



South Dakota Synod
Evangelical Lutheran Church in America

Compensation and Guidelines

**Ministers of Word and Sacrament
&
Ministers of Word and Service**

2027

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Compensation Guidelines

Ministers of Word and Sacrament

Ministers of Word and Service

How This Document Adapts and Grows

The South Dakota Synod of the ELCA, through its Support To Ministry Committee (STM) and the Compensation and Guidelines Task Force, has prepared the following Compensation Guidelines for use by congregation councils, parishes, other ministry agencies, and church staff members. These guidelines provide guidance on the **minimum levels of compensation and benefits** appropriate for rostered ministers of congregations in the synod. There is a separate document (*Compensation and Guidelines for Lay Leaders*) that offers guidance for Synod Authorized Ministers (SAMs) and other non-rostered (lay) employees of the congregation/parish.

These guidelines are designed to serve as a **resource to assist** church leaders in compensating pastors and deacons in ways that are fair, supportive, and mission driven. They are recommendations, not legislative mandates. They are meant to be helpful, not dictatorial. The task force that drafted these guidelines hopes that this resource will enable compensation planning that strengthens the partnership among the Evangelical Lutheran Church in America (ELCA), the SD Synod, the congregation/parish, and all church staff members.

Congregations that find themselves falling **5% or more below minimum guidelines for the total compensation package** should understand that they are moving into what may be considered a less-than-full-time call. Rostered ministers who are less than full-time may also need to seek additional employment beyond their parish call in forms that do not conflict with their primary role as rostered ministers.

Congregations that are not currently compensating rostered leaders the minimum amount under these Guidelines should contact the Synod office to develop a strategy for meeting the Guidelines in future years. If the congregation continues to be unable to meet the Guidelines, the congregation and the rostered leader should work together with the Synod office to formulate a call that takes this fact into account.

Possible alternatives include, but are not limited to

1. Providing the rostered leader with additional Sundays (& weeks) off beyond the minimum vacation guidelines
2. Adjusting the nature of the call (for example, from full-time to $\frac{3}{4}$ time)
3. Allowing the rostered leader to seek additional employment
4. Entering a shared ministry partnership with another ELCA or ecumenical partner congregation

Recommendations for Conversation

Mutual Ministry—More than a Once-A-Year Conversation

The South Dakota Synod encourages congregations to form a Mutual Ministry Committee for each of its Ministers of Word and Sacrament and Ministers of Word and Service. The function of the Mutual Ministry Committee is to provide a space for conversation between rostered ministers and congregational leaders to grow together in ministry.

Please refer to [Appendix G: Mutual Ministry Committee – More than a Once-a-Year Conversation](#).

The Compensation Review Task Force

Ministers are professionals by education, qualification, and function. Appropriate compensation for the minister will be parallel to persons who hold similar positions of responsibility in the community: superintendent of schools, principal, hospital administrator, bank president/manager etc.

The salary scale provided in this document represents the minimum compensation for full-time leadership. It is a starting point for salary discussions.

The base salary is just one component of the minister's total compensation. Consideration must be given to housing, Social Security/Medicare, pension, health insurance, disability, and life insurance. Frequently, these benefits are an additional 90-125% of the base salary.

Other factors which need to be kept in mind are the economics of the parish, the degree of administrative responsibility assigned to the minister, geographic location of the parish, non-parish experience of the minister, the additional education of the minister, and the effectiveness of the minister.

Please refer to [Appendix H: Compensation Review Task Force](#)

Glossary Of Terms

Ministry settings are diverse – for the sake of South Dakota Synod Guideline documents, the following terms are used:

ROSTERED MINISTER

A person who is on the roster of leaders of the Evangelical Lutheran Church in America. There are two categories of rostered ministers:

- Minister of Word and Sacrament – Ordained Pastors
- Minister of Word and Service – Ordained Deacons

Since 2022 both Ordained Pastors and Ordained Deacons of the South Dakota Synod are covered by the same Guidelines.

SYNOD AUTHORIZED MINISTER (SAM)

This is for times when a congregation is without a Minister of Word and Sacrament (pastor) and the Bishop authorizes someone to preside at Holy Communion for a specific time and location. This is often a Synod Lay Minister who has met the additional requirements to serve in Synod Authorized Ministry. This can also be a candidate for ministry. In some situations, this can be for one Sunday or two Sundays. In other cases, a person may enter into a contract for an extended period (up to one year with annual renewal possible) to serve a specific congregation or parish.

SYNOD LAY MINISTER

The synod values lay ministry and seeks to equip lay leaders for service within congregations, parishes, and ministries throughout the synod. Synod Lay Ministers have been through a process of discernment, application, and education.

LAY PAID STAFF

All those who are employed by a congregation who are not rostered ministers.

CHURCH STAFF

Refers to ALL paid leaders of the congregation – rostered ministers and paid lay staff.

CONGREGATION

For the sake of this document, the word “congregation” is synonymous with multi-point parish, synod, agency, organization, or specialized ministry.

PART-TIME MINISTRY

Ministry that is less than full-time is called Shared-Time Ministry by the ELCA. This document will use “part-time” ministry and highlight minimum expectations for a part-time call.

Thank you to the Eastern North Dakota Synod of the ELCA for sharing the above definitions.

2027 Salary and Benefit Guidelines

A. Base Salary Guideline

This chart represents the **minimum guidelines** recommended for single point congregations.

These figures represent base salary only and do not include housing and utilities, social security, pension, medical insurance, or any other benefits. Those are discussed later in this document.

Starting in 2022: Ministers of Word and Service (Deacons) follow these guidelines.

Additional Considerations:

1. When a minister brings other career experience and skills which enhances a person's gifts for ministry, the value of those experiences should be strongly considered in establishing a salary.
EXAMPLE: credit ½ year for each year of experience, up to a suggested maximum of 10 years credit.
2. Ministers with advanced degrees: i.e., DMin, PhD, STM, or other degrees the congregation deems germane to their ministry, add \$1000.
3. Multi-point Parishes: If a minister serves two congregations, add \$2,000; if three, add \$3,000; etc.
4. Large Congregations:
 - a. For congregations over 600 baptized, add \$1,500 **for all ministers, including deacons or SAMs,** serving the congregation.
 - b. Senior Ministers serving congregations of over 900 members AND supervising staff and/or volunteers, add an additional \$1,500 to equal \$3,000 additional compensation.

* If there are additional duties from the Letter of Call performed by an Associate or Solo Minister, there should be a conversation regarding additional compensation.
5. Part-time Ministers of Word & Sacrament or Ministers of Word & Service will have consideration for salary and benefits corresponding to the duties, amount, and length of time of service. Please refer to Appendix I: Less than Full-time Call or Part-time Ministry.
6. **Add \$500 per year over 40 years.

The **2027 Base Salary** chart for Ministers of Word & Sacrament and Ministers of Word & Service includes **a 2.5% increase** in the base salary for new graduates from the 2026 base of \$45,437 to \$46,573.

