



**2012 CLERGY COMPENSATION RECOMMENDATIONS**

*Clergy compensation includes salary, housing, benefits and professional expense reimbursements. In order to determine an appropriate level of compensation, each parish is encouraged to develop a Mutual Ministry Committee (ELCA Model Constitution for Congregations C13.04.) to assist in annual review and evaluation. For the health and well-being of the rostered leader, it is expected that one day off per week is taken as Sabbath time. It is also suggested that at least once per month two consecutive days off be taken.*

*Recommendations in compensation for clergy assume full-time employment. Appropriate proportional adjustments need to be made for persons serving part-time. In cases where clergy are currently compensated significantly below these guidelines and the gap is too large for a congregation to close in a single year, congregations should consider applying for a grant from the Compensation Aid Fund and should establish an intentional plan for closing the gap over a three-year period.*

**SALARY**

*The table below suggests amounts that include salary reimbursement of one-half of Social Security, and any consideration for furnishings and un-reimbursed medical expense allowances. The recommendations shown below provide a range of salary support based upon years of experience in ministry. The lower figure should be considered a minimum level of support. However, the higher figure should not be seen as an absolute maximum. Congregations should account for other variables in determining appropriate salary at, or above, the minimum figure. Examples of these are education, special skills or abilities that have a bearing on performance level, unique cost-of-living situations, congregational size, special challenges a pastor faces related to his or her responsibilities, such as transitional situations in the congregation/community and the responsibility one fulfills in a staff of more than one ordained minister.*

<b><u>2012 SALARY GRID</u></b>	
<b><u>Completed Years in Ministry</u></b>	<b><u>Recommended Salary Range</u></b>
0 - 1	\$39,575 – 47,452
2 - 4	\$42,545 – 51,813
5 - 7	\$45,268 – 56,171
8 - 10	\$47,509 – 59,825
11 - 15	\$50,977 – 63,476
16 - 20	\$52,740 – 67,082
21 +	\$55,738 – 71,295

*At the September 17, 2011 meeting, the New Jersey Synod Council recommended the 2012 Synod Compensation Guidelines be set, adjusting upward from the 2011 Guidelines according to the following formula: 0-10 Years in Ministry + 3%, 11+ Years in Ministry + 2.5%.*

**HOUSING**

Housing shall be provided to the pastor(s) in one of the following ways:

**A. Parsonage**, including all parsonage maintenance, utilities (except for personal long-distance telephone calls), and furnishings allowance (already included in salary grid above). Additionally, the establishment of a Housing Equity Fund is recommended, with an annual contribution based on the following:

<b>1st year in ministry - \$1,100</b>	<b>4th year - \$1,700</b>	<b>7th year - \$2,300</b>
<b>2nd year - \$1,300</b>	<b>5th year - \$1,900</b>	<b>8th year (and subsequent years) - \$2,500</b>
<b>3rd year - \$1,500</b>	<b>6th year - \$2,100</b>	

**B. Housing Allowance** (intended to cover a pastor’s costs that relate to mortgage or rent, taxes, utilities, maintenance, furnishings and insurance) of at least \$18,000 (Synod Council, September 2007) annually for a full-time pastor. Given the wide range of housing costs within the New Jersey Synod, a congregation may find it helpful to begin with the fair rental value of a fully-furnished home within the community, plus the cost of utilities. Current real estate values are readily available and the monthly fair rental value of a home is often calculated as 1% of the fair market value of the home. Additional consideration should be given for pastors residing in a high-cost market area. There should be an annual review of the costs that relate to mortgage or rent, taxes, utilities, maintenance, furnishings and insurance. For income tax purposes, the amount of the Housing Allowance should be set in advance of each calendar year by a congregation council resolution. If a parsonage is not provided and the purchase of a home by the pastor is not economically feasible, the pastor is left in a rental situation. In that event, a housing equity fund (as shown in the above schedule) should be provided in addition to the housing (rental) allowance.

**BENEFITS**

The current contribution rates for ELCA Pension and Other Benefits Program are printed in this section. A minimum of 15 hours per week employment for at least 6 months of the year is required for participation in this plan. Additional information on this program is provided through the ELCA Board of Pensions. Please note that the Board of Pensions term defined compensation includes gross salary and housing allowances, or gross salary plus 30% of gross salary when church-owned housing is provided. When a clergy couple has separate calls from two congregations, the cost for medical and dental benefits (charged by the Board of Pensions to each congregation based on its pastor’s salary) should be shared equally by the two congregations.

**ELCA PENSION PLAN**

Pension contributions can range from 10% to 12% of defined compensation. The New Jersey Synod strongly encourages congregations to provide for pensions at a 12% contribution rate. If a pastor was participating in a predecessor church pension plan as of December 31, 1987, the following apply as minimum contribution rates: Age on 12/31/87 - 55 or older (12%), 45-54 (11%), Under 45 (10%).

