NEW JERSEY SYNOD
Evangelical Lutheran Church in America
God's work. Our hands.

2020 CLERGY COMPENSATION RECOMMENDATIONS

The New Jersey Synod Clergy Compensation Recommendations are shared with the hope of unleashing excellence in ministry by helping our Pastors and congregations to live well together; offering, to congregations, suggestions regarding the investment appropriate to call a pastor (salary and housing, benefit plans, professional reimbursements, and other expectations) and, to rostered leaders, the encouragement to grow personal giving toward and beyond a tithe of their defined compensation. These guidelines are intended to be used within a culture of generosity and gratitude; rejoicing in the many gifts and resources that are shared and received in the context of congregational ministry. Assisting each other to live, love, and lead generously, we strengthen our ministries, and we grow stronger, healthier, and better equipped to carry out God's work in the world.

These recommendations in compensation assume full-time responsibilities. Appropriate adjustments in defined compensation need to be made for persons serving part-time and bi-vocational venues.

DEFINED COMPENSATION

SALARY

The table below suggests amounts for a BASE SALARY that includes the current full social security reimbursement of 15.4% and any allowance for furnishing and utilities. The table also calculates DEFINED COMPENSATION which adds together BASE SALARY with any HOUSING. In the case of pastors living in church provided housing, defined compensation is calculated by multiplying BASE SALARY by 1.3. (Defined Compensation is used by Portico in calculating the cost of benefits and by Pastors in calculating their Social Security obligations. Income tax responsibilities reference Base Salary). The recommendations shown below provide a range of compensation based upon years of experience in ministry. The lower figure should be considered a minimum level of support; the higher figure should not be seen as an absolute maximum. Congregations may account for other variables in determining appropriate Defined Compensation. Examples of these are education, special skills bearing on performance, unique cost-of-living/housing situations, congregational size, special challenges, the responsibility within a staff setting and merit.

2020 BASE SALARY-DEFINED COMPENSATION GRID

	CHURCH OWNED HOUSING PROVIDED Cash Compensation	**HOUSING ALLOWANCE INCLUDED IN CASH COMPENSATION**	**CHURCH OWNED HOUSING PROVIDED** Defined Compensation Calculated
Completed Years of Ordained Ministry	**Base Salary (Cash Compensation paid to the pastor)**	**A portion of the Cash Compensation, paid to the pastor, will annually be designated as Housing Allowance. Defined Compensation, (used to calculate benefit costs) equals the total cash compensation.**	**Defined Compensation is a calculated multiplier equal to Base Salary X 1.3. This figure is used to calculate benefit costs and is not the amount the congregation pays nor the pastor receives.**
0-4	**$47,359 - $60,802**	**$65,359 – $78,802**	**$61,567 - $79,043**
5-10	**$53,614 – $69,604**	**$71,614 – $87,604**	**$69,698 - $90,485**
11-20	**$59,612 - $77,215**	**$77,612 – $95,215**	**$77,496 - $100,380**
21-30	**$64,254 - $81,410**	**$82,254 – $99,410**	**$83,530 - $105,833**
30+	**$65,454 - $82,610**	**$83,454 – $100,610**	**$85,090 - $107,393**

HOUSING

Housing shall be provided as part of pastoral compensation in one of the following ways:

A. Parsonage, including fuel, electric, water, sewer, systems maintenance, and internet. Additionally, the establishment of a Housing Equity Fund is recommended, with an annual contribution (paid as additional retirement contributions) based on the following:

0-3 Years of Ordained Ministry Completed	**$1,500**
4-12 Years of Ordained Ministry Completed	**$2,000**
13+ Years of Ordained Ministry Completed	**$2,500**

B. Housing Allowance (intended to support costs that relate to mortgage or rent, taxes, utilities, maintenance, furnishings and insurance). In accord with IRS practices, the amount of defined compensation that will be designated as housing allowance must be set in advance of each calendar year by a congregation council resolution following consultation with the pastor. 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 allowance.

BENEFITS

The current contribution rates and additional information for ELCA Retirement and Other Benefits Program can be found at the PORTICO Benefit Services website: www.porticobenefits.org.

HEALTH CARE

Congregations are responsible to provide resources for health care for their pastor and families' need. Portico offers four different levels of health coverage for pastors. The New Jersey Synod Council recommends that congregations choose the Gold+ option and that congregations financially support a Health Savings Account for pastors with Silver and Bronze options. Go to www.porticobenefits.org to use the calculators to determine the cost to the congregation for this option.