<u>Years of Experience</u>	<u>Year of Ordination</u>	<u>LOW Guideline</u>	<u>HIGH Guideline</u>		<u>Years of Experience</u>	<u>Year of Ordination</u>	<u>LOW Guideline</u>	<u>HIGH Guideline</u>
Graduate	2027	\$46,573	\$48,477					
1	2026	\$47,411	\$49,329		21	2006	\$62,683	\$64,658
2	2025	\$48,246	\$50,177		22	2005	\$63,318	\$65,284
3	2024	\$49,079	\$51,020		23	2004	\$63,935	\$65,892
4	2023	\$49,907	\$51,859		24	2003	\$64,535	\$66,481
5	2022	\$50,730	\$52,692		25	2002	\$65,116	\$67,050
6	2021	\$51,548	\$53,518		26	2001	\$65,677	\$67,599
7	2020	\$52,360	\$54,338		27	2000	\$66,219	\$68,127
8	2019	\$53,165	\$55,149		28	1999	\$66,741	\$68,634
9	2018	\$53,963	\$55,953		29	1998	\$67,241	\$69,119
10	2017	\$54,752	\$56,746		30	1997	\$67,720	\$69,581
11	2016	\$55,532	\$57,530		31	1996	\$68,177	\$70,020
12	2015	\$56,303	\$58,303		32	1995	\$68,612	\$70,436
13	2014	\$57,063	\$59,065		33	1994	\$69,024	\$70,827
14	2013	\$57,812	\$59,814		34	1993	\$69,412	\$71,195
15	2012	\$58,549	\$60,551		35	1992	\$69,776	\$71,537
16	2011	\$59,273	\$61,273		36	1991	\$70,116	\$71,855
17	2010	\$59,985	\$61,982		37	1990	\$70,432	\$72,146
18	2009	\$60,682	\$62,675		38	1989	\$70,723	\$72,412
19	2008	\$61,365	\$63,353		39	1988	\$70,988	\$72,652
20	2007	\$62,032	\$64,014		40	1987	\$71,227	\$72,866

(Add \$500 per year over 40 years.)

B. Housing

A parsonage or minimum housing allowance shall be provided for all Ministers of Word and Sacrament under call.

Ministers of Word and Service (Deacons) may be subject to different IRS rules and guidelines. Each congregation served by a Deacon should check with a tax professional regarding use of a parsonage or housing allowance.

1. When a Parsonage is Provided

The congregation and the minister shall work to have a mutual understanding of the recommendations found in [Appendix A: Guidelines for the Provision and Use of Parsonages.](#)

- a) **Value of Parsonage & Utilities:** Portico Benefit Services values the congregation provided parsonage at 30% of Base Salary. This value is added to the Base Salary and Social Security Contribution (**7.65% of base salary + additional considerations + parsonage value**) to determine the Defined Compensation that is used to calculate the pension, health insurance, and other benefit amounts.
- b) **Housing Equity Allowance:** The congregation should share with the pastor a part of the equity being gained on the parsonage. A minimum of **\$150 per month (\$1,800 per year)** should be placed in a fund agreed upon by the congregational council and the minister.

Portico has an option to house these funds within a minister's retirement fund subject to IRS rules. Pastors and congregations should consult a tax advisor if a housing equity allowance is part of the compensation package.

- c) **Furnishing Allowance:** Pastors may receive part of their base salary as a furnishing allowance. This allowance must be designated by the congregational council prior to the beginning of the year or any time during the year that there is a change in the allowance.

Sample motion: *Upon motion duly made and seconded, it was voted to designate \$ _____ of the total cash salary for _____ (year) to be paid to Rev. _____ as a furnishing allowance in response to minister's request and acknowledgement that the allowance so designated will not exceed actual expenses for their home including utilities, upkeep and repairs, insurance, and furnishings. Therefore, cash salary shall be \$ _____ and furnishings allowance shall be \$ _____.*

- d) **Rent Charge:** There should be NO expectation of a rent charge to a minister whether in a full-time or part-time call.
- e) **Pastor's Death:** In the event of a pastor's death, the pastor's spouse/family shall be allowed to remain in the parsonage for six months or until the end of the school year (if there are children in the family) whichever is longer.

Congregations are encouraged to research the Fair Market Rental Value of the parsonage. Specific information for your area can be found online or through a local realtor.

2. When a Parsonage is NOT provided

a. Calculating Housing Allowance when a Parsonage is NOT provided.

When a housing allowance is provided instead of a parsonage, the dollar amount of the allowance will be negotiated based upon fair rental value of appropriate housing in your community plus utilities. Each individual situation and community housing market must ultimately determine the appropriate housing allowance designation.

The SD Synod recommends that the housing allowance should be the actual cost not to exceed 50% of Base Salary.

Example:

1. Base Salary (5 th year, no additional considerations)	\$50,730
2. Housing Allowance	
actual cost = \$1,500/month (\$18,000/year)	\$18,000
- OR -	
maximum 50% of base = \$25,365	
3. Additional Considerations: NONE	\$0
4. Social Security Allowance (7.65% of 1+2+3)	<u>\$ 5,258</u>
<i>Defined Compensation (Total of 1+2+3+4)</i>	<i>\$73,988</i>

If a pastor receives additional considerations for congregation size, supervisory leadership, or education, the additional considerations are not included in calculating the housing allowance but are added later:

Example:

1. Base Salary (5 th year with additional consideration below)	\$50,730
2. Housing Allowance	
actual cost = \$2,400/month (\$28,800/year)	\$25,365
- OR -	
maximum 50% of base = \$25,365	
3. Additional Considerations (ie. Senior Pastor with 900+ members)	\$ 3,000
4. Social Security Allowance (7.65% of 1+2+3)	<u>\$ 6,051</u>
<i>Defined Compensation (Total of 1+2+3+4)</i>	<i>\$85,146</i>

b. Designating the Allowance

The actual amount to be designated is determined by the pastor. Questions they might ask include: How much were my actual expenses in the last year? Are there any special projects I am planning to work on next year? Are there any purchases I am planning?

The congregation must designate a percentage of the total base salary (salary + housing allowance) as a “housing and utility allowance.” This must be designated prior to the start of a new call and prior to the beginning of each fiscal year or any midyear changes.

The amount of this allowance, which should not exceed the actual expenses paid by the pastor for mortgage payments, utilities, upkeep and repairs, taxes, insurance, and furnishings, may be excluded from the pastor's taxable income. The pastor will however be required to pay the Social Security Tax (15.3%) on all salary including that amount designated as housing allowance.

The congregation council would use this language when designating the housing allowance:

Upon motion duly made and seconded, it was voted to designate \$_____ of the _____ (year) total cash salary of \$_____ to be paid to Rev. _____ as a housing allowance in response to pastor's request and acknowledgement that the allowance so designated will not exceed actual expenses for their home including mortgage payments, utilities, upkeep and repairs, taxes, insurance, and furnishings. Therefore, the cash salary shall be \$_____ and housing allowance shall be \$_____.

3. Two Pastor Households

A pastor couple, called to different congregations, should each receive a full housing allowance or parsonage from their respective congregation. When a pastor couple is called to the same congregation, we recommend the housing allowance be designated to one pastor and the other receive pension contributions as if they were living in a parsonage. This ensures that pension benefits for all pastors are equitable.

4. Tax Matters

In all tax matters, pastors and congregations are urged to obtain expert, current guidance.

C. Social Security and Workers' Compensation

1. Social Security

Since the IRS recognizes ministers as self-employed for Social Security purposes, ministers must pay their own Social Security tax. Congregations shall reimburse ministers for the employer's share of the tax which is a percentage of base salary and housing allowance or the fair rental value of the parsonage.

