

2018-2019

Indiana-Kentucky Synod

PROPOSED STANDARDS and WORKBOOK FOR MINISTERS OF WORD AND SACRAMENT COMPENSATION

(Standards for Ministers of Word and Service are provided separately.)

Recommended by the Synod Council
for adoption
by the 2018 Indiana-Kentucky Synod Assembly
May 31-June 2, 2018

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Dear Friends in Christ Jesus,

We're pleased to present to you the proposed 2018-2019 Indiana-Kentucky Synod Compensation Standards for ELCA Ministers of Word and Sacrament (Pastor). We provide these for your use in determining just and honorable salary, benefits, allowances, and reimbursements for your professional staff. This is the best tool we have to enable you to make these decisions in a collaborative atmosphere with your co-workers in the gospel who give their lives to the ministry of Jesus Christ with you in your congregation. Please note that "Process 1" is the process for determining compensation for a leader already under call and that "Process 2" is to be used in the Call Process.

Please use the standards in such a manner that there is good conversation between you and your rostered minister(s). It is wise to begin these discussions at least four months before your congregation's next fiscal year, in an open manner with your executive committee and each staff professional. These standards contain a process to assist discussion about issues relating to compensation. Further, these standards present charts and tools for you to calculate and determine compensation, as well as benefits, allowances, and reimbursements following established standards across the Evangelical Lutheran Church in America.

Rostered Ministers are strongly encouraged to take the initiative in this conversation with parish leaders since you are the ones who should understand your needs and desires. Don't expect your parish leaders to be mind readers. They're waiting for you to be a leader.

With regard to Cost of Living (COLA), please visit the Social Security website at www.ssa.gov as well as contact your local Chamber of Commerce. These are very helpful in finding the actual cost of living variances in your specific county. Remember this is a 'look back', and not a predictor of the year to come. Also, visit the ELCA website (www.elca.org) for further compensatory information.

Since age is now a factor (along with geography, size of congregation, and amount of compensation) in figuring health benefits rates there is no longer a chart with percentages for the coming year. Contact Portico Benefit Services (formerly ELCA Board of Pensions) by phone (800-352-2876) or e-mail (mail@porticobenefits.org) for information and assistance.

If you desire assistance with any matter in this document, or have a question not addressed in the document, please do not hesitate to contact any of our committee members directly through the Indiana-Kentucky Synod office.

These Standards are recommended by the Synod Council for adoption by the Indiana-Kentucky Synod in Assembly, May 31-June 2, 2018, and, upon adoption, become the appropriate norm for use in a current call process or in current conversation around compensation for a rostered minister under call.

Please note that these are minimum standards for *Ministers of Word and Sacrament (Pastor)*. A separate guideline is provided for *Ministers of Word and Service (Deacon)*.

With joy in the Gospel of Jesus Christ,

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Indiana-Kentucky Synod Rostered Ministers Compensation Committee

How to Plan Compensation with Your Rostered Minister(s) for 2018-2019

Often one of the most difficult challenges in ministry is deriving a fair and equitable compensation for the rostered minister(s) in your congregation. Generally, this has not been addressed until late in the process of preparing a new budget for the following year. This is a mistake since it often results in frustration for both the rostered minister(s) and those trying to make decisions with regard to salary, benefits, and reimbursements. The following guidelines should make this process pleasant and honest.

Obviously, first, begin your process with prayer. Second, know that your rostered minister(s) are not 'hired', they are 'called' into ministry with you, alongside of you.

It is extremely important that the rostered minister(s) be involved in this planning from the beginning to the end since they are the persons most affected by the final outcome. It is often difficult to talk about money and benefits, but it should not be. Good communication can, and must, occur at each step of this process.

1. Who should be in the planning process: The process should include the rostered minister(s) and the Executive Committee of the Congregation Council, and it may involve a member of the Mutual Ministry Committee, if appropriate. These are the people who can best assess the minister's effectiveness and his/her own needs, and have a grasp of the church's finances. Having more people in the meeting will slow communication and reduce effectiveness of the meetings. These are closed meetings and not open to the congregation for the purpose of maintaining a high level of open, honest, and healthy communication among the various leaders present.
2. What areas should be explored in the meetings: There are two areas of discussion: effectiveness and need. Start with need (First Meeting), which is the current compensation each rostered minister is receiving. Compensation of the minister is no secret to the congregation, because it is listed in the annual budget and/or annual report to the congregation. It includes, but is not limited to, the following areas: base salary, defined benefits (including housing allowance or equity allowance in the case of a church-owned parsonage), pension and full health care/lump sum death benefit/disability insurance, continuing education, book allowance, social security offset, reimbursements (car allowance, other tangibles applicable to your setting). Go through these step by step. Ask the minister at each juncture if he/she has any input that would be germane to the discussion. This may seem laborious, but the value is obvious since only the rostered minister knows precisely how the current mix of salary, benefits, and reimbursements affects her/him. In some cases, your rostered minister is below approved Synod established Minimum Compensation Standards. This needs to be discussed and remedied. Do this early in the process, preferably in early or mid-August, or four months before your congregation's new fiscal year. Take a lot of notes during the meeting, and share those written notes that week with members present, and not present. This meeting should last about two hours. Your second meeting should be in two weeks.
3. How to address effectiveness of the rostered minister(s) (Second Meeting): It is never a question of how hard a person works, or how many hours, but what gets done and the effectiveness of the work. This is without doubt the most difficult area to quantify. Effectiveness is always a subjective judgment call at best. What one person might find important, another does not. Is sitting with the family during a routine surgery of a loved one important? Is reading and preparation for sermons/meetings/teaching/Scripture study and prayer important? Is visiting regularly in the homes of church members important? Remember, much of what a pastor, or deacon, does is confidential, and thus cannot be judged in terms of effectiveness. Effectiveness is always, at best, a judgment call. Depending on each individual, subjective value judgments often are completely different. It has been said that every pastor, or deacon, has as many bosses as there are baptized members in the congregation. If that is true, then not all will be satisfied with the ministry at any given time, and the minister will not be a leader at all, but a hireling. Some will want the minister to be a chaplain, someone to take care of them and others in the congregation. Some will want the pews packed on Sunday and the offering plate full, and will expect that to be the responsibility of the

rostered minister. Some will want the rostered minister to prepare congregational members for leadership and provide vision and clear focus for the total ministry.

Importance and effectiveness are linked together in each person's mind. These are difficult to separate though they are clearly not the same, and even can work against each other. Finally, who decides the rostered minister's effectiveness? We believe it is the responsibility of the Congregation Council, not the general congregation, nor the rostered minister. If the rostered minister works well with his/her Congregation Council, you have an effective leader in your setting. Pastors and deacons are called to a SHARED MINISTRY with you. If there is not any sharing going on, it is the pastor or deacon's responsibility to make it happen. If assistance is needed to improve the shared ministry, use all resources available, especially Synod staff. This meeting should last about two hours.

