spouse and/or children are covered under some other group insurance plan, the church is expected to provide their coverage.**

F - Medical and Dental Benefit Plan

In 2009 the Medical and Dental Plan contribution will be determined using the following rates:

Member Only	<u>13.00%</u>
Member/Spouse	<u>22.70%</u>
Member/Children	<u>22.70%</u>
Member/Spouse/Children	<u>32.40%</u>

Enter here Defined Compensation (line E.1) F.1. \$ _____

Enter here percent from choices above F.2. _____ %

Multiply F.1 by F.2 - Medical and Dental Contribution for 2009 F.3. \$ _____

G - Disability, Survivor, and Retiree Support

Enter here amount from line E.1. G.1. \$ _____

2009 percentage is G.2. _____ 2.7%

Multiply G.1 by G.2 - Administrative, Disability and Survivor's Benefits contributions G.3. \$ _____

Disability Insurance

As a benefit of participation in the ELCA Benefits Plan, your pastor has Disability Insurance. The Disability Plan will pay 66 2/3% of defined compensation less Social Security and Worker's Compensation disability benefits.

The parish provides full compensation, including housing, for the first two months of disability on a self-insured basis. The parish is also expected to pay the medical, dental, and survivors insurance contributions during the first two months of disability. Thereafter, the Disability Plan would pay these premiums, and the pastor becomes eligible for the three types of benefits listed below as long as the pastor is considered partially or totally disabled (as defined by the plan), up to the pastor's full benefit retirement age, as defined by the Social Security Administration:

1. monthly benefit,
2. continuation of contributions to the Retirement Plan, and
3. continuation of health and survivor benefits coverage.

H - Flexible Spending Account (FSA)

Many ELCA pastors, rostered laypersons and lay employees of ELCA congregations and organizations are looking for ways to help pay for rising out-of-pocket health care and/or dependent care expenses. One way to help soften the burden of these increasing costs is through flexible spending accounts.

A flexible spending account (FSA) is a type of "cafeteria plan." With a FSA plan, ELCA congregations and organizations (i.e., employers) can enable their employees to set aside payroll dollars on a pre-tax basis to pay for certain out-of-pocket expenses, including:

1. certain health care expenses that are not paid for or reimbursed under the ELCA Health Benefits Plan or other health coverage, and
2. eligible dependent day care expenses

Individual congregations and organizations can administer an FSA plan. However, congregations and organizations are encouraged to work with an outside company that specializes in these types of plans. Because there are tax implications FSAs should be administered by someone who knows the rules. Confidentiality concerning reimbursements of health claims is also important. The ELCA Board of Pensions uses the services of Administration Resources Corporation (ARC) for its employees' FSAs. ARC is available to administer FSA accounts for congregations. You can contact ARC at (800) 588-2020 or <www.arcadministration.com>. To ask questions about a FSA, you can contact the ELCA Board of Pensions at (800) 352-2876 or <https://www.elcabop.org/Home/UnderstandMyBenefits/Flexible_spending_accounts.aspx>

PART III. Professional Expenses

Inasmuch as changes in the Internal Revenue Service rulings have made it difficult for many pastors to itemize and deduct their professional expenses (books, other published resources, business entertainment expenses, professional organization dues, vestments, etc.), it is recommended that first the congregation adopt the principle that all professional expenses incurred by the pastor and other employees will be reimbursed in full. The 1986 Tax Act provides that unreimbursed expenses up to the first 2% of adjusted gross income cannot be deducted by the pastor on his or her personal tax return. Adequate allowances, in addition to salaries, should be provided in the church budget to cover these anticipated costs. Finally, the Congregation Council should frequently review the allowances and their use to be certain that the pastor and any lay professional leaders are submitting reimbursement requests on a timely basis and are being fully reimbursed.

Four of the most frequent expenses are:

1. Automobile expenses
2. Continuing education
3. Book/Periodical expenses
4. Assembly expenses

There may be additional professional expenses in your unique parish situation. This matter should be discussed with your pastor.

I - Automobile Expenses

The largest single church-related expense for the pastor is the cost of transportation which includes fuel, repairs, insurance, tolls, etc. In the business world such expense is commonly covered by the employer. In 2008, the Internal Revenue Service allowed fifty eight and one-half cents(.585) per mile deduction for business use of a car. Check with the IRS to determine the 2009 rate. The travel allowance should be adequate to cover all transportation costs to the pastor including automobile expenses.