The Social Security offset shall be distributed as part of regular payroll or on a quarterly basis prior to the minister's deadlines for estimated tax payments. The Social Security offset is considered income for the minister and needs to be included on the W-2 form.

For more information on employment taxes, see Publication 15 (Circular E), Employer's Tax Guide can be found at www.irs.gov.

Ministers of Word and Service (Deacons) may be subject to different IRS rules and guidelines. Each congregation served by a Deacon should check with a tax professional regarding tax issues.

2. Workers' Compensation

Congregations are required by law to provide Workers' Compensation coverage for all employees. Ministers are considered employees in this regard.

NEW for 2027: The next 2 tables show both the Base Salary amount and the Defined Compensation (Base + Housing Allowance/Parsonage Value + FICA reimbursement) used to calculate pension and insurance benefits. No Additional Considerations have been added to the salary amounts. Reminder: The Housing Allowance is the actual cost up to a maximum of 50%.

Base Salary and Defined Compensation if NO Parsonage (Housing Allowance = 50%)

This table is for illustrative purposes only. It is NOT the Official Guideline.

<u>Year of Ordination</u>	<u>Years of Service</u>	<u>LOW Base Salary</u>	<u>Defined Comp =</u> <u>salary + HA50% +</u>	<u>HIGH Base Salary</u>	<u>Defined Comp =</u> <u>salary + HA50% +</u>
			<u>FICA</u>		<u>FICA</u>
2027	new	\$46,573	\$ 75,203	\$48,477	\$ 78,279
2026	1	\$47,411	\$ 76,557	\$49,329	\$ 79,654
2025	2	\$48,246	\$ 77,906	\$50,177	\$ 81,023
2024	3	\$49,079	\$ 79,250	\$51,020	\$ 82,385
2023	4	\$49,907	\$ 80,587	\$51,859	\$ 83,739
2022	5	\$50,730	\$ 81,917	\$52,692	\$ 85,084
2021	6	\$51,548	\$ 83,238	\$53,518	\$ 86,419
2020	7	\$52,360	\$ 84,549	\$54,338	\$ 87,742
2019	8	\$53,165	\$ 85,849	\$55,149	\$ 89,053
2018	9	\$53,963	\$ 87,137	\$55,953	\$ 90,349
2017	10	\$54,752	\$ 88,411	\$56,746	\$ 91,631
2016	11	\$55,532	\$ 89,671	\$57,530	\$ 92,897
2015	12	\$56,303	\$ 90,915	\$58,303	\$ 94,145
2014	13	\$57,063	\$ 92,142	\$59,065	\$ 95,375
2013	14	\$57,812	\$ 93,352	\$59,814	\$ 96,585
2012	15	\$58,549	\$ 94,542	\$60,551	\$ 97,774
2011	16	\$59,273	\$ 95,712	\$61,273	\$ 98,941
2010	17	\$59,985	\$ 96,860	\$61,982	\$ 100,085
2009	18	\$60,682	\$ 97,986	\$62,675	\$ 101,205
2008	19	\$61,365	\$ 99,089	\$63,353	\$ 102,299
2007	20	\$62,032	\$ 100,166	\$64,014	\$ 103,367
2006	21	\$62,683	\$ 101,218	\$64,658	\$ 104,407
2005	22	\$63,318	\$ 102,243	\$65,284	\$ 105,418
2004	23	\$63,935	\$ 103,240	\$65,892	\$ 106,400
2003	24	\$64,535	\$ 104,208	\$66,481	\$ 107,351
2002	25	\$65,116	\$ 105,145	\$67,050	\$ 108,270
2001	26	\$65,677	\$ 106,052	\$67,599	\$ 109,156
2000	27	\$66,219	\$ 106,927	\$68,127	\$ 110,009
1999	28	\$66,741	\$ 107,769	\$68,634	\$ 110,827
1998	29	\$67,241	\$ 108,578	\$69,119	\$ 111,609
1997	30	\$67,720	\$ 109,351	\$69,581	\$ 112,356
1996	31	\$68,177	\$ 110,089	\$70,020	\$ 113,065
1995	32	\$68,612	\$ 110,791	\$70,436	\$ 113,736
1994	33	\$69,024	\$ 111,456	\$70,827	\$ 114,369
1993	34	\$69,412	\$ 112,083	\$71,195	\$ 114,962
1992	35	\$69,776	\$ 112,671	\$71,537	\$ 115,515
1991	36	\$70,116	\$ 113,221	\$71,855	\$ 116,027
1990	37	\$70,432	\$ 113,730	\$72,146	\$ 116,499
1989	38	\$70,723	\$ 114,199	\$72,412	\$ 116,928
1988	39	\$70,988	\$ 114,627	\$72,652	\$ 117,315
1987	40	\$71,227	\$ 115,014	\$72,866	\$ 117,660

Base Salary, Defined Compensation, and Actual Cash Comp WITH Parsonage at 30% of Base
This table is for illustrative purposes only. It is NOT the Official Guideline.

<u>Year of</u> <u>Ordination</u>	<u>Years of</u> <u>Service</u>	<u>LOW</u> <u>Base</u> <u>Salary</u>	<u>Defined Comp</u> <u>= salary</u> <u>+ Pars 30%</u> <u>+FICA</u>	<u>Actual</u> <u>CASH</u> <u>Comp</u>	<u>HIGH</u> <u>Base</u> <u>Salary</u>	<u>Defined Comp</u> <u>= salary</u> <u>+ Pars 30%</u> <u>+FICA</u>	<u>Actual</u> <u>CASH</u> <u>Comp</u>
2027	new	\$46,573	\$65,176	\$51,204	\$48,477	\$67,842	\$53,298
2026	1	\$47,411	\$66,349	\$52,126	\$49,329	\$69,033	\$54,235
2025	2	\$48,246	\$67,519	\$53,045	\$50,177	\$70,220	\$55,167
2024	3	\$49,079	\$68,683	\$53,960	\$51,020	\$71,400	\$56,094
2023	4	\$49,907	\$69,842	\$54,870	\$51,859	\$72,574	\$57,016
2022	5	\$50,730	\$70,995	\$55,776	\$52,692	\$73,740	\$57,932
2021	6	\$51,548	\$72,139	\$56,675	\$53,518	\$74,896	\$58,841
2020	7	\$52,360	\$73,276	\$57,568	\$54,338	\$76,043	\$59,742
2019	8	\$53,165	\$74,402	\$58,453	\$55,149	\$77,179	\$60,634
2018	9	\$53,963	\$75,518	\$59,329	\$55,953	\$78,303	\$61,517
2017	10	\$54,752	\$76,623	\$60,197	\$56,746	\$79,414	\$62,390
2016	11	\$55,532	\$77,715	\$61,055	\$57,530	\$80,511	\$63,252
2015	12	\$56,303	\$78,793	\$61,902	\$58,303	\$81,592	\$64,101
2014	13	\$57,063	\$79,857	\$62,738	\$59,065	\$82,658	\$64,939
2013	14	\$57,812	\$80,905	\$63,561	\$59,814	\$83,707	\$65,763
2012	15	\$58,549	\$81,936	\$64,372	\$60,551	\$84,737	\$66,572
2011	16	\$59,273	\$82,950	\$65,168	\$61,273	\$85,749	\$67,367
2010	17	\$59,985	\$83,946	\$65,950	\$61,982	\$86,740	\$68,146
2009	18	\$60,682	\$84,922	\$66,717	\$62,675	\$87,711	\$68,908
2008	19	\$61,365	\$85,877	\$67,467	\$63,353	\$88,659	\$69,653
2007	20	\$62,032	\$86,811	\$68,201	\$64,014	\$89,584	\$70,380
2006	21	\$62,683	\$87,722	\$68,917	\$64,658	\$90,486	\$71,088
2005	22	\$63,318	\$88,610	\$69,615	\$65,284	\$91,362	\$71,777
2004	23	\$63,935	\$89,474	\$70,294	\$65,892	\$92,213	\$72,445
2003	24	\$64,535	\$90,313	\$70,953	\$66,481	\$93,037	\$73,093
2002	25	\$65,116	\$91,126	\$71,591	\$67,050	\$93,834	\$73,719
2001	26	\$65,677	\$91,912	\$72,209	\$67,599	\$94,602	\$74,322
2000	27	\$66,219	\$92,670	\$72,805	\$68,127	\$95,341	\$74,903
1999	28	\$66,741	\$93,400	\$73,378	\$68,634	\$96,050	\$75,460
1998	29	\$67,241	\$94,101	\$73,928	\$69,119	\$96,728	\$75,993
1997	30	\$67,720	\$94,771	\$74,455	\$69,581	\$97,375	\$76,501
1996	31	\$68,177	\$95,411	\$74,958	\$70,020	\$97,989	\$76,983
1995	32	\$68,612	\$96,019	\$75,435	\$70,436	\$98,571	\$77,441
1994	33	\$69,024	\$96,595	\$75,888	\$70,827	\$99,119	\$77,871
1993	34	\$69,412	\$97,138	\$76,315	\$71,195	\$99,633	\$78,275
1992	35	\$69,776	\$97,648	\$76,716	\$71,537	\$100,113	\$78,652
1991	36	\$70,116	\$98,124	\$77,090	\$71,855	\$100,557	\$79,001
1990	37	\$70,432	\$98,566	\$77,436	\$72,146	\$100,965	\$79,321
1989	38	\$70,723	\$98,973	\$77,756	\$72,412	\$101,338	\$79,614
1988	39	\$70,988	\$99,344	\$78,047	\$72,652	\$101,673	\$79,877
1987	40	\$71,227	\$99,679	\$78,311	\$72,866	\$101,972	\$80,112