4. How do we derive Total Compensation for the coming year: After you have completed the previous steps of the process, bring the entire group together to put the pieces together. Start with the effectiveness component that will help you determine how you will deal with the Synod Rostered Ministers Compensation Standards for next year. Review all the blank spaces of the Compensation Standards as provided in the attached workbook. Together, fill out the compensation material and discuss each item, at length if necessary. Start with the current base salary. Do two things with this number: First, check the grid of years of experience and size of worship attendance to see how it compares; second, have a conversation about a cost of living increase. Then move to each item: housing, continuing education, and book allowance. Then move on to benefits and reimbursements. When this part of the process is completed, total it, and then discuss it together with your rostered minister(s). Let your rostered minister take the initiative here. Once again, it is he/she that will be most affected by this decision. This meeting will last approximately two hours.

Hopefully, everyone will have had much time to pray, think, and discuss this very important part of your ministry. You honor the Lord God, your congregation, and your pastor/deacon by following the steps of this simple process. By God's grace you will all enjoy this unhurried process, and come away from your meeting closer to one another, and your Lord God. If you have questions, or need resource materials, do not hesitate to contact any member of the Indiana-Kentucky Synod Rostered Ministers Compensation Committee through the synod office or the Indiana-Kentucky Synod staff for assistance. We stand ready to help you at any time.

In shared ministry with you,
Indiana-Kentucky Synod Rostered Ministers Compensation Committee

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I. GENERAL INFORMATION

COMPENSATION PACKAGES

There are two categories for determining the compensation package for a Minister of Word and Sacrament (pastor). Process 1 should be used for calculating the compensation package for a pastor currently under call. Process 2 should be used in calculating the compensation package during the Call Process. Whichever process you use, the first step is to make yourself familiar with the information on pages 6-13.

BASE SALARY

The starting point for determining the compensation package for your *current pastor* is his/her current **BASE SALARY**. The starting point for determining the compensation package for *a pastor you are about to call* is the recommended **MINIMUM BASE SALARY** standards. Other factors (e.g., educational debt load of first call candidates, prior experience of second career candidates, merit and performance, the cost of living in a particular geographical area, length of time in the parish, the complexity of responsibilities, the financial ability of the congregation, etc.) should be taken into consideration when determining the final **BASE SALARY** figure. Honorariums or other fees received for weddings, funerals, outside speaking engagements, or from any other source should not be taken into account when setting the **BASE SALARY**, nor should any income received by the spouse be a consideration.

In many congregations, a specific committee is asked to have primary concern for this ministry to the pastor and his/her family. This group should be the Executive Committee comprised of the President, Vice President, Treasurer/Finance Chairperson. The key task of such a committee is to discuss annually with the pastor a fair, honorable, and equitable compensation package. Since the pastor depends on the congregation Council and the congregation to make adequate provision for his or her financial needs, the pastor requires an opportunity to discuss those needs in an open and supportive forum. The Executive Committee is in a position to provide such a forum. The committee can receive data from the rostered person about his or her financial needs and subsequently make recommendations to Congregational Council for fair, honorable and equitable compensation.

HOUSING ALLOWANCE

It is fully expected that if a congregation furnishes a parsonage, it also must pay the taxes, insurance, maintenance, and all utilities of the home. An allowance for furnishings is also available and does not apply as taxable income for the pastor to the extent it is actually used. If the pastor lives in a parsonage, congregations should establish an Equity Fund in the range of 3%-5% of base salary. Such contributions should be made to Portico as a Housing Equity Retirement Contribution and are not included as taxable income. These funds and their earnings enjoy a special flexibility: they can be withdrawn at any time, and when used to purchase a home, they are often excluded from taxable income.¹

If a housing allowance is paid in lieu of the use of a parsonage, it should be **at least 30%** of the minimum base salary. One percent per month of the Fair Market Value (FMV) (the average cost of a home in the given area) is often used as a starting point for determining a monthly housing allowance to which should be added the cost of utilities and furnishings.

Once the Total Defined Compensation (Base Salary + Housing + Social Security Reimbursement) is determined, the actual amount of this total that is designated as Housing Allowance can be adjusted to the needs of the minister as long as the Total Defined Compensation remains the same. In other words, the pay designated as Salary on the W2 can decrease (or increase) and the part designated as Housing Allowance can increase (or decrease) from the original figures used to calculate the Total Defined Compensation.

¹ <https://employerlink.porticobenefits.org/SupportCenter/Glossary>

DESIGNATION OF HOUSING ALLOWANCE

In IRS Publication 517², the IRS states that “The church or organization that employs you must officially designate the payment as a housing allowance before it makes the payment. It must designate a definite amount. It can't determine the amount of the housing allowance at a later date. If the church or organization doesn't officially designate a definite amount as a housing allowance, you must include your total salary in your income.”

Shown below is a sample resolution designating a housing allowance:

The president informed the council that under the tax law, “Ordained, commissioned, or licensed ministers of the gospel may be able to exclude from income tax the rental allowance or fair rental value of a parsonage that is provided to them as pay for their services.”

After considering the estimate of Rev. _____ of his/her home expenses, a motion was made by _____, seconded by _____ and passed to adopt the following resolution:

Resolved that of the total cash salary for the year 2____, \$_____ is hereby designated as housing allowance.

Resolved that as long as Rev. _____ is our Pastor the above amount of designated housing allowance shall apply to all future years until modified.

When it is time to pay income tax, it is important to note IRS Publication 517:

If you own your home and you receive as part of your salary a housing or rental allowance, you may exclude from gross income the smallest of:

- The amount actually used to provide a home,
- The amount officially designated as a rental allowance, or
- The fair rental value of the home, including furnishings, utilities, garage, etc.

You must include in gross income the amount of any rental allowance that is more than ***the smallest of:***

- Your reasonable salary
- The fair rental value of the home plus utilities, or
- The amount actually used to provide a home.

FURNISHINGS ALLOWANCE

Pastors living in parsonages should be provided with a “furnishings allowance” to cover out of pocket expenses such as furnace filters, cleaning supplies, landscape expenses, etc. Even in a parsonage, every pastor has some expense in maintaining his or her home. The amount of the allowance may depend on several factors: whether or not the parsonage is furnished, who provides the upkeep, pays the utilities, etc. When the furnishings allowance is designated in advance, and to the extent it is actually used, it is a non-taxable source of revenue for the pastor.