Parishes should pay the full cost of car expenses incurred in the fulfillment of pastoral duties.

There are three options available:

1. Where extensive driving is required, a parish owned or leased car may be the most satisfactory approach
2. Reimbursement can be based on the actual number of miles driven.
3. A flat rate, regardless of mileage driven, could be paid; however, the parish and pastor must be careful how this is structured for income tax purposes.

Enter the Automobile/Transportation Allowance
or mileage rate here

H. \$ _____
Auto Allowance

J - Continuing Education

Professional church leaders (pastors and associates in ministry) need to have opportunities for continued growth in competence and understanding as they utilize their gifts in ministry. Continuing education is the way the leader enhances ministry abilities, acquires new skills, and experiences personal growth for a more effective ministry. It is the expectation of the ELCA that each professional church leader participate in 50 contact hours of continuing education annually. A contact

hour is interpreted as a period of 50 minutes in which the individual actively engages in learning under the supervision of another person or co-learning with colleagues.

Pastors and associates in ministry should develop a Continuing Education Covenant with their Congregation Council. This is an excellent step in developing a sense of shared ministry. The ELCA recommends that congregations contribute a minimum of \$700 each year for continuing education and that the pastor or associate in ministry provide a minimum of \$300 each year, as recommended by ELCA guidelines.

Congregations also are expected to cover the expenses of first call theological education for the first three years following a pastor's ordination. This cost is currently \$200.00 per year.

Enter the allowance here.

I. \$ _____
**Continuing
Education**

K - Book/Periodical Expenses (Optional)

Your congregation may choose to provide an allowance for the purchase of or subscription to books and periodicals, enabling the pastor to keep abreast of developments in his/her profession.

Enter the amount of the Book/Periodical Expenses here.

J. \$ _____
**Book/Periodical
Expenses**

L - Assembly/Conference Expenses

Your pastor's attendance at official assemblies and conferences is a professional expense. Attendance at the assembly of the synod is expected; and all expenses for registration, lodging, and meals should be paid by the congregation or agency. Attendance at conferences should also be supported by the congregation or agency by payment of registration fees and other expenses. Discuss with your pastor his/her anticipated expenses in connection with assemblies and conferences in the coming year.

Enter the amount of the allowance for assemblies and conference expenses here.

K. \$ _____
**Assembly/Conference
Expenses**

PART IV. Additional Benefit Items

Sabbatical Leave

Consideration should be given to granting a sabbatical leave to a pastor every three to five years in the present call, beyond the First Call Theological Education program. This leave is granted to provide an opportunity for the pastor to take an extended period of time for personal enrichment, study, spiritual growth, travel, skill development, research, and experimentation, all for the purpose of enrichment for continued service in the church.

It is recommended that pastors planning for sabbatical leave be in contact with the Office of the Bishop to talk about possible scholarships to offset congregational expenses and to discuss arrangements for plans for the leave. Arrangements for pastoral coverage during this leave will be made by both the pastor and the Congregation Council and satisfactorily completed prior to the beginning of the

sabbatical leave. This leave would be granted for up to three months, with full pay. After this sabbatical, the pastor will remain in his/her parish for at least one year.

Vacation

The need for an annual vacation is self-evident. A pastor is frequently under much stress in his/her profession and needs time away. The synod recommends a minimum of one month or four weeks vacation. The congregation should consider granting additional vacation time based on the length of service in the ministry. The length of vacation time, the number of Sundays, and when vacation time is to be taken are all matters which need to be discussed openly with your pastor and should be considered an important part of his/her compensation.

Further, a minimum of one day off each week is a necessity. After discussing with your pastor, note the agreement in the space below.

The Vacation Agreement with our pastor is as follows:

Vacation of _____ per year, including Sundays.

Maternity or Paternity Leave

A specific maternity leave plan should be carefully drawn up. This should include up to six weeks with full salary, housing, and benefits. The number of weeks of leave before and after the birth or adoption of a child should be specified in advance. Any other specific conditions should be clearly defined in a written document. To offset the expenses of maternity leave to congregations who provide at least six weeks of maternity leave, the Upper Susquehanna Synod will provide reimbursement of Sunday supply pastors for a maximum of three Sundays. Pastoral care for the congregation will be provided by local pastors under the auspices of the Dean of the Conference.