ELCA RETIREMENT PLAN (403.b)

Required retirement plan contributions begin at 10% of defined compensation. The New Jersey Synod strongly encourages congregations to provide retirement contributions at 12% of defined compensation and that pastors add an additional 3% to that amount, bringing the total retirement plan contribution to 15% of Defined Compensation.

ADDITIONAL CONSIDERATIONS

1. Payment for annual health examination for the pastor(s). (Suggested minimum is $200.00; not necessary if medical coverage is through ELCA Health Plan or a comparable plan, where such exam is covered as a regular co-pay visit to a primary care physician.)
2. Minimum of four weeks' paid vacation (including 4 Sundays) annually.
3. Minimum of fourteen days of paid study leave annually.
4. Consideration of a paid sabbatical in accordance with the New Jersey Synod guidelines.
5. Family leave in accordance with the New Jersey Synod guidelines.
6. Establish a pastor funded pre-tax Flexible Benefit Plan to facilitate the payment of the Pastors' portion of health care and/or day care costs through a PORTICO managed ~ (Health Flexible Spending Account (FSA), Dependent (day) Care Account (FSA), or Health Savings Account (HSA).

7. Develop a Mutual Ministry Committee (ELCA Model Constitution for Congregations C13.04.) to assist in annual review and evaluation.
8. 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.
9. It is anticipated that the demands of ministry require 45-55 hours/week; however, the expectation will remain that the demands of ministry will be met regardless of the number of hours. A minimum of 15 hours per week employment for at least 6 months of the year is required for participation in the PORTICO benefit plan.

REIMBURSEMENT FOR PROFESSIONAL EXPENSES

Congregations should be responsible for such reimbursements including:

1. Auto Allowance for church-related use of personal vehicle based upon mileage, tolls and parking (not including commute between home and office/church) at the established I.R.S. travel rate up to $4,000 annually.
2. Continuing Education Fund: A pooled education fund of $700 from the congregation and $300 from the pastor will be gathered annually. The congregation will use this pooled resource to reimburse continuing education costs. Unused portions of this fund may be carried forward each year. When a pastor completes her/his service to the congregation, 30% of the unused pooled fund will be returned to the pastor.
3. First Call Theological Education expenses up to $500 annually for the first three years following ordination.
4. Books, Periodicals, Subscriptions, Webinars, Software, etc. (suggested minimum, $300)
5. Cell Phone Plan (1 GB) for church-related use.
6. Synod Assembly, Bishop's Convocation and Ministerium Day Expenses
7. Other professional expenses as agreed upon

ACKNOWLEDGEMENTS

Some congregations will find it difficult to embrace these recommendations and guiding principles. It is the annual responsibility of the congregational leadership and rostered leader to mutually discuss and discern just and reasonable compensation in their specific context. In some instances, where clergy are currently compensated significantly below recommended levels, congregations may inquire about a grant from the New Jersey Synod Compensation Aid Fund and establish an intentional plan for closing the gap over a three-year period. If a congregation no longer has the capacity to approximate recommended benchmarks, they are encouraged to consult with the Office of the Bishop to create an adaptive plan to refresh, redevelop, or reposition local ministry and the expectations of pastoral ministry in that venue.

These recommendations are reviewed, adjusted and approved annually by the New Jersey Synod Council.

2020 DEACONS
COMPENSATION RECOMMENDATIONS

Compensation for Ministers of Word and Service includes salary, benefits and professional expense reimbursements. When a congregation considers compensation for deacons, 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.

Recommendations on compensation for deacons assume full-time employment. Appropriate adjustments need to be made for persons serving part-time and bi-vocational venues. In cases where deacons are currently compensated significantly below recommended levels, congregations are encouraged to establish an intentional plan for closing the gap over a three-year period.

2020 SALARY GRID

Completed Years of Service as a Consecrated Deacon	Bachelor's Degree or Equivalent	Master's Degree or Equivalent
0 - 4	$42,680 – $54,750	$47,276 - $60,719
5 - 10	$48,485 – $62,630	$53,531 - $69,521
11 - 20	$53,787 – $69,527	$59,529 - $77,132
21 - 30	$58,426 – $73,092	$64,171 - $81,327
31+	$59,626 – $74,292	$65,371 - $82,527

BENEFITS, CONSIDERATIONS, AND REIMBURSEMENTS

Contribution rates for minister of Word and Service enrolled in the ELCA Retirement and Health Benefits Program are the same as for pastors. The parameters for other Benefits, Considerations, and Professional Reimbursements encouraged for deacons are those described in the clergy compensation section of this booklet.