SOCIAL SECURITY OFFSET

Currently, Social Security tax and Medicare is 7.65% (6.2% SS and 1.45% Medicare) for employer and for the employee.³ That means as an employee you pay one half of the total Social Security assessed tax, and your employer pays the other half. Pastors are in a unique situation in that according to the Social Security Administration our ordained professionals are classified not as “employees”, but as “self-employed” meaning pastors pay the entire 15.3% Social Security tax. Interestingly, according to the Internal Revenue Service pastors are NOT considered self-employed, but instead viewed as employees and thus are issued a W-2 like all other employees. Throughout the ELCA nearly all 65 Synods strongly recommend that all congregations pay the

² <https://www.irs.gov/pub/irs-pdf/p517.pdf>

³ <https://www.ssa.gov/news/press/factsheets/colafacts2018.pdf>

additional 7.65%, as does this synod. This cannot be withheld and remitted by the employing agency, but must be paid by the clergy person directly. This is distributed to the clergy person by the employing church, or agency, at the end of each pay period, and may be included with salary and housing allowance in one check. At the end of the calendar year, this amount is fully taxable and reported on the employee's W-2 issued to the employee. Currently, about 80% of the congregations of the ELCA abide by this recommendation. Remember this is not a "bonus" (i.e., in addition to salary) from the congregation any more than it is a "bonus" to any employee who works in a secular vocation and has this paid by the employer. (See 2018 Internal Revenue Service Publication 15⁴ for further clarification and guidance.)

BENEFITS

PENSION AND HEALTH BENEFITS

In January 1, 2014, the most significant changes brought about by the Affordable Care Act (ACA), also known as health care reform, took effect. They have implications for many employers, including congregations.

1. Each state has a health insurance marketplace, also called an exchange, where individuals can buy health insurance. The State of Indiana chose not to provide a marketplace, and so the federal government manages one on the state's behalf. The Commonwealth of Kentucky has a state exchange. The plans offered in the marketplace are in four categories:

- Bronze
- Silver
- Gold
- Platinum

Portico offers similar plans:

- Bronze+
- Silver+
- Gold+ (the recommended level of coverage)
- Platinum+

2. **This document sets as the standard for the "Definition of Compensation, Benefits, and Responsibilities of the Pastor" the Portico Gold+ Plan.** A Letter of Call will be signed by the Bishop only when that standard is met to the satisfaction of the Bishop. In some cases, it may benefit the rostered minister to select either the Bronze+ or Silver+ plan which can come with a Health Savings Account (HSA). If this option is desired by the rostered minister, it should be discussed with the Executive Committee before the time of the annual selection and/or noted to the Bishop during a call process.
3. The standard expectation of this synod is that any congregation or eligible ministry setting will provide health coverage for the rostered minister and their family, unless the rostered minister's family is covered elsewhere or chooses to waive coverage.
4. ELCA-Primary health contribution rates are based on geographic region, age and salary.
5. For 2019, each ELCA employer will need to select one ELCA health plan option for all employees (rostered ministers and lay church workers) that the congregation will pay for.
6. Once the employer makes a selection at *EmployerLink* on the Portico web site (www.porticobenefits.org), the employee will confirm that choice or choose to buy up to another plan option at *myPortico* (also on the Portico website), and will be responsible for the cost difference. For example, if the employer selects the Gold+ plan and the employee opts to buy up to the Platinum+ plan, the employee would pay the difference in cost.

⁴ <https://www.irs.gov/pub/irs-pdf/p15.pdf>

Portico will continue to include in the required contributions a percentage that goes to a) Disability and Survivor Plans and b) Retiree Support (this is support for those retired rostered leaders whose pensions are low due to low compensation throughout their years of service). Portico will also include the Pension payment at the amount reported by the congregation, generally 12%.

When a pastor waives health coverage because of coverage through the insurance of a spouse, or waives the coverage of their spouse/family through Portico, the congregation is strongly encouraged to provide additional compensation to their salary to account for the cost of this health coverage elsewhere. This additional compensation may be taxable income unless a Health Reimbursement Arrangement has been established.⁵

The ELCA benefits program contribution rates are a percentage of defined compensation. Defined compensation is base salary, before any pretax benefit contributions* are deducted. For pastors, annual defined compensation also includes the amount of any Social Security tax allowance paid to the pastor and housing allowance. If housing is not provided, the amount of any cash housing allowance paid to the pastor is included. If housing is provided, an additional 30 percent of base salary and any Social Security tax allowance, plus any household furnishings or utilities allowance paid is included.

The Synod recommends that congregations contribute the 12% retirement rate for pastors. Additional retirement contributions can be made by the employee (member pretax). If the employer chooses to make additional contributions from time to time, they can be included when paying the regular monthly bill by using the *Explanation of Payment* included in the monthly billing statement.

ELCA-primary health benefits include a personal wellness account offering financial wellness dollars that can be earned each year by members (and spouses). The ELCA Flexible Benefits Plan is also available to employees who are sponsored in the ELCA benefits program and receiving ELCA-primary health benefits. ELCA-primary health benefits are exclusive of Medicare. (Those on Medicare may register for a personal wellness account, but are not eligible to receive the financial rewards.) See www.porticobenefits.org for more information.

**Pretax benefit contributions include member pretax contributions to the ELCA Retirement Plan or another eligible retirement plan. They also include pretax contributions to qualified reimbursement accounts for health care, dependent care or transportation expenses.*

WHAT DO I DO WHEN I TURN 65?

Medicare is a health benefits program for U.S. citizens or permanent residents who meet certain work history requirements:

1. Age 65, or older,
2. Individuals with End-Stage Renal Disease (ESRD),
3. Under age 65 with certain disabilities:
 - a. You have been entitled to Social Security disability benefits for at least 24 months (which need not be consecutive); or
 - b. You receive a disability pension from the Railroad Retirement Board and meet certain conditions; or
 - c. You have Lou Gehrig's disease (amyotrophic lateral sclerosis), which qualifies you immediately; or
 - d. You have permanent kidney failure requiring regular dialysis or a kidney transplant — and you or your spouse has paid Social Security taxes for a certain length of time, depending on your age.

⁵ <https://www.clergytaxnet.com/health-reimbursement-arrangement-churches/>

To learn more about Medicare and how it can impact benefits and healthcare coverage with Portico go to these websites:

- Medicare Center for Medicare & Medicaid Services: www.cms.gov
- Medicare: www.medicare.gov
- Portico EmployerLink: <https://employerlink.porticobenefits.org/Home/Resources/EmployeeTurns65.aspx>

SICK LEAVE, FAMILY LEAVE, DISABILITY, AND WORKERS' COMPENSATION

Sick Leave of up to six weeks per year with full salary, housing and benefits should be provided by the congregation when needed. This is not accumulated and should not be abused. This is not an entitlement.