Paternity leave is highly recommended. This should include up to four weeks with full salary, housing, and benefits. The number of weeks of leave before and after the birth or adoption of a child should be specified in advance. Any other specific conditions should be clearly defined in a written document. To offset the expenses of paternity leave to congregations who provide at least four weeks, the Upper Susquehanna Synod will provide reimbursement of Sunday supply pastors for two Sundays. Pastoral care for the congregation will be provided by local pastors under the auspices of the Dean of the Conference.

Holidays

Time away from the parish must be made available in observance of recognized holidays. How many days and when they are observed must be mutually agreed to in advance to accommodate the needs of both the parish and the pastor.

Sick Leave

The pastor should be allowed a certain number of days of work missed on account of illness as mutually agreed in advance. Such leave is in addition to vacation time.

Tax Sheltered Annuity (TSA)

Contributions made to an approved Tax Sheltered Annuity on behalf of the pastor are not taxable in the year made, but are taxable in the year they are withdrawn, e.g. in retirement. Additional contributions up to the amount permissible by the Internal Revenue Service may be made to the Board of Pensions and/or other approved depositories. The pastor should write to the Board of Pensions for details on the exact amount of additional TSA for which he/she is eligible. TSA contributions may be made in addition to Individual Retirement Account (IRA) arrangements.

\$ _____
TSA

Individual Retirement Account (IRA)

Contributions may be made in addition to pension contributions. These contributions are restricted depending on the pastor and spouse's adjusted gross income. The amount of exemption from Federal Income Tax also depends on income.

\$ _____
IRA

Household Expenses and Furnishings Allowance

(Applicable only to pastors whose congregations provide parsonages. For pastors who receive a Housing Allowance, this is included in the Housing Allowance.)

An allowance may be designated out of base salary which may be used by the pastor for purchasing and repairing furnishings, and for certain other household expenses. The amount is determined by the pastor on anticipated expenses. To the extent that it is actually used for furnishings, etc., it is excludable from Federal Income Tax.

\$ _____
**Furnishings
Allowance**

Medical/Dental Expense Fund (A FSA is another option, see p.9.)

Parishes may establish a parish Medical/Dental Expense Fund for the pastor and family. This fund would be administered by the parish. The amount for this fund would be determined on a yearly basis. The pastor would submit copies of his/her medical bills to the parish for reimbursement of the portion of the bill not covered by medical insurance. The parish fund would provide these reimbursements up to the limit of the fund. If in a given year the fund would not be fully used, the unused portion would continue into the next budget year.

\$ _____
**Medical/Dental Expense
Fund**

Sample Forms

The following forms may be utilized in developing a Housing Allowance Program for the pastor.

No. 1. Form for presentation of minister's estimate of expenses qualifying under the pastor's housing allowance.

No. 2. Draft language for action on a housing allowance by the Congregation Council.

No. 3. Draft notification to the minister by the congregation (Congregation Council) of approved housing allowance.

PASTOR'S ESTIMATE OF HOUSEHOLD EXPENSES

TO: (Name of Congregation) DATE
FROM: (Name of Pastor)
SUBJECT: Housing allowance for year extending from _____, 20____,
to _____, 20____.

The amounts set forth below are the amounts I expect to spend during the period (as above) _____ to rent or otherwise provide a home for me and my family.

<u>Item</u>	
1. Rent on leased property or payments on purchase of a home (including down payment, acquisition costs, mortgage payments of principal).	\$ _____
2. Garage rental (if not included above)	\$ _____
3. Utilities (gas, electricity, water, sewer, oil, telephone, refuse removal charges, firewood, TV cable)	\$ _____
4. Insurance (homeowner's, fire, extended coverage, liability, contents, flood).	\$ _____
5. Repairs and maintenance	\$ _____
6. Furnishings and improvements	\$ _____
7. Interest and Taxes (may want to itemize these separately)	\$ _____
8. Other housing expense (list in detail).	\$ _____
_____	Total \$ _____
Pastor's Signature	

DRAFT LANGUAGE FOR CONGREGATION COUNCIL ACTION ON
HOUSING ALLOWANCE

The _____ Committee advised the Council that under the tax laws an ordained minister of the Gospel is not subject to Federal Income Tax with respect "to the rental allowance paid as part of compensation to the extent used to rent or provide a home." Where the pastor owns a home, this amount of the allowance will be an amount equal to the fair rental value of the home, including furnishings and appurtenances such as a garage, plus cost of utilities.