D. ELCA Pension and Other Benefits Plan

Portico Benefit Services (Portico), the nonprofit benefit ministry of the ELCA, provides the benefit program for rostered ministers, lay employees, and their families. Portico provides health, dental, prescription drug, retirement, disability, and group life insurance benefits in one bundled program.¹ These benefits are available to ministers serving 15 hours or more per week. For lay staff the requirement is 20 or more hours per week. This program is designed to address the needs of rostered ministers and provide seamless benefits during change of call, leave from call, and other events unique to ministry. A bundled approach helps ensure rostered ministers and lay employees are protected against significant financial loss from a variety of risks. Through Portico, congregations² in this synod and across the country pool their collective purchasing power to provide benefits in a cost-effective manner.

For more information, see the ELCA Philosophy of Benefits at Porticobenefits.org/what-we-do.

Pension

Portico's minimum congregation contribution to a minister's retirement plan is ten percent (10%) of Defined Compensation which includes Base Salary, Housing Contribution, Additional Considerations, and FICA Allowance.

In order to insure adequate retirement income for all pastors, the SD Synod encourages congregations that are paying a pastor below "guidelines" to make **the pension contribution based on a compensation package that is "at guidelines."** In the case of a part-time call, where the Defined Compensation is lower, congregations should consider a larger pension contribution of 12-15%.

Health Insurance

Congregations and plan members share the cost of benefits. Congregations are expected to support the well-being of their covered plan members by paying all or a significant portion of the premiums for benefits. Plan members are expected to participate in the cost of utilizing the benefits (e.g., deductibles, coinsurance, and copays).

The ELCA Church Council has approved a balance of cost-sharing between congregations and plan members. Portico offers a choice of ELCA-Primary health benefit options that fit this approved balance. The SD Synod recommendation is either the **Select Copay2000 or Select HDHP2000 with a \$500 / \$1,000 HSA Contribution.**

ELCA Health Plan benefits should be provided for the **pastor/deacon/SAM, spouse and eligible children** unless such coverage is waived because family members are covered by the spouse's health insurance.

¹ A plan member may waive health coverage if they have access to valid medical insurance coverage through their spouse or another employer. Congregations are encouraged to maintain a line item in their annual budget for future pastoral calls.

² "Congregations" may also refer to multi-point parishes or other non-parish ministry agencies such as Bible camps, long-term care facilities, hospitals, campus ministries, etc.

Pastors, Deacons or SAMs eligible for Medicare Health Coverage (Age 65 and older) may use Portico's Medicare Part B Supplemental Insurance. Congregations should treat the Medicare Supplement premium (Portico or other provider) like any other health insurance premium.

Each fall, congregations should engage in conversation with their sponsored plan members to determine the option that best fits their needs and then make their selection during annual enrollment.

Current contribution rates are available online at EmployerLink.PorticoBenefits.org or by calling Portico at **800-352-2876**

Disability Insurance

The ELCA Disability Benefits Plan provides monthly income, health benefits, life insurance, and ELCA Retirement Plan account contributions for eligible plan members who become totally disabled.

Group Life Insurance

The ELCA Survivor Benefits Plan provides benefits to help beneficiaries with financial obligations in the event of a death. It includes:

- Employer-paid basic group life insurance for sponsored plan members
- Member-paid basic group life insurance for eligible plan members continuing coverage at their own expense
- The opportunity for eligible plan members to purchase supplemental life insurance for themselves, and dependent life insurance for eligible spouses and children
- A lump-sum survivor benefit for eligible retired plan members

NOTE for pastors, deacons, or SAMs over 65: The Survivor Benefit decreases when the plan member reaches age 70, and every 5 years thereafter. Sponsored Members should contact Portico to learn about the change in benefit after age 70.

Other Optional Benefits

Vision Care Services

Optional participation in basic or enhanced coverage, regardless of health benefit enrollment. The Premium is 100% member-paid through pretax withholding.

Flexible Spending Plan

Members of the ELCA Pension and Other Benefits Plan may set up a Flexible Spending Account (FSA) through Portico. Payroll dollars may be set aside on a pre-tax basis to pay for certain out-of-pocket health care and dependent care expenses for their family.

Pre-Tax Retirement Contributions

Members of the ELCA Pension and Other Benefits Plan may set up additional pre-tax retirement contributions through Portico.

Medical Reimbursement

The congregation may provide \$1,000 for a medical reimbursement fund to assist with co-payments and out-of-pocket expenses. Reimbursement shall be paid to the pastor with proper documentation.

E. Professional Expenses

Reimbursements for professional expenses are separate from expenditures for salary, housing, health insurance, and retirement. Ministers or SAMs serving in a part-time role should be fully reimbursed for professional expenses.

Please refer to [*Appendix B: Minister's Accountable or Non-Accountable Reimbursement.*](#)

1. Automobile Expenses

Mileage shall be reimbursed at the current IRS rate. In lieu of such reimbursement, the congregation may lease or purchase a vehicle for the pastor's use. In this instance, the congregation shall seek the advice of a tax professional to determine how to account for the vehicle's use.