**ELCA Medical, Dental, Disability, Survivor’s Coverages** (contribution rates - opposite page).

**Pension and Health Benefits Calculation:**

- Pension contribution rate of 10% - 12% X defined compensation =
- Medical and dental contribution rate X defined compensation =
- (OR, minimum or maximum monthly contribution X 12 =)
- Disability, Survivor, Admin. – 3.3% X defined compensation =
- Total: Full Pension and Health Benefits =**

**OTHER BENEFITS THAT CONGREGATIONS ARE ENCOURAGED TO PROVIDE INCLUDE:**

- *Payment for annual health examination for the pastor(s). (Suggested minimum is \$200.00; not necessary if coverage is through ELCA Health Plan, where such exam is covered as a regular co-pay visit to primary care physician.)*
- *Minimum of four weeks' paid vacation annually.*
- *Minimum of fourteen days of paid study leave annually and consideration of a paid sabbatical in accordance with the enclosed Synod guidelines.*
- *Parenting leave in accordance with the enclosed Synod guidelines.*

**ELCA BOARD OF PENSIONS 2012 RATE SCHEDULE**

Coverage	Rates <sup>1</sup>	Monthly minimum	Monthly maximum
Health benefits			
Member	13.50 %	\$550	\$744
Member and spouse or same-gender partner	23.70 %	\$963	\$1,302
Member and children	23.70 %	\$963	\$1,302
Member, spouse or same-gender partner, and children	34.00 %	\$1,376	\$1,860
Coverage waived	0.00 %	\$0	\$0
Retirement	10 - 12% <sup>2,3,4</sup>		
Disability	1.60 %		
Survivor	1.00 % <sup>5</sup>		
Retiree support	0.70 % <sup>6</sup>		

1. Rates are a percentage of [defined compensation](#).
2. Contribution for employees of ELCA church institutions is 6% to 12% as determined by the institution.
3. Contribution for lay employees of ELCA congregations is 6% to 12% as determined by the congregation.
4. If a member participated in a predecessor plan on Dec. 31, 1987, was at least age 45 on that date, and has continuously been a sponsored member of an ELCA retirement plan since Jan. 1, 1988, the total employer retirement contribution must be at least 11%.
5. Survivor Benefits Plan contribution was reinstated in 2011.
6. Retiree support contribution helps provide health coverage during retirement for members who served one of the ELCA predecessor church bodies.

**REIMBURSEMENT FOR PROFESSIONAL EXPENSES**

*Congregations should be responsible for such reimbursements including:*

- *Auto Allowance for church-related use based upon mileage, maintenance, depreciation, insurance (suggested reimbursement is the I.R.S. travel rate of .55.5 per mile (2011) or a minimum of \$4,000; in no case should it be less than 25 cents per mile for the first 15,000 miles of church-related travel)*
- *Continuing Education Programs (recommendation: \$700 by congregation, \$300 by pastor)*
- *Books and Periodicals (suggested minimum, \$300)*
- *Conference Expenses including Synod Assembly and Ministerium Day*
- *Other professional expenses as agreed upon*

**2012 LAY ROSTERED LEADERS  
COMPENSATION RECOMMENDATIONS**

*Compensation for Associates in Ministry, Deaconesses, and Diaconal Ministers includes salary, benefits and professional expense reimbursements. When a congregation considers compensation for lay rostered persons, it should be done with the understanding that these persons are professional leaders of the ELCA who have been prepared and certified for specific ministries. They should receive salaries that take into account certain variables such as special skills or abilities that have a bearing upon performance level, unique cost of living situations, size of congregation, special challenges that they face relating to their responsibilities (such as transitional situations in congregation or community) and the responsibility he or she fulfills in a staff ministry.*

*In order to determine the appropriate level of compensation, and to abide by the ELCA Model Constitution for Congregations (C13.04.), each parish is to have a Mutual Ministry Committee. The responsibilities of this committee should include providing for annual review and evaluation of staff.*

*Recommendations on compensation for lay rostered persons assume full-time employment. Appropriate proportional adjustments need to be made for persons serving part-time. In cases where lay rostered persons are currently compensated significantly below these guidelines, and the gap is too large for a congregation to close in a single year, congregations are encouraged to establish an intentional plan for closing the gap over a three-year period.*

<b>2012 SALARY GRID</b>		
<b><u>Completed Years of Service*</u></b>	<b><u>Bachelor’s Degree or Equivalent</u></b>	<b><u>Masters Degree or Equivalent</u></b>
0 - 1	\$35,548 – 42,721	\$39,575 – 47,452
2 - 4	\$38,400 – 46,532	\$42,545 – 51,813
5 - 7	\$40,828 – 50,550	\$45,268 – 56,171
8 - 10	\$43,129 – 53,705	\$47,509 – 59,825
11 - 15	\$45,879 – 57,063	\$50,977 – 63,476
16 - 20	\$47,476 – 60,278	\$52,740 - 67,082
21+	\$50,231 – 64,165	\$55,738 – 71,295

**\* This means number of completed years of service as a certified Associate in Ministry, Deaconess, or Diaconal Minister.**

**BENEFITS**

*Contribution rates for lay rostered persons enrolled in the ELCA Pension and Health Benefits Program are the same as for pastors. A minimum of 15 hours per week employment for at least 6 months of the year is required for participation in this plan. The New Jersey Synod strongly urges a 12% contribution rate for the pension of all lay rostered persons, regardless of age.*

*Other benefits encouraged for lay rostered persons are those described in the clergy compensation recommendations in this booklet.*

**REIMBURSEMENTS FOR PROFESSIONAL EXPENSES**

*Professional expense reimbursements should be provided for lay rostered persons as they are for clergy.*

*(Adopted by the New Jersey Synod Council 09/17/2011)*