The Council, after considering the statement of The Rev. _____ setting forth estimates of the amount expected to be spent to rent or otherwise provide a home during the period _____, 20____, to _____, 20____, and in light of the Federal Income Tax law and of the established salary level, on motion duly made and seconded, and adopted the following resolution:

Resolved that The Rev. _____ receive a salary of \$_____ for the year _____, and a housing allowance of \$_____ for the year, the housing allowance to be so designated in the official records.

(Congregation Council Secretary's Signature)

NOTIFICATION OF HOUSING ALLOWANCE BY CONGREGATION (EMPLOYER)

Date _____

Dear Pastor _____,

This is to advise you that at a meeting of the Congregation Council held on _____, 20____, your housing allowance for the year _____ was officially designated and fixed in the amount of \$_____. Accordingly, \$_____ of the total compensation payable to you during the year _____ will constitute housing allowance and the balance will constitute "salary" (as interpreted by the Income Tax Law).

(Congregation Council Secretary's Signature)

2009 Worksheet
Parish Budget for Pastoral Ministry

Pastor: _____ Parish: _____

Synod Policy

Reference from
Attached Supplements

PART I. Compensation

*Base Salary (including one month vacation)	\$ _____ (A5)
**Housing Equity Allowance (with parsonage)	\$ _____ (B)
*Housing Allowance (without parsonage)	\$ _____ (C)
*Social Security Allowance or equivalent	\$ _____ (D5)
	\$ _____
	Total Compensation

PART II. Cost of Benefits

***Pension Contribution	\$ _____ (E3)
Medical and Dental Benefits Contribution	\$ _____ (F3)
Administrative, Disability and Survivor Benefits Contribution	\$ _____ (G3)
	\$ _____
	Total Benefits Cost

PART III. Professional Expenses

***Automobile Allowance	\$ _____ (H)
***Continuing Education	\$ _____ (I)
**Book/Periodical Expenses	\$ _____ (J)
**Assembly/Conference Expenses	\$ _____ (K)
	\$ _____
	Total Professional Expenses

* By mutual agreement of pastor and parish, but should be at least equal to minimum base amounts approved by synod in assembly.

** By mutual agreement of pastor and parish.

*** Required through official call and by mutual agreement of pastor and parish.

PART IV. Tax Advantageous Redistribution of Compensation

The amount of Cash Salary which would be subject to income tax may be adjusted as follows:

Base Salary	\$ _____ (A5)
Housing Allowance	\$ _____ (B or C)
Social Security Allowance	\$ _____ (D5)
	\$ _____
	<u>Total Compensation</u>

Tax Advantageous Amounts

Adjusted Housing Allowance	\$ _____
TSA	\$ _____
IRA	\$ _____
Furnishings Allowance	\$ _____
Medical Bill Allowance	\$ _____
Flexible Spending Account	\$ _____
Optional Pension Plan Contributions	\$ _____
Reimbursement of additional expenses	\$ _____
	\$ _____
	<u>Total Amount Sheltered</u>

Subtract Total Amount Sheltered from Total Compensation

\$ _____
Adjusted Cash Salary for Income Tax Purposes

SECTION B: ASSOCIATES IN MINISTRY COMPENSATION AND BENEFITS GUIDELINES

PART I. Determining Compensation

A - Base Salary

The Synod Assembly presents the following base salary guidelines for associates in ministry of the Upper Susquehanna Synod for 2009. The Synod in Assembly annually adopts a minimum base salary schedule below which no associate in ministry serving a full-time position ought to be paid. Normally the bishop will not recommend candidates to congregations not meeting this minimum. When planning for your 2009 congregation budget and salary recommendations for next year, congregation leaders are asked to begin their consideration with the minimum figure (per years of service) for your associate in ministry. Congregations are encouraged to move beyond this recommended minimum figure as an expression of Christian responsibility within the Church, giving consideration to the needs of associate in ministry and family as well as merit increases.

Step 1: Fill in line (A1) with the BASE SALARY you are presently paying L.1 \$ _____
Present Base Salary

Step 2: Responsibility/Proficiency/Cost of Living Factors. A fair rate of remuneration should consider what amount is appropriate to add to the amount in line (A1).