2. Professional Expenses

Professional expenses such as books, robes and vestments, periodicals, professional dues, entertainment, and hospitality costs incurred in the performance of the duties of the pastoral office shall be shared by the congregation. A minimum of \$300 should be provided annually.

3. Synod Assembly

Attendance at the Synod Assembly is required of all Ministers of Word and Sacrament and Ministers of Word and Service. All costs for the Synod Assembly are to be paid by the congregation and are not considered continuing education. Congregations are advised to maintain a budget line for Synod Assembly expenses for both the clergy and lay assembly members.

4. Continuing Education

Continuing education allows ministers to intentionally update and acquire new skills for the ministry. This is essential for the effective, ongoing ministry of the congregation. The ELCA expects a minimum of 50 contact hours annually in continuing education. A contact hour is defined as a typical 50-minute classroom instructional session or the equivalent. Therefore, it is recommended that each year a minimum of two weeks including two Sundays and a minimum of \$1,000 be made available to a pastor for continuing education. Time and the budget may be accumulated up to six weeks and \$3000 for up to three (3) years.

There should be no reduction of time or funds for Continuing Education for ministers or SAMs serving less than full time.

For first call ministers, please refer to [*Appendix C: First Call Theological Education.*](#)

5. Sabbatical

After every five years of service in a current call, the SD Synod recommends that a minister be given a sabbatical from six weeks to three months with full pay, in lieu of two weeks continuing education time. The minister is expected to return to the present call for at least one year following the sabbatical. It is recommended that the minister and congregation begin planning at least one year prior to the sabbatical. Please refer to [*Appendix D: Sabbatical Recommendations.*](#)

6. Moving Expenses

A moving allowance shall be provided by the calling congregation to assist the minister with moving expenses. Please refer to [*Appendix E: South Dakota Synod Moving Policy.*](#)

F. Sabbath and Time Off

Adequate time off for ministers is essential. Five days shall be the normal maximum work week for ministers. The regular discipline of appropriate time off in a week is important to the ongoing energy and wellness of the minister for ministry. “Sabbath” rather than “day off” is recommended terminology.

If the minister’s Sabbath Day falls on a holiday, then an alternate Sabbath Day should be designated. Similarly, an alternate Sabbath Day should be honored if the minister needs to preside at a funeral or carry out another pastoral obligation.

Recognizing this document cannot be all-inclusive, when special circumstances arise it is best to engage the congregational council in conversation regarding needs and realities. This conversation should be guided by grace and mutual care & respect, recognizing the blessing it can be to the minister as well as the congregation.

1. Annual Vacation Time

The minimum vacation schedule for ministers during the first four (4) years of service should be four (4) work weeks, including four Sundays, per year. Beginning with the fifth (5th) year, and thereafter, it is recommended that five (5) work weeks, including five Sundays, be given each year. Additional weeks of vacation may be given upon additional years of service, **especially if the pastor’s compensation is below Guidelines**.

Years of service means total years in ministry service or parish ministry not just the years served in this parish. Legal holidays are not considered vacation days.

Annual vacation time may be taken periodically during the year, at the mutual convenience of the minister and the congregation, including during the minister’s initial year of ministry to the congregation. Vacation time should not be carried over from one year to another year.

2. Holidays

Holidays should be granted off in addition to vacation days. The Synod recommends a minimum of **ten (10) paid holidays a year**. Congregations and ministers should agree to the holidays granted each year prior to the start of the year.

When the services of a minister are required on recognized holidays(*), time off with pay should be granted at another time with minimal disruption to the congregation.

The fifteen (15) generally recognized holidays include

New Year’s Day	Memorial Day*	Veterans’ Day*
Martin Luther King Jr Day	Juneteenth	Thanksgiving Day
Presidents’ Day	Fourth of July	Thanksgiving Friday
Good Friday*	Labor Day	Christmas Eve*
Easter Monday	Indigenous People’s Day	Christmas Day*

3. Personal Days

Two personal days may be taken annually at the discretion of the minister, in consultation with the congregation council president or executive committee.

4. Sick Leave

Sick leave for full time rostered ministers will be 24 days per year. For accounting purposes sick leave will accrue at two (2) days per month. Sick leave does not carry over from one year to the next.

Sick leave accrual is prorated for personnel working 20-40 hours per week, to a maximum of 12 days. Personnel working less than 20 hours per week do not accrue sick leave. Sick leave is paid at the personnel's base rate.

No payment will be made for unused, accumulated sick leave at the time of separation.

5. Disability

The Disability Process for rostered ministers is defined in the Letter of Call.

6. Parental Leave

Eight (8) weeks of parental leave with full salary, housing, and benefits is appropriate when a child is born or adopted. The leave should be used within one (1) year of the birth or adoption.

There is no payout for unused parental leave. A clergy couple are each eligible to receive the full parental leave and may use it at the same time or separately. Clergy and congregations are encouraged to work together to plan the leave in advance of the birth or adoption.

7. Bereavement Leave

One week including one Sunday is to be made available for ministers following the death of a member of their immediate family, including the loss of a pregnancy. Additional paid leave should be considered following the death of a child or spouse.

8. Military Leave

A congregation whose minister serves simultaneously in a military unit must by law grant leave time for the leader to fulfill his/her military obligations. Such leave is to be granted exclusive of vacation and continuing education time. It is recommended that congregations develop explicit written policies relating to compensation issues for ministers while on military leave.

Policy guidelines are available from the ELCA Federal Chaplaincy website (<https://www.elca.org/Our-Work/Leadership/Federal-Chaplaincy-Ministries>)

9. Leave without Pay.

Leave without pay may be requested for up to six months upon written application. This is to be received at least three months before the time the leave is to begin. Exceptions may be considered by the congregational council.

10. Transition Time

A minister moving from one call to another may be permitted a transition period of one week (including a Sunday) of paid leave time, paid by the calling congregation, during which no official duties would be expected by the calling congregation, local conditions permitting.

11. Wellness Dollars

A “Wellness Reimbursement Fund” of \$300 may be established to assist the minister in continuing healthy activities.

12. Interim and Pulpit Supply

When a “substitute” minister or worship leader is needed, compensation is expected for the “substitute.” Congregations should have a discussion regarding compensation for both ministers and lay leaders who provide services during times of vacation, extended leave, or a lack of a full-time, called minister. Please see [*Appendix F: Temporary and Supply Ministries*](#) for basic guidelines.

Compensation Worksheet for Ministers when a Parsonage IS Provided

This worksheet is designed to help congregations build a compensation package for Ministers of Word and Sacrament or Minister of Word and Service using the synod's guidelines. Each item below is described within this document. Use only items which apply.