Paid Family Leave of up to six weeks is recommended when a child is born or adopted. The number of weeks of leave before and after the birth should be specified in advance and with mutual discussion with the rostered minister. Similarly, paid Family Leave of up to six weeks also should be available to care for a sick family member such as a spouse, child, parent, or sibling.

In the event a sponsored member of the ELCA benefits program is unable to perform his/her normal occupation for any employer, as a direct result of injury or physical or mental disorder that is verified by objective medical information from a Qualified Health Care Provider, they can apply for **Total or Partial Disability**. If granted, they may be eligible to receive these benefits:

1. During the first two months of disability (waiting period), the Participating Employer is expected to pay the Sponsored Member's full salary and to continue contributions for the Sponsored Member's ELCA health, retirement, disability, and basic life insurance benefits.
2. Once the Total or Partial Disability is approved
 - a) A monthly income benefit, and
 - b) Contributions for health benefits coverage under the ELCA Medical and Dental Benefits Plan for the Totally or Partially Disabled Member and his/her eligible family members, and
 - c) Contributions to the Totally or Partially Disabled Member's retirement account under the ELCA Retirement Plan, andContributions for basic group life insurance.

A Sponsored Member must file a claim with Liberty Mutual, the Disability Benefits Administrator, within six months of becoming Totally or Partially Disabled. The disabling condition must have occurred while he/she was a Sponsored Member and the first day absent due to the disabling condition must occur while the Member is a Sponsored Member. A disability claimed for a date after the Member terminates employment or ends a call is not covered under the Disability Benefits Plan. See www.porticobenefits.org for more information on the ELCA Disability Benefits Plan.

Monthly disability benefits available to eligible interim pastors who have chosen to continue ELCA disability coverage at their own expense while between assignments or on leave from call are slightly different.

Congregations are legally required by Indiana and Kentucky state law to secure **Workers' Compensation** on pastors and deacons (*as well as all other employees*) and provide for such expenses in the event of disability.

OTHER BENEFITS

WEEKLY HOURS/TIME OFF

Pastors, like anyone else, need some time off from work in order to replenish and re-energize themselves. Congregations should ensure that each pastor has **two full days off per week**. The pastor's weekly schedule (days/hours) may be negotiated as necessary. For the well-being of the pastor and health of the congregation, such a schedule **should not exceed 50 hours in a work week**.

VACATION

Everyone needs a period of time away from the job in order to refresh and recreate him or herself. The congregation should provide a minimum of four weeks of vacation per year (28 days, including the expected 2 days off per week), including four Sundays for all rostered ministers. An additional week of vacation should be granted after 15 years of service in the ministry; and an additional week should be granted at 25 years in the ministry. Continuing education time is not to be regarded as vacation, nor should it be used by the professional leader for vacation under any circumstances.

Congregations in which the pastor has served for an extended period of time should consider additional vacation time. All costs and procurement of ministry coverage during vacation times, including worship leadership supply, are the responsibility of the congregation. A list of available pulpit supply may be secured from the synod website (www.iksynod.org) or synod office.

HOLIDAYS

Because of the nature of their professional responsibilities, pastors are seldom able to take advantage of three-day weekends and other holidays such as Christmas, Easter, etc. Generally, 9 to 11 total holidays should be granted **plus three floating personal days** at the discretion of the Congregation Council. Consideration should be given and the pastor should be encouraged to take these days off at another time during the week to compensate for these holidays. This should not be counted as vacation time.

CONTINUING EDUCATION/SABBATICAL LEAVE

The purpose of continuing education for pastors is to strengthen the professional for more effective service. The ELCA expects a minimum of 25 contact hours annually in organized continuing education. These experiences are to be with colleagues and under responsible sponsorship, capable directors, and qualified instructors.

Continuing education may range from a single day seminar to enrollment in a formal program at an educational institution. The ELCA Letter of Call presently recommends **a minimum of two weeks of continuing education annually, and may be accumulated during a three-year period for a total of six weeks**. In the Indiana-Kentucky Synod, this time may be taken each year or after two or three years. It is recommended that the rostered minister(s) attend the annual Fall Professional Leaders Conference offered each year in the Indiana-Kentucky Synod and should not be considered part of the annual two weeks continuing education.

To financially support continuing education, the congregation is encouraged to establish a fund to which it annually contributes a minimum of \$700, with the pastor contributing a minimum of \$300 for a minimum total of \$1,000. Any money which the pastor contributes to the fund belongs to the pastor and may accumulate over a period of years. If the pastor resigns the call, any money contributed by the pastor but not used for continuing education is returned to the pastor. This money would be used for registration, course materials, travel and housing while the person pursues approved continuing education. Financial assistance is also available through the Indiana-Kentucky Synod Leadership Support Committee. A application form for funds can be found on the Synod's website.

First Call Theological Education (FCTE) is the required ELCA three-year structured program of theological education designed to support and strengthen the new rostered minister in terms of: (1) ministry skills; (2) pastoral identity; and (3) discernment of context. FCTE is experiential learning designed to meet participants at their point of need as they encounter the demands and expectations of ministry. Documents outlining the FCTE program are available through the Synod office.

Congregations shall offer their pastor(s) **sabbatical leave** time for spiritual and personal renewal which may be a maximum of 8 weeks after four years or 12 weeks after six years in a congregation. Such sabbatical leave time should normally be offered at either of these intervals during a long pastoral service and should not preclude vacation time during the year of sabbatical leave. This leave should include special continuing education emphasis. The request, specific description and purpose of the sabbatical leave are to be submitted to and approved by the Congregation Council at least six months prior to the time it is to begin. Congregations might want to include in the budget and set aside funds each year toward that sabbatical so that its cost might be spread over several years.

During sabbatical leave, the congregation continues to provide normal compensation, and pays for pulpit supply and related congregational ministerial expenses. The pastor is responsible for expenses related to the sabbatical such as additional living expenses, tuition, books and supplies. Supplemental funds may be available from the Indiana-Kentucky Synod to pastors for these related expenses. Normal vacation time may be used to extend the sabbatical leave. A report of his/her sabbatical activities is to be submitted to the Congregation Council. A pastor taking a sabbatical is expected to continue to serve the congregation granting the sabbatical for at least one year following the leave.

Continuing education and sabbatical leave time accrue to an individual during the service in a single congregation. All accumulated continuing education time is forfeited with the acceptance of another position or call to a different setting. Such continuing education time may not be used for vacation purposes, may not be transferred to another rostered minister or staff person, and may not be exchanged for monetary reimbursement.