1. The responsibility factor:
 - a. The nature of the associate's in ministry task
 - b. The size of the congregation
 - c. Staff or team ministry
2. The proficiency factor or how well the associate in ministry accomplishes the task:
 - a. Abilities of the associate in ministry in his/her area of ministry
 - b. Experience as an associate in ministry
 - c. Length of service with this congregation
 - d. Continuing education
3. The cost of living factor (the rate of inflation during previous 12 months)

Fill in line (A2) with the proposed increase for this year. L.2 \$ _____
Proposed Increase

Step 3: Add lines (A1) and (A2) L.3 \$ _____
Total of 1 & 2

Step 4: Based on your associate's in ministry years of experience, enter the minimum base salary from the schedule at the top of page 20 L.4 \$ _____
Minimum Base Salary

Step 5: Compare amounts in line A.3. and A.4. Enter the larger amount here. L.5. \$ _____
Next Year's Base Salary

Summary of Associates in Ministry minimum salary recommendations for 2009* or those with masters degrees or equivalent experience.

<u>Years of Experience</u>	<u>2009 Recommended Salaries</u>
0	\$30,400 - \$32,460
5	\$32,460 - \$34,520
10	\$34,520 - \$36,580
15	\$36,580 -

* Based on not receiving a housing allowance.

Matters of professional expenses need to be considered for associates in ministry as well as pastors. Such expenses are determined by the Congregation Council and the associate in ministry as appropriate to the situation.

PART II. Determining Cost of Benefits

REFER TO:

SECTION A, PART II, Determining Cost of Benefits. This entire section applies to associates in ministry salary packages as well as pastors.

PART III. Professional Expenses

REFER TO:

SECTION A: Part I, Sub-Section C, housing allowance. Housing allowances may be applicable to the associate in ministry salary package as may be determined by your Congregation Council.

SECTION A, Parts III and IV, Professional Expenses and Additional Benefit Items. Professional expenses and Additional Benefit Items may be applicable to the associate in ministry salary package as may be determined by the Congregation Council and the associate in ministry. PLEASE NOTE: CONTINUING EDUCATION EXPENSES ARE REQUIRED THROUGH THE OFFICIAL CALL AND BY MUTUAL AGREEMENT OF ASSOCIATE IN MINISTRY AND PARISH.

SAMPLE FORMS, Pages 15 & 16. If such benefits are applicable to your associate in ministry salary package, you may adapt these forms for use with your associate in ministry.

Parish Budget for Associates in Ministry

Associate in Ministry: _____ Parish: _____

Synod Policy

Reference from
Attached Supplements

PART I. Compensation

*Base Salary (including ____ weeks vacation) \$ _____ (L.5)
Total Compensation

If housing is provided (see SECTION A, Part C)

a. Utilities allowance \$ _____
b. Furnishings allowance \$ _____
\$ _____ (C)

PART II. Cost of Benefits

***Pension Contribution \$ _____ (E3)

Medical and Dental Benefits Contribution \$ _____ (F3)

Administrative, Disability and Survivor
Benefits Contribution \$ _____ (G3)

\$ _____
Total Benefits Cost

PART III. Professional Expenses

**Automobile Allowance \$ _____ (H)

***Continuing Education \$ _____ (I)

**Book/Periodical Expenses \$ _____ (J)

**Assembly/Conference Expenses \$ _____ (K)

\$ _____
Total Professional
Expenses

* By mutual agreement of associate in ministry and parish, but should be at least equal to minimum base amounts approved by synod in assembly.

** By mutual agreement of associate in ministry and parish.

*** Required through official call and by mutual agreement of associate in ministry and parish.

PART IV. Tax Advantageous Redistribution of Compensation

The amount of Cash Salary which would be subject to income tax may be adjusted as follows:

Base Salary	\$ _____ (A5)
Housing Allowance	\$ _____ (B or C)
Social Security Allowance	\$ _____ (D5)
	\$ _____
	<u>Total Compensation</u>

Tax Advantageous Amounts

Adjusted Housing Allowance	\$ _____
TSA	\$ _____
IRA	\$ _____
Furnishings Allowance	\$ _____
Medical Bill Allowance	\$ _____
Flexible Spending Account	\$ _____
Optional Pension Plan Contributions	\$ _____
Reimbursement of additional expenses	\$ _____
	\$ _____

Total Amount Sheltered

Subtract Total Amount Sheltered from Total Compensation

\$ _____
**Adjusted Cash Salary
for Income Tax
Purposes**