An Excel template is available on the Synod website www.sdsynod.org/compensation-guidelines/

	<i>This Year</i>	<i>Guidelines</i>	<i>Proposed</i>
I. Compensation			
A. Base/Cash Salary	\$ _____	\$ _____	\$ _____
B. Value of Parsonage & Utilities (30% of A)	\$ _____	\$ _____	\$ _____
C. Additional Considerations	\$ _____	\$ _____	\$ _____
D. Social Security Reimbursement [(A+B+C) x 7.65%]	\$ _____	\$ _____	\$ _____
E. Defined Compensation [Total of A+B+C+D]	\$ _____	\$ _____	\$ _____
II. Additional Compensation			
A. Housing Equity Contribution (minimum \$150 per month or \$1,800 per year)	\$ _____	\$ _____	\$ _____
B. Annuities, Additional Pension	\$ _____	\$ _____	\$ _____
C. Other Compensation	\$ _____	\$ _____	\$ _____
III. ELCA Pension and Other Benefits¹			
A. Pension (minimum 10% of E: Defined Compensation)	\$ _____	\$ _____	\$ _____
B. Medical	\$ _____	\$ _____	\$ _____
C. Disability/Life Insurance	\$ _____	\$ _____	\$ _____
IV. Reimbursements			
A. Automobile	\$ _____	\$ _____	\$ _____
B. Business/Professional	\$ _____	\$ _____	\$ _____
C. Continuing Education	\$ _____	\$ _____	\$ _____
D. Books/Subscriptions	\$ _____	\$ _____	\$ _____
E. Other _____	\$ _____	\$ _____	\$ _____
Total Value of Compensation	\$ _____	\$ _____	\$ _____

¹ Contact Portico Benefit Services at 1-800-352-2876 (Monday-Friday, 7:30 am-5:00 PM CST) or visit their website for compensation calculators at <https://porticobenefits.org>.

V. Other Agreements

- A. Sabbath Day _____
- B. Vacation time of _____ weeks and _____ Sundays.
- C. Continuing education time of 2 weeks including Sundays.
- D. Two sick days per month accumulating up to 24 days.
- E. Up to two months of continued salary, housing, and contributions to the ELCA Pension and Other Benefits Program in a 12-month period if the minister is physically or mentally disabled.
- F. New Parent Leave of eight (8) weeks with full salary, housing, and benefits.
- G. Paid Holidays – select **a minimum of 10 days** from the list below (*or alternate days as needed*)

New Year’s Day	Memorial Day*	Veterans’ Day*
Martin Luther King Jr Day	Juneteenth	Thanksgiving Day
Presidents’ Day	Fourth of July	Thanksgiving Friday
Good Friday*	Labor Day	Christmas Eve*
Easter Monday	Indigenous People’s Day	Christmas Day*

H. Other _____

Compensation Worksheet for Ministers Receiving a Housing Allowance (NO Parsonage)

This worksheet is designed to help congregations build a compensation package for Ministers of Word and Sacrament or Minister of Word and Service using the synod's guidelines. Each item below is described within this document. Use only items which apply.

An Excel template is available on the Synod website www.sdsynod.org/compensation-guidelines/

	<i>This Year</i>	<i>Guidelines</i>	<i>Proposed</i>
I. Compensation			
A. Base/Cash Salary	\$ _____	\$ _____	\$ _____
B. Cash Housing Allowance (actual cost up to 50% of Base Salary)	\$ _____	\$ _____	\$ _____
C. Additional Considerations	\$ _____	\$ _____	\$ _____
D. Social Security Reimbursement [(A+B+C) x 7.65%]	\$ _____	\$ _____	\$ _____
E. Defined Compensation (Total of A+B+C+D)	\$ _____	\$ _____	\$ _____
II. Additional Compensation			
A. Annuities, Additional Pension	\$ _____	\$ _____	\$ _____
B. Other Compensation	\$ _____	\$ _____	\$ _____
III. ELCA Pension and Other Benefits¹			
A. Pension (minimum 10% of E: Defined Compensation)	\$ _____	\$ _____	\$ _____
B. Medical	\$ _____	\$ _____	\$ _____
C. Disability/Life Insurance	\$ _____	\$ _____	\$ _____
IV. Reimbursements			
A. Automobile	\$ _____	\$ _____	\$ _____
B. Business/Professional	\$ _____	\$ _____	\$ _____
C. Continuing Education	\$ _____	\$ _____	\$ _____
D. Books/Subscriptions	\$ _____	\$ _____	\$ _____
E. Other _____	\$ _____	\$ _____	\$ _____
Total Value of Compensation	\$ _____	\$ _____	\$ _____

¹ Contact Portico Benefit Services at 1-800-352-2876 (Monday-Friday, 7:30 am-5:00 PM CST) or visit their website for compensation calculators at <https://porticobenefits.org>.

V. Other Agreements

- A. Sabbath Day _____
- B. Vacation time of _____ weeks and _____ Sundays.
- C. Continuing education time of 2 weeks including Sundays.
- D. Two sick days per month accumulating up to 24 days.
- E. Up to two months of continued salary, housing, and contributions to the ELCA Pension and Other Benefits Program in a 12-month period if the minister is physically or mentally disabled.
- F. New Parent Leave of eight (8) weeks with full salary, housing, and benefits.
- G. Paid Holidays – select **a minimum of 10 days** from the list below (*or alternate days as needed*)

New Year’s Day	Memorial Day*	Veterans’ Day*
Martin Luther King Jr Day	Juneteenth	Thanksgiving Day
Presidents’ Day	Fourth of July	Thanksgiving Friday
Good Friday*	Labor Day	Christmas Eve*
Easter Monday	Indigenous People’s Day	Christmas Day*

H. Other _____

Appendix A – Guidelines for the Provision and Use of Parsonages

To enhance the ministry of the Gospel among us, the congregation and the minister covenant to work with the following guidelines, which are established to provide a mutual understanding of expectations for both the congregation and the minister.

When selecting a parsonage, consideration should be given as to its size and style, so it will serve a variety of ages and sizes of ministerial families. The parsonage's primary purpose is to provide housing for the pastor and the pastor's family, and not to provide additional meeting space for the congregation. Where a parish office must, of necessity, be within the parsonage, means should be taken to provide adequate privacy for both the parishioners and the pastor's family.

It is the congregation's responsibility to provide the parsonage with major appliances. It is the congregation's responsibility to provide and maintain in working order a hot water heater and a furnace or other means of heating the parsonage, and if deemed necessary by water conditions, also a water softener.

Specific Responsibilities

	Parish	Rostered Minister / Pastor
<i>Parsonage Committee</i>	The congregation should establish a parsonage committee whose only responsibility is for the upkeep of the parsonage: 1. The committee should be provided with a line item in the church budget of at least \$500 with authority to make needed repairs. 2. The committee shall inspect the parsonage at least once per year, with prior arrangements made with the pastor and family. 3. The committee should seek input from the pastor concerning the parsonage condition and needed repairs. 4. The committee should keep the congregation and church council informed of its work and the condition and needs of the parsonage. 5. The committee should establish goals and objectives for long range planning of maintenance and repairs. 6. When inspecting the parsonage, committee members should ask themselves, "Would I enjoy living here?"	The pastor shall report the needed repairs promptly to the parsonage committee. The pastor shall make arrangements to invite the parsonage committee in to inspect the parsonage at least once per year.
<i>Insurance</i>	It is the congregation's responsibility to provide fire and extended coverage insurance on the parsonage.	It is the pastor's responsibility to obtain renter's insurance to cover his/her personal property.

