

2017

CHURCH STAFF SALARY AND BENEFIT GUIDELINES

REASON FOR THIS RESOURCE

The minimum annual salary and benefits schedule for the minister of Word and sacrament are recommended each year by the Synod of the Great Lakes Assembly to each of the eight classes in our regional synod. These policies are then reviewed and approved by each of the classes. Each classis then informs the Ministers of Word and Sacrament and the consistories and those policies are followed and enforced.

However, no such schedules or policies are currently available to consistories to assist them in making compensation decisions for other staff members. Each year the synod staff receives numerous requests for assistance in establishing reasonable and fair salary and benefit compensation programs for church staff. This is becoming an important need due to the increasing number of churches employing professional staff members in addition to the minister of Word and sacrament. In recognition of the increasing trend toward team-based staff ministry, this resource is intended to treat all members of the team on a more equitable basis.

At the June, 2002 meeting of General Synod the following recommendation was approved:

R-37

To request regional synods, as part of their general superintendence of classes, to develop compensation guidelines for all types of church employees, e.g. educators, musicians, secretaries, youth workers, administrators, parish nurses and custodians, and to update these every three years.

At the January 30, 2003 meeting of the Synod of the Great Lakes Executive Committee, a task force was appointed to determine the scope of these proposed guidelines and to recommend guidelines for church employees to the Executive Committee in a future meeting. These guidelines are the result of that study.

These guidelines **are not mandatory** for any congregation within our regional synod. However, this resource does reflect the general procedure used in some other denominations and other types of employers, and we believe that a salary and benefit compensation structure built around these guidelines and administered consistently over a period of time, will offer a reasonable and fair compensation program for church staff.

In establishing these guidelines, it is our hope that the goal of wise stewardship of the Lord's funds will be balanced with the Biblical requirement to "act justly, love mercy and walk humbly with our God" (Micah 6:8). The New Testament also gives us numerous instructions regarding the treatment of those doing ministry among us: Romans 12:4-8; I Corinthians 12: 28-29; I Timothy 5:17-18. The team concept of ministry is affirmed in these passages and numerous others. This Biblical admonition needs to be practiced not only in our words and deeds to one another in our daily personal lives, but indeed the church should set an example of this behavior in our treatment of the staff members that we call to assist us in our ministry to our communities.

SCOPE

These guidelines were designed to respond to the unique character of the following typical professional church position descriptions: **Christian Education Director, Children's Ministries Director, Youth Ministry Director, and Music/Worship Director.** These ministry occupations are rather unique to congregations and can vary widely in terms of the amount of time commitment, education, experience and responsibility. The guidelines are based upon employing persons on a <u>full-time basis</u> for these roles. The appropriateness of an individual's compensation rate should take the above factors and the proportional relationship to full-time work into account.

The compensation program of church secretaries, custodial staff, administrators and bookkeepers has somewhat comparable responsibilities in commercial employment relationships. The task force recommends that consistories use the average compensation paid for like responsibilities in commercial positions in your community, for developing a reasonable and fair compensation program for these positions. If you would like resources for help in establishing salary and benefit guidelines for these positions, please call the Synod of the Great Lakes accountant at (616) 698-7071.

FACTORS TO BE CONSIDERED

The following factors should be considered and discussed with the potential candidate prior to negotiating the terms and conditions of the employment relationship. A detailed position description is an essential element of this discussion, as well. Specific expectations regarding the work content, typical workweek, responsibilities regarding communications and accountability are critical for clearly establishing reasonable mutual expectations. We strongly suggest that an annual review process be incorporated in this relationship that takes into account the congregation's evaluation of the effectiveness of this ministry and the individual's need or desire for additional support, encouragement or resources from the congregation. This proposal develops guidelines for professional staff that are driven by and correlated to the approved minimum salary and benefits schedule for Ministers of Word and Sacrament.

SALARY FACTORS

- Full-time (usually based upon a 40 hour plus work week) or a portion of full-time e.g. a half-time position would be paid at 50% of the amount
- Education required for this professional position (e.g. bachelors or masters degree level or equivalent)
- Experience required to be proficient at performing this position
- Responsibility level for decision-making

• Level of influence on the congregation

HOUSING

Traditionally, Ministers of Word and Sacrament have been provided a parsonage as part of their compensation program. Increasingly, the trend is for congregations to pay a housing allowance of 30% to their pastor for them to live in their own home thus allowing them to have the economic and tax benefit opportunities associated with home ownership. The 2017 salary schedule for ministers of Word and sacrament as presented to the Synod Assembly is available upon request from the Synod of the Great Lakes office.

Housing and utility reimbursement or housing allowance payments, which are common compensation elements for Ministers of Word and Sacrament, are not part of the compensation program for other church staff positions.