SABBATICAL PLANNING FOR INTERIM MINISTERS

Any Rostered Interim Minister who has not yet retired and **has received accredited Interim Ministry Training**, shall be eligible for a sabbatical after four years [208 weeks] of contracted Interim service. As trained interim ministers, these leaders rarely accrue sufficient time in one congregation to qualify for a sabbatical. To remedy this, any congregation which has contracted with such an Interim, shall contribute 8/208 of the weekly compensation package specified in the contract. [8/208 represents the weekly contribution to an eight-week sabbatical accrued after 208 weeks of service.] These funds shall be held in special accounts established by the Synod Office in each interim minister's name, and shall be held until the forty-eight months have been served. (Such contributions may be made weekly or monthly, by special arrangement with the synod bookkeeper.) Application to receive the funds and the sabbatical shall be made to the Synod Council, who shall collaborate with the Interim concerning content, timing, and reporting of the sabbatical.

PROFESSIONAL REIMBURSEMENTS AND EXPENSES

ACCOUNTABLE PLAN

Congregations should consider establishing an Accountable Plan (AP) for their rostered minister(s) and employees who have reimbursable expenses. Reimbursement of expenses under an AP provides a tax advantage over claiming these expenses on Schedule A, Form 1040. For details of setting up an AP refer to “Minister’s Guide for Income Tax” Published by the Board of Pensions of the ELCA or refer to IRS Pamphlet 517 or 535.

Examples of these reimbursements are:

1. Books and journals
2. Professional (professional dues, supplies, vestments, etc.)
3. Professional liability insurance
4. Cell phones
5. Mileage reimbursement (see below)

AUTOMOBILE REIMBURSEMENT

The costs which your Rostered Minister(s) incur in driving an automobile while performing church business are not personal expenses, but rather costs incurred by the congregation in order for the pastor to carry on the ministries of the congregation. As such, reimbursement, or coverage, for such costs should be fair, monthly, and complete at a 100% rate of reimbursement

There are a number of ways to provide for this expense:

1. A monthly or yearly allowance (taxable income);
2. A reimbursement (at IRS standard mileage rate); check IRS Pub. 463 for current rate, or go to www.irs.gov. As of January 1, 2018, the rate is 54.5 cents per mile.
3. Leasing*; or
4. Purchasing (by the congregation)*.

*Please note that when a congregation leases or purchases a vehicle for the pastor to use, it is the congregation’s responsibility to provide for the maintenance, and insurance of the vehicle.

Because of the vast differences in situations among our congregations, no recommendation is being made as to a minimum monthly or yearly allowance to be paid. The IRS requires that the rostered minister submit an accurate record of business miles driven and/or car expenses to the congregation or employing agency and that the car has a contemporaneous detailed log of distance and purpose of each use of the vehicle.

OTHER EXPENSES

Your rostered minister’s attendance at official assemblies and conferences is a professional expense. **Attendance at the annual Indiana-Kentucky Synod Assembly is constitutionally mandated** and expenses for registration, lodging, meals, travel and other fees are the responsibility of the congregation. Attendance at other conferences should also be supported by the congregation or agency by payment of registration fees and other expenses. Discuss with your pastor his or her anticipated expenses in connection with assemblies and conferences in the coming year.

II. Process 1: ANNUAL REVIEW OF COMPENSATION FOR CURRENT MINISTER OF WORD AND SACRAMENT (PASTOR)

- A. Compensation of each pastor under call shall be reviewed annually. This shall be done by the congregation's Executive Committee or Congregation Council. Since the rostered minister depends on the congregation and its Council to provide adequately for his or her financial needs, each person requires an opportunity to discuss those needs in an open and supportive forum. Each pastor shall participate in his/her compensation review and shall be encouraged to openly share his/her expectations. The Executive Committee or Council can then make recommendations to the congregation for fair, honorable, and equitable compensation.
- B. Compensation adjustments shall include:
1. Base salary and Housing Allowance (if applicable);
 2. Cost of living increase;
 3. Merit increase based on an evaluation of the performance of each rostered staff member;
 4. Incentive increase based upon new expectations of additional effort or responsibility; and,
 5. Health and Medical Benefit adjustments consistent with ELCA Portico Benefits standards.
- C. The Congregation Council shall be responsible for presenting the compensation recommendations with appropriate rationale to the annual meeting of the congregation.
- A member of the Indiana-Kentucky Synod Rostered Ministers Compensation Committee will be available for clarification of the process presented in this document. Contact may be made through the Synod Office.

DETERMINING COMPENSATION PACKAGE

BASE SALARY is that portion of the compensation provided to sustain the rostered minister who is called to carry out the Lord's work through the congregation. BASE SALARY does not include housing or professional expenses.

DEFINED COMPENSATION includes BASE SALARY, HOUSING ALLOWANCE (or PARSONAGE related figures), and SOCIAL SECURITY ALLOWANCE.

BENEFITS include health and pension benefits.

PROFESSIONAL REIMBURSEMENTS AND EXPENSES are costs related to the necessary performance of ministerial duties, and include car reimbursement, continuing education allowance, books and journals, etc.

BASE SALARY AND BENEFITS

Before beginning this section, be sure to read all sections in this booklet.

Step 1: Fill out the following chart for **pastor NOT living in parsonage**:

Pastor's current salary	1. \$ _____
Cost of living increase [The 2018 recommended Cost of Living Adjustment (COLA) that includes food and energy is 2.0%. The congregation also should take into consideration: a) the local cost of living (contact local Chamber of Commerce), and b) any change in needs of the pastor and family.]	2. \$ _____
Merit increase*	3. \$ _____
Base Salary (add lines 1-3)	4. \$ _____

Step 2: Determine Social Security Offset

Line 4 from above chart	\$ _____
Housing Allowance (see page 6 and following)	\$ _____
Total	\$ _____

Social Security Allowance = 7.65 % of above Total \$ _____

Step 3: Add Line 4 from chart, plus Housing and Social Security Allowance

DEFINED COMPENSATION \$ _____

Step 4: Health and Pension

To determine the cost, congregations should sign up for EmployerLink at www.porticobenefits.org.

Step 5: TOTAL COMPENSATION PLUS BENEFITS \$ _____

Add Defined Compensation and health, retirement, disability, and basic life insurance benefits

Step 6: Go to page 26 for Professional Reimbursements and Expenses.

Step 7: Designate the actual amount of housing allowance that the pastor will claim from the total Defined Compensation – see page 7 of this document for guidance.

*Merit Pay reflects exceptional effort or additional responsibilities in the previous year. Merit increases should be revisited regularly and may be adjusted up or down.

Example of Determining Base Salary and Benefits – No Parsonage

(Pastor is married and has two children.)