<i>Utilities</i>	The congregation should provide for a utilities allowance that covers the cost of heat, lights, water, sewer, and garbage removal. The recommended method is for these bills to be paid directly by the congregation.	
<i>Safety</i>	1. The electrical, water and sewer systems should be adequate. 2. The windows, doors and roof should be weather proofed against wind and water. 3. Measures should be taken to make sure the basement does not flood. 4. The parsonage should be checked for the presence of radon gas and corrective measures should be taken if the gas is present. 5. Smoke alarms should be installed and maintained in working condition. 6. Insulation should be checked for asbestos, and if present, corrective measures should be taken. 7. If the parsonage has lead water pipes for domestic use, those pipes should be checked for high lead concentration, and the pipes replaced if the lead concentration is higher than EPA standards. 8. If the services of an exterminator are required for pest control, the congregation should provide those services. 9. The parsonage should follow fire codes which include two (2) means of escape from each level.	The pastor should inform the parsonage committee of any concerns as soon as possible.
<i>Maintenance and Repairs</i>	It is the congregation's responsibility to provide for normal maintenance and repairs of the parsonage.	The pastor is the caretaker of the parsonage. It is his/her responsibility to: 1. Make sure that the parsonage is properly heated to prevent damage. 2. Make minor repairs as needed and if within their ability. 3. Provide normal housekeeping and cleaning. 4. Maintain the lawn and grounds in a neat and orderly manner. 5. Clear sidewalks and driveway of snow. If the pastor is not able to or comfortable fulfilling these responsibilities, they shall be negotiated at the time of call.

<i>Equipment</i>	The congregation may consider providing lawn care and snow removal equipment for use by the pastor.	
<i>A Good Exit</i>	The parsonage should be cleaned, and the carpets should be shampooed after the pastor moves out of the parsonage.	The pastor shall clean the parsonage before leaving: 1. The oven and stove shall be cleaned. 2. The refrigerator shall be cleaned, unplugged, and the door left open. 3. Provisions shall be made for the disposal of unwanted items. The pastor shall leave the parsonage in as good as or better condition than it was when they moved in. It is the responsibility of the pastor to repair any damage done to the parsonage or property in excess of “normal wear and tear” including damage done by pets.
<i>A Good Welcome</i>	Prior to the arrival of the new pastor, the parsonage shall be painted with consideration given to the taste and style of the pastor. Any major repairs shall be completed prior to the arrival of the new pastor.	Any concerns about the parsonage should be addressed as soon as possible after arrival in the parish.

Appendix B – Minister’s Reimbursement

“Unaccountable” Plan

If a Minister is paid a set amount each month towards the professional allowance or the car allowance, this amount also is taxed and must appear on Box 1 of the W-2. The Minister can only take a deduction for these expenses as a miscellaneous itemized deduction on the tax return, limited to the amount above 2% of adjusted gross income.

“Accountable” Plan

Under the accountable plan, and for accounting purposes only, the minister is considered an employee. The congregation is responsible for the minister’s expenses, such as professional allowance and mileage. Therefore, all Ministers of Word and Sacrament shall use an “accountable plan” for expenses. Reimbursed amounts are not considered taxable income. It is recommended that Congregations provide a line item in their annual budget for each item to be reimbursed. Each month the minister submits verification of expenses in the form of receipts and a log of mileage. It is strongly recommended that reimbursements are paid with a separate check.

IRS guidelines for an “accountable plan”

1. The church is required to have a written reimbursement plan that must be recorded in the council minutes. (See below.)
2. The church is required to identify reimbursements either by making separate payments or by specifying the amount of both wages and reimbursement if they are combined in a single payment.
3. The Minister must adequately account to the church for the expenses to be reimbursed.
4. The Minister needs to keep a daily expense book, receipts, canceled checks, and credit card slips as well as an auto mileage log.
5. If a Minister receives an advance of expenses, (e.g., if a minister is going to a conference or continuing education event) the minister must save receipts and return any excess reimbursement over the expenses actually incurred.
6. A church representative (It is recommended that this person not be the treasurer but someone from the executive board or management committee) needs to examine the substantiating records, which should be kept at least four years by the church.

A written accountable professional expense reimbursement plan might read as follows:

This parish recognizes the minister will incur expenses for which the congregation is responsible. We name, _____, who will substantiate the records professional expenses include, but are not limited to the following:

1. Purchases of books, magazines, and tapes up to a designated amount.
2. Entertainment of visiting church leaders.
3. Hosting and entertaining local church members and groups.
4. Dues to clergy associations and other professional organizations.
5. Professional clothing (robes, stoles, collars, etc.), including dry cleaning.
6. Office supplies, postage.
7. Auto¹

¹ If a pastor and congregation wishes, the auto and professional reimbursement can be combined under one line item which includes mileage reimbursement at IRS recommended rate and professional reimbursement as listed in 1-6 above.

Appendix C – First Call Theological Education

All new Ministers of Word and Sacrament and Ministers of Word and Service will participate in structured programs of theological education during their first three years of service under call. The purpose of First Call Theological Education is to enhance the transition from seminary to parish. The desired outcome is that during their first three years under call, rostered ministers of the ELCA will have made the initial transition into their respective leadership roles and will have grown in knowledge of God's Word and the Lutheran confessional witness, in love for Jesus Christ and his Church, and in commitment to its mission.

To address this common purpose, ELCA programs of First Call Theological Education will give special attention to:

1. Personal development of leadership style and collegiality, spiritual discipline, and ministerial identity appropriate to the respective rosters
2. Competence in and overall integration of various aspects of the practice of ministry
3. Discernment of the local and regional context of ministry

Congregations are asked to covenant with the Rostered Minister to support their participation in the First Call program. This program means 50 hours of continuing education during each of the first 3 years of service.

Key components are:

1. A 3-day core event held annually in several locations in the region, which constitutes twenty-five-contact hours.
2. Twenty-five contact hours of elective experiences and events: seminars, workshops, synodical or churchwide events, etc.
3. Participation in regular meetings with colleagues or a mentor.
4. Structured reading is designed to support and extend the other education components in fulfilling the goals of the program.

First-Call resources, including a 24-minute video "First Call Theological Education" and printed materials explaining the program, are available from the synod office.

Appendix D – Sabbatical Recommendations

A Minister of Word and Sacrament or Minister of Word and Service is eligible for a sabbatical after five full years of service in the same congregation. The concept of sabbatical is grounded on the biblical idea of Sabbath rest. The example of Jesus, who frequently sought out a quiet place where he could meditate and pray, away from the constant demands of the crowds, is a strong model for a sabbatical. Unlike a vacation, a sabbatical is intended for purposeful reflection and restoration. A sabbatical also provides the opportunity for the congregation to experience the freshness of a break in the rhythm of parish life and leadership. Conversation about a sabbatical could begin with the Mutual Ministry Committee, executive/personnel committee, church council or a special Sabbatical Task Force. The following guidelines give some helpful information.

1. A sabbatical provides the professional leader with a measured time to step aside from congregational responsibilities to pursue opportunities for a renewal of vision and perspective. It creates space for creativity, rest, and renewal. It may include continuing education, travel, a concentrated time to study or read, reconnection with immediate or extended family, and time away for spiritual renewal. Rested and energized ministers are likely to have longer and healthier calls in a congregation. Sabbaticals give congregations the opportunity to provide and experience new leadership opportunities. A sabbatical is a way for a congregation to express how much it values the rostered minister.
2. A sabbatical may be taken after five full years of service in a particular parish. Years of service can accumulate between calls but should be agreed upon at the time of the new call. A sabbatical will normally be for 12 weeks and should not be less than 6 weeks. The full 12-week sabbatical may include up to two weeks of vacation, a ten (10) week sabbatical may include up to one week of vacation, and a six (6) week sabbatical would normally not include vacation time. Regardless of the length, the sabbatical needs to be consecutive weeks of time away. Clergy are expected to continue ministry in that congregation for at least one year after the sabbatical.
3. The congregation will continue to pay full salary and benefits for the rostered minister who is on sabbatical. The congregation will recruit a temporary minister and provide a salary in the rostered minister's absence. There are a variety of options for leadership including members of the congregation assuming new leadership roles, a retired minister neighboring ELCA. It is possible that a communion partner minister and your minister take sabbatical at separate times and exchange pastoral coverage. The bishop may authorize a well-qualified lay person for Word and Sacrament Ministry for this specific time and place. Congregations are encouraged to begin putting money aside for a sabbatical when a newly called rostered minister begins. Grants are available through We Raise Foundation (formerly Wheat Ridge Ministries) at <https://weraise.org/> or the Lilly Foundation at www.lillyendowment.org.