The minimum salary level for Associate Pastors is based upon the category of 0 to 200 members. The following chart illustrates the 2017 minimum salary figures for Associate Pastors (a Minister of Word and Sacrament) without the housing allowance and with the housing allowance.

ASSOCIATE PASTORS Ministers of Word and Sacrament 2017 MINIMUM ANNUAL SALARY SCHEDULE

| Years of Service since Ordination | Associate Pastors Salary 0-200 | Associate Pastors Salary plus Housing | |
|---|---|--|--|
| 0 | \$39,116 | \$50,850 | |
| 1 | \$40,011 | \$52,012 | |
| 2 | \$40,904 | \$53,175 | |
| 3 | \$41,798 | \$54,339 | |
| 4 | \$42,694 | \$55,502 | |
| 5 | \$43,586 | \$56,662 | |
| 6 | \$44,480 | \$57,826 | |
| 7 | \$45,375 | \$58,088 | |
| 8 | \$46,281 | \$60,150 | |
| 9 | \$47,190 | \$61,315 | |
| 10 + | \$48,058 | \$62,477 | |

The following guidelines recognize that the Ministers of Word and Sacrament often have more formal education and three years of seminary and therefore begin at a much higher rate than the proposed guidelines for other professional church staff. However, the following chart has a step increase built in so that the gap in salaries between Associate Pastors including housing allowance, and other professional staff is eliminated. The 12 salary levels are not reflective of years of service. Rather they are intended to be reflective of the staff member's competency and experience level for their specific position.

| Salary Level | 2016 | 2017 | Salary Level | 2016 | 2017 |
|-----------------|--------|--------|-----------------|--------|--------|
| 1 | 37,757 | 38,512 | 7 | 49,168 | 50,151 |
| 2 | 39,473 | 40,262 | 8 | 51,381 | 52,409 |
| 3 | 41,231 | 42,056 | 9 | 54,062 | 55,143 |
| 4 | 43,086 | 43,947 | 10 | 56,108 | 57,231 |
| 5 | 45,024 | 45,924 | 11 | 58,577 | 59,749 |
| 6 | 47,050 | 47,991 | 12 | 61,213 | 62,437 |

PROFESSIONAL STAFF * 2017 ANNUAL SALARY GUIDELINES

* For full-time staff in the following typical positions:

- Christian Education Directors
- Children's Ministry Directors
- Youth Ministry Directors
- Music/Worship Directors

Please note:

- 1. These are annual salary figures based upon full-time employment and therefore any part-time ministry position should be paid on a proportional basis.
- 2. This chart will be updated annually to reflect changes in the minimum salary schedule for the Ministers of Word and Sacrament
- 3. The actual salary paid should reflect at least the following factors:
 - a. Full-time or a portion of full-time
 - b. Education for this professional position (e.g. bachelors and masters degree level or equivalent)
 - c. Experience required for this position
 - d. Responsibility level for decision-making
 - e. Level of influence on the congregation
- 4. Professional staff that become Ministers of Word and Sacrament should receive special consideration so that this change in status does not result in a loss of compensation due to the years of service since ordination categorization

BENEFITS (in addition to base salary)

- 1. Mandatory employers portion of FICA (Social Security, currently .0765)
- 2. Retirement program payments (IRA or 403(b) plan)
 - a. Consider a 50/50 match for a 403(b) plan, up to 5% of pay since the ministers currently receive 11% of the total of salary plus housing however, many commercial employers contribute between 4% to 6% of pay
- 3. Major Medical Insurance
 - a. If covered by a spouse's major medical program, perhaps consider negotiating payments toward their annual family deductible
 - b. Consider paying part or all of the dependent portion of medical insurance (a 50/50 split is a commonly used approach)
 - c. Life insurance, long term disability and dental insurance should be discussed as options perhaps with a smaller salary
 - d. Please note that RCA insurance is available to all RCA church employees who work more than 30 hours per week and other commercial group medical insurance is permissible
- 4. Mileage allowance for ministry required travel (reimbursement for actual ministry mileage at current maximum IRS allowed rate
- 5. Book or resources allowance for professional development resources
- 6. Continuing education allowance of time and money (up to 1 week) to be used for learning opportunities that are mutually beneficial to the church and the staff member and approved by the consistory.
- 7. Vacation (including Sundays: up to 4 weeks depending upon experience level and time with congregation)
- 8. Due to the nature of these positions, time off from working on special occasions like Christmas, New Year, Thanksgiving, etc. should be considered
- 9. Moving expense assistance for moves between communities to begin their employment on an affordable basis (this should be negotiated prior to the commencement of the contract)

For any clarification on these guidelines, please contact the Synod of the Great Lakes at (616) 698-7071.