Step 1: Fill out the following chart for **pastor NOT living in parsonage**:

Pastor's current salary	1.	\$40,000
Cost of living increase	2.	\$800
[The 2018 recommended Cost of Living Adjustment (COLA) that includes food and energy is 2.0%. The congregation also should take into consideration: a) the local cost of living (contact local Chamber of Commerce), and b) any change in needs of the pastor and family.]		
Merit increase*	3.	\$1,500
(Example: Added Saturday night service during past year.)		
Subtotal	4.	\$42,300
Housing Allowance [see pages 6-7]	5.	\$12,690
[Current Salary plus any increase] (using 30%)		
Base Salary plus Housing (add lines 4 and 5)	6.	\$54,990

Step 2: Determine Social Security Offset _____ \$ 4,207
 $7.65\% \times \$54,990$

Step 3: Add Line 6 from chart plus Social Security Allowance
DEFINED COMPENSATION _____ \$59,197

Step 4: Health and Pension
 To determine the total congregations should sign up at EmployerLink at www.porticobenefits.org.

Step 5: **TOTAL COMPENSATION PLUS BENEFITS** \$59,197 + Portico Contribution
 Add Defined Compensation and health, retirement, disability, and basic life insurance benefits

Step 6: Go to page 25 for Professional Reimbursements and Expenses.

Step 7: Designate the actual amount of housing allowance that the pastor will claim from the total Defined Compensation – see page 7 of this document for guidance.

*Merit Pay reflects exceptional effort or additional responsibilities in the previous year. Merit increases should be revisited regularly and may be adjusted up or down.

BASE SALARY AND BENEFITS

Before beginning this section, be sure to read all sections in this booklet.

Step 1: Fill out the following chart for **pastor living in parsonage**:

Pastor's current salary	1. \$ _____
Cost of living increase [The 2018 recommended Cost of Living Adjustment (COLA) that includes food and energy is 2.0%. The congregation also should take into consideration: a) the local cost of living, (contact local Chamber of Commerce) and b) any change in needs of the pastor and family.]	2. \$ _____
Merit increase*	3. \$ _____
Base Salary	4. \$ _____

Step 2: Determine Social Security Offset

Line 4 from above chart	\$ _____
Housing Allowance**	_____
Line 4 x 30%	\$ _____
Total	\$ _____

Social Security Allowance = 7.65 % of above Total \$ _____

Step 3: Add Line 4 from chart plus Social Security Allowance

DEFINED COMPENSATION \$ _____

(This does not include the Housing Allowance/value of the Parsonage.)

Step 4: Health and Pension**

To determine the cost, congregations should sign up at EmployerLink at www.porticobenefits.org.

Step 5: TOTAL COMPENSATION PLUS BENEFITS \$ _____

Add Defined Compensation and health, retirement, disability, and basic life insurance benefits

Step 6: Go to page 25 for Professional Reimbursements and Expenses.

*Merit Pay reflects exceptional effort or additional responsibilities in the previous year. Merit increases should be revisited regularly and may be adjusted up or down.

**For pastors living in a parsonage, the fair market rental value of the parsonage or 30% of the base salary should be added to total Defined Compensation for Social Security purposes and Portico contributions, but it is not paid to the pastor. It is appropriate to provide a Furnishings Reimbursement and an Equity Allowance (see pages 6-7). Either of these would be in addition to the Total in Step 5.

Example of Determining Salary and Benefits – With Parsonage

Pastor is married with no children.

Step 1: Fill out the following chart for **pastor living in parsonage**:

Pastor's current salary	1. <u> \$40,000</u>
Cost of living increase	2. <u> \$800</u>
[The recommended Cost of Living Adjustment (COLA) that includes food and energy is 2.0%. The congregation also should take into consideration:	
a) the local cost of living (contact local Chamber of Commerce), and	
b) any change in needs of the pastor and family.]	
Merit increase*	3. <u> \$1,500</u>
(Example: Added Saturday night service during past year.)	
Compensation (add lines 1-3)	4. <u> \$42,300</u>

Step 2: Determine Social Security Offset

Line 4 from above chart		\$42,300	
**Housing Allowance (see pages 6-7)	+	<u>\$12,690</u>	
[30% is used here] Total		\$54,990	
Social Security Allowance = 7.65 % of total			<u> \$4,207</u>

Step 3: Add Line 4 from chart plus Social Security Allowance

DEFINED COMPENSATION	<u> \$46,507</u>
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(This does not include the Housing Allowance/value of the Parsonage.)

Step 4: Health and Pension**

To determine the cost, congregations should sign up at EmployerLink at www.porticobenefits.org.

Step 5: TOTAL COMPENSATION PLUS BENEFITS \$46,507 + Portico Contribution
Add Defined Compensation and health, retirement, disability, and basic life insurance benefits

Step 6: Go to page 25 for Professional Reimbursements and Expenses.

*Merit Pay reflects exceptional effort or additional responsibilities in the previous year. Merit increases should be revisited regularly and may be adjusted up or down.

** For pastors living in a parsonage, the fair market rental value of the parsonage or 30% of the base salary should be added to total Defined Compensation for Social Security purposes and Portico contributions, but it is not paid to the pastor. It is appropriate to provide a Furnishings Reimbursement and an Equity Allowance (see pages 6-7). Either of these would be in addition to the Total in Step 5.

**III. Process 2: CALLING A NEW
MINISTER OF WORD AND SACRAMENT (PASTOR)**

- A. When calling a new pastor, care should be taken to have a healthy conversation about compensation. This shall be done by the Congregation Council as part of their interview with the candidate. The Council shall present to the candidate a compensation package based on these standards and invite the candidate's response. It is important to have an open and honest conversation now, as this will set the tone for future compensation conversations. The Council will recommend a package to the congregation that has been agreed upon by Council and the candidate. The compensation will be voted on by the congregation at the Call Meeting.
- B. Compensation shall include:
1. Base salary and Housing Allowance (if applicable);
 2. Social Security allowance (if applicable);
 3. Health, retirement, disability, and basic life insurance adjustments consistent with ELCA Portico Benefits standards.
 4. Professional expenses, such as automobile and continuing education;
 5. Vacation and continuing education expenses.
- C. A member of the Indiana-Kentucky Synod Rostered Ministers Compensation Committee will be available for clarification of the process presented in this document. Contact may be made through the Synod Office.

DETERMINING COMPENSATION PACKAGE

BASE SALARY is that portion of the compensation provided to sustain the rostered leader who is called to carry out the Lord's work through the congregation. BASE SALARY does not include housing or professional expenses.

DEFINED COMPENSATION includes BASE SALARY, HOUSING ALLOWANCE, and SOCIAL SECURITY ALLOWANCE.

BENEFITS include health and pension benefits.

PROFESSIONAL REIMBURSEMENTS AND EXPENSES are costs related to the necessary performance of ministerial duties, and include car reimbursement, continuing education allowance, books and journals, etc.

FOR USE IN THE CALL PROCESS:

MINIMUM BASE SALARY STANDARDS FOR A PASTOR

(Minister of Word and Sacrament)

Please note: This chart represents a 2.0% COLA.

(For associate pastors, move one column to the left.)

(For pastors serving more than one ministry setting, move one column to the right.)

Years of Experience	A Worship Attendance Up to 150*	B Worship Attendance 151-300*	C Worship Attendance over 300*
0	\$38,250	\$41,820	\$50,490
1	\$38,550	\$42,120	\$50,790
2	\$38,850	\$42,420	\$51,090
3	\$39,150	\$42,720	\$51,390
4	\$39,450	\$43,020	\$51,690
5	\$39,750	\$43,320	\$51,990
6	\$40,050	\$43,620	\$52,290
7	\$40,350	\$43,920	\$52,590
8	\$40,650	\$44,220	\$52,890
9	\$40,950	\$44,520	\$53,190
10	\$41,250	\$44,820	\$53,490
11	\$41,550	\$45,120	\$53,790
12	\$41,850	\$45,420	\$54,090
13	\$42,150	\$45,720	\$54,390
14	\$42,450	\$46,020	\$54,690
15	\$42,750	\$46,320	\$54,990
16	\$43,050	\$46,620	\$55,290
17	\$43,350	\$46,920	\$55,590
18	\$43,650	\$47,220	\$55,890
19	\$43,950	\$47,520	\$56,190
20	\$44,250	\$47,820	\$56,490

*Average worship attendance excluding June-August.

Add \$400 for each year of experience over 20 years

**SALARY AND BENEFITS FOR A NEW
MINISTER OF WORD AND SACRAMENT (PASTOR)**

Before beginning this section, be sure to read all sections in this booklet.

Step 1: Fill out the following chart for **pastor NOT living in parsonage**:

Pastor's base salary from chart on p. 20 [For associate pastor move one column left, for a pastor serving more than one ministry setting, move one column right]	1. \$_____
Housing allowance	2. \$_____
Subtotal	3. \$_____
Social Security Allowance (if applicable) Line 3 x 7.65%	4. \$_____
DEFINED COMPENSATION Total of lines 3 + 4	5. \$_____

Step 2: Health and Pension

To determine the cost, congregations should sign up at EmployerLink at www.porticobenefits.org.

Step 3: TOTAL COMPENSATION PLUS BENEFITS \$_____

Add Defined Compensation and health, retirement, disability, and basic life insurance benefits

Step 4: Go to page 25 for Professional Reimbursements and Expenses.

Step 5: Designate the actual amount of housing allowance that the pastor will claim from the total Defined Compensation – see page 7 of this document for guidance.

EXAMPLE OF DETERMINING BASE SALARY AND BENEFITS – No Parsonage

Before beginning this section, be sure to read all sections in this booklet.

Associate Pastor is married with 2 children, 4 years experience.

The congregation averages 315 in worship.

Step 1: Fill out the following chart for **pastor NOT living in parsonage**:

Pastor's base salary from chart on p. 20 [For associate pastor move one column left, for a pastor serving more than one ministry setting, move one column right]	1. <u>\$43,020</u>
Housing allowance [30% is used here]	2. <u>\$12,906</u>
Subtotal	3. <u>\$55,926</u>
Social Security Allowance (if applicable) Line 3 x 7.65%	4. <u>\$4,278</u>
DEFINED COMPENSATION Total of lines 3 + 4	5. <u>\$60,204</u>

Step 2: Health and Pension

To determine the total congregations should sign up at EmployerLink at www.porticobenefits.org.

Step 3: TOTAL COMPENSATION PLUS BENEFITS \$60,204 + Portico Contributions
Add Defined Compensation and health, retirement, disability, and basic life insurance benefits

Step 4: Go to page 25 for Professional Reimbursements and Expenses.

Step 5: Designate the actual amount of housing allowance that the pastor will claim from the total Defined Compensation – see page 7 of this document for guidance.

**SALARY AND BENEFITS FOR A NEW
MINISTER OF WORD AND SACRAMENT (PASTOR)**

Before beginning this section, be sure to read all sections in this booklet.

Step 1: Fill out the following chart for **pastor living in parsonage**:

Pastor's base salary from chart on p. 20	1. \$ _____
Housing Allowance* (Line 1 x 30%)	2. \$ _____
Subtotal	3. \$ _____
Social Security Allowance (if applicable) Line 3 x 7.65%	4. \$ _____
DEFINED COMPENSATION* (Lines 3+ 4)	5. \$ _____

Step 2: Health and Pension*

To determine the total congregations should sign up at EmployerLink at www.porticobenefits.org.

Step 3: TOTAL COMPENSATION PLUS BENEFITS \$ _____

Add Defined Compensation (less line 2 above) and health, retirement, disability, and basic life insurance benefits

Step 4: Go to page 25 for Professional Reimbursements and Expenses.

* For pastors living in a parsonage, the fair market rental value of the parsonage or 30% of the base salary should be added to total Defined Compensation for Social Security purposes and Portico contributions, but it not paid to the pastor. It is appropriate to provide a Furnishings Reimbursement and an Equity Allowance (see pages 6-7). Either of these would be in addition to the Total in Step 3.

EXAMPLE OF DETERMINING BASE SALARY AND BENEFITS – With Parsonage

Before beginning this section, be sure to read all sections in this booklet.

Pastor is married with no children, 4 years experience.

The congregation averages 120 in worship.

Step 1: Fill out the following chart for **pastor living in parsonage**:

Pastor's base salary from chart on p. 20	1. <u>\$39,450</u>
Housing Allowance* (Line 1 x 30%)	2. <u>\$11,835</u>
Subtotal	3. <u>\$51,285</u>
Social Security Allowance (if applicable) Line 3 x 7.65%	4. <u>\$ 3,923</u>
DEFINED COMPENSATION* (Line 3 + 4)	5. <u>\$55,208</u>

Step 2: Health and Pension*

To determine the cost, congregations should sign up at EmployerLink at www.porticobenefits.org.

Step 3: TOTAL COMPENSATION PLUS BENEFITS \$43,373 + Portico Contributions

Add Defined Compensation (less line 2 above) and health, retirement, disability, and basic life insurance benefits

Step 4: Go to page 25 for Professional Reimbursements and Expenses.

* For pastors living in a parsonage, the fair market rental value of the parsonage or 30% of the base salary should be added to total Defined Compensation for Social Security purposes and Portico contributions, but it not paid to the pastor. It is appropriate to provide a Furnishings Reimbursement and an Equity Allowance (see pages 6-7). Either of these would be in addition to the Total in Step 3.

PROFESSIONAL REIMBURSEMENTS AND EXPENSES

To all above compensation examples, add, as applicable, the following expenses:

Automobile Reimbursement (See page 13)	\$ _____
Continuing Education Fund An annual minimum congregational contribution of \$700 is recommended. (See pages 11-12)	\$ _____
Books, Journals, etc. (See page 13)	\$ _____
Other	\$ _____

TOTAL PROFESSIONAL REIMBURSEMENT & EXPENSES \$

MOVING EXPENSES

At the time of a new or change of call, relocation and moving expenses of the pastor are the responsibility of the calling congregation. Because of the liability involved, it is strongly recommended that the services of a professional moving firm be secured. Please note that if the moving expenses are reimbursed to the rostered minister they are not taxable. If a fixed amount is given to them, it is taxable income, although the rostered minister could deduct those moving expenses.

IV. PASTOR OF RECORD, INTERIM, AND PULPIT SUPPLY

PASTOR OF RECORD

At the time of pastoral vacancy in a congregation, the bishop, working with the Congregation Council, appoints a Pastor of Record to provide basic leadership and pastoral care until another pastor is called or appointed as an interim. A Pastor of Record may be in an area ELCA congregation or may be serving in a non-congregational setting.

INTERIM PASTOR

Depending on congregational need and pastoral availability, an Interim Pastor may be appointed rather than a Pastor of Record to serve the congregation on a part-time or full-time basis during a pastoral vacancy. When this is done, the length of the interim, the pastoral responsibilities, and the remuneration will be negotiated with the Congregation Council. It is standard practice that no pastor is to be considered as a candidate for call to a congregation when serving that congregation as a Pastor of Record or Interim Pastor.

The general standards for Pastor of Record or Interim Pastor service are as follows:

A. Compensation and expenses for a Pastor of Record attending monthly council meetings and providing minimal emergency pastoral ministry (see Call Process Manual):

\$300 per month + mileage at current IRS rate

Honorariums for additional service are negotiated with the Pastor of Record.

B. Compensation for Interim Ministers:

Provisions as negotiated and stated in the Interim Ministry Contract,

with minimum \$160/day

plus housing, auto allowance, and appropriate pension and benefits.

PULPIT SUPPLY

During a pastoral vacancy or absence, it may be necessary for a congregation to secure a pulpit supply to lead worship. A current list of persons available for pulpit supply may be secured from the synod website or conference dean. Those asked to serve as pulpit supply should be contacted well in advance of the date needed and, upon acceptance, be provided with a copy of the worship bulletin and pertinent information about the service. A member familiar with the congregational worship practices should be on hand to welcome the pulpit supply prior to the service. The recommended honorarium for all persons serving as pulpit supply for one worship service is **\$150 plus round-trip mileage to/from the church(es), with the appropriate compensation for additional responsibilities. For each additional service, whether at the same congregation or at another, as in two-point parishes, an additional \$50 per service should be paid.**

V. LEADERSHIP SUPPORT STANDARDS FOR CONTINUING EDUCATION

- 1) A Continuing Education Covenant must be on file with the Synod office. This Covenant is renewable every seven years. There will be an attached letter from the Congregation Council or appropriate agency.
- 2) Continuing education grants may be provided through the Leadership Support Committee to all rostered ministers of the Indiana-Kentucky Synod, ELCA. An application for funds can be found on the Indiana-Kentucky Synod website, www.iksynod.org
- 3) Grants will normally not exceed the amount contributed by either the recipient or the congregation or appropriate agency. The fund will be shared in approximate increments of one-third. In the event of greater need exceptions may be made. If applicants exceed available funds, they will be available based on needs. (The earlier application is made in the year, the greater the opportunities to receive funding.)
- 4) Continuing education grants will be made for structured formal study programs directly related and beneficial to the applicant's ministry, excluding tours.
- 5) Assistance grant requests will be made in one of two areas:
 - a. Stollendorf Grants, not to exceed \$400.00 for the synod's fiscal year (Feb. 1-Jan. 31), for single event programs, such as conferences, seminars and workshops.
 - b. Leadership Grants, not to exceed \$500.00 annually, for the development of leadership skills through participation in a multi-year program of supervised study, such as a Doctor of Ministry program.
- 6) Grant requests will require the approval of the Leadership Support Committee. The approval process will be as follows:
 - a. Approval by a Synod Staff person and chair of the committee.
 - b. Review by the Leadership Support Committee.
 - c. The recipient, following the event, will submit a summary of the learning experience.
- 7) *Sabbatical Grants for Pastoral Leaders* (can include pastors, deacons and those in specialized ministries) is a grant program of the Louisville Institute that provides funds up to \$15,000. Information can be found at www.Louisville-Institute.org, or in writing to The Louisville Institute, 1044 Alta Vista Road, Louisville, KY, 40205, 502-895-3411.
The Lilly Endowment provides grants for full-time pastors in congregational settings up to \$45,000, including up to \$15,000 for congregational expenses and events. Indiana pastors may apply online at www.indianaclergy.org or Kentucky pastors at www.clergyrenewal.org, or write to The Lilly Endowment, 2801 North Meridian St. Indianapolis, IN 46208.
Other grant resources and learning opportunities can be found at www.centerforcongregations.org or at www.faithandwisdom.org

A good planning resource book: Clergy Renewal: The Alban Guide to Sabbatical Planning, by A. Richard Bullock and Richard Bruesehoff.

Alban Books are available directly from Rowman & Littlefield or from online sellers such as Amazon.com and Barnesandnoble.com. Rowman & Littlefield has established a special website for Alban customers: <https://rowman.com/page/albanbooks>.

HELPFUL LINKS

Indiana Department of Revenue www.in.gov/dor/

Kentucky Department of Revenue revenue.ky.gov

Minister's Compensation and Housing Allowance:

[Ministers' Compensation & Housing Allowance](#) (click on [THIS](#) and it will show the very long command line)

Auto Allowance:

[Tax Topics - Topic 510 Business Use of Car](#) (Click on [THIS](#) link)

<https://www.irs.gov/forms-pubs/about-publication-463> (re: Adequate accounting for use of personal vehicle for business use)

Center for Medicare & Medicaid Services: www.cms.gov

- Medicare: www.medicare.gov
- Medicare & You Handbook: www.medicare.gov/medicare-and-you/medicare-and-you.html
- Your Medicare Benefits: <https://www.medicare.gov/Pubs/pdf/10116-Your-Medicare-Benefits.pdf>
- Medicare Savings Premium: www.socialsecurity.gov/prescriptionhelp

Finally, if you have any questions, or need clarification with anything in this document, do not hesitate to contact the Indiana-Kentucky Synod office, or one of the members of the Indiana-Kentucky Rostered Ministers Compensation Committee for help. We are pleased to assist you in any way. Thank you for the opportunity to serve with you in ministry of the Gospel of our Lord and Savior Jesus Christ.