4. The congregation is not under obligation to fund the cost of the sabbatical itself. Continuing education dollars, which can be accrued up to three years, can be used for the educational costs of the sabbatical. Planning for the sabbatical should begin the calendar year before in order to take advantage of grant opportunities (We Raise Foundation, formerly Wheat Ridge Ministries, at <https://weraise.org/> or the Lilly Foundation at www.lillyendowment.org) and so that the congregational budget can allow for additional expenses.

Here are some resources that congregations and Ministers of Word and Service and Ministers of Word and Sacrament may find helpful:

1. *Clergy Renewal: The Alban Guide to Sabbatical Planning* by A. Richard Bullock and Richard J. Bruesehoff.
2. “‘Why Don’t I Get a Vacation, too?’ How to Talk about Clergy Sabbaticals” by Robert Saler, available from the Alban Institute at Duke Divinity School
3. For additional resources go to <https://www.elca.org/Resources>.

Appendix E – South Dakota Synod Moving Policy

Good beginnings are important. It is advantageous that the mutual ministry between minister and congregation “get off on the right foot.” It is urged that both congregation and minister thoughtfully consider the needs of the other when undertaking a move. Moving can be an exciting and very stressful event in a person’s life. It is important that the congregation and minister reach a mutually satisfactory agreement before the move takes place. The following guidelines are to help the minister and congregation in their moving and transportation negotiations.

The congregation shall be responsible for moving all household, professional and personal goods of the minister and family. It is recommended that professional movers be utilized. If their services are not used, the means of transporting the minister’s goods must be mutually agreed upon ahead of time. When the services of professional movers are not used, it is strongly recommended that a separate insurance policy that will cover the transported goods is purchased by the congregation. These policies are available from most insurance agencies.

The congregation is not necessarily responsible for, but may choose to assume, the expenses of moving certain items. Items such as livestock or certain collections and hobbies, which would incur excessive expense, should be noted by the minister before moving. The congregation can then decide if they would or would not incur the added expense. A mutually satisfactory moving policy, agreed in advance of a move can help ensure that the ministry of the congregation and minister has a good beginning.

Appendix F – Temporary and Supply Ministries

1. Worship and Pulpit Supply (updated in 2024 Guidelines)

- A. **Supply Ministers** conducting worship service (including weddings and funerals) in substitution of a regularly called minister should receive **\$225 for one service** and **\$50 for each additional service** with the same preparation in the same parish on the same day. If an additional service is on a different day, then compensation should be **\$150 for the additional service**.
- B. **Worship Leaders** (without a sermon preparation) who serve in place of a Minister should receive **\$75 per service**.
- C. Teaching of Confirmation Classes should be reimbursed at **\$100 per preparation**.
- D. Visitations should be paid at **\$30 per hour** during the minister's absence if requested by the congregation.
- E. Mileage should be compensated at the current IRS rate for all persons providing supply services to the congregation.

2. Interim Ministries

Interim rostered ministers and lay ministers serving a congregation between permanent pastorates should be compensated as agreed upon by the individual and all church councils involved. The Synod has created a flowchart to help congregations determine their wants and needs during a time of transition. It can be found on the Synod website.

The following should be considered:

- 1. The parish activities to be assumed during the interim.
- 2. The time needed to give leadership, including time for preparation.
- 3. The remuneration given to the past minister and promised the future minister.
- 4. Mileage traveled to serve the parish.
- 5. The benefits to be included in compensation, such as parsonage, health insurance, and pension.

Synod Authorized Ministers (SAM) and Synod Lay Minister

For times when a congregation is without a Called Minister, the Bishop may authorize someone to serve the congregation as an interim pastor. The SAM or Lay Minister serves a unique role in the Church: not ordained but performing many of the duties of a pastor.

Please see the *Compensation and Guidelines for Lay Leaders* for more information.

Appendix G – Mutual Ministry Committee

More than a Once-a-Year Conversation

The South Dakota Synod encourages congregations to form a Mutual Ministry Committee for each of its Ministers of Word and Sacrament and Ministers of Word and Service and all other staff. The function of the Mutual Ministry Committee is to provide a space for conversation between rostered ministers and congregational leaders to grow together in ministry.

The functions of a Mutual Ministry Committee fall into five areas:

1. Identify professional leadership needs for the congregation, prepare job descriptions, serve as the call or interview committee at the time when a congregation seeks to call a minister, or as the exit interview group when a minister leaves a call.
2. Serve as the personnel committee, dealing with other staff, such as the secretary, organist, choir director, education director, or custodian.
3. Identify continuing education possibilities with the minister considering his/her and the congregation's needs, encourage development of a Continuing Education Covenant between minister, church council, and the synod. Enable the minister to participate in such opportunities.
4. Provide on-going reflection regarding the needs and expectations of both minister and congregation guided by the mission statement of the congregation and periodically review the call/contract/appointment extended to the minister, as provided for in the Letter of Call.
5. Serve as the personal and confidential support group to the minister, and spouse. Provide opportunities for open communication between congregation and pastor, and initiate possibilities for reconciliation in times of conflict.

The synod office suggests a Mutual Ministry resource, “Pastor and People, Making Mutual Ministry Work,” which can be ordered at www.augsburgfortress.org.

A Mutual Ministry Committee may be composed of six members, three to be appointed each year for a term of two years. This committee shall be appointed jointly by the council president and minister (or senior minister). Committee members will hold no other office in the congregation during their term.

Appendix H – Compensation Review Task Force

- A. Such a task force might be made up of two council members, chair of the Mutual Ministry Committee, and one member at large from the congregation. These should be people who are representative of all segments of the congregation. They should consider the following factors when specific dollar figures are recommended:
1. Ministers are professionals by education, qualification, and function. Appropriate compensation for the minister will be parallel to persons who hold similar positions of responsibility in the community (superintendent of schools, principal, hospital administrator, bank president/manager etc.). An appropriate compensation package should be large enough so that a minister does not have to rely on sporadic honorariums. (Honorariums are expressions of gratitude, not payment for services.)
 2. An underpaid pastor will be undervalued. A well-paid pastor has added incentive!
 3. The salary table provided by the SD Synod represents the minimum compensation for full-time leadership. It is a starting point for salary discussions.

4. Other factors which need to be kept in mind are the economics of the parish, the degree of administrative responsibility, geographic location of the parish, non- parish experience of the minister, the additional education of the minister, and the effectiveness of the minister.
- B. At the first meeting, the task force meets with the pastor or other staff member in a review of responsibilities, goals attempted, and objectives achieved, inviting the pastor's input into the discussion using the following questions:
1. Briefly review your education and your experience in church work.
 2. What has the congregation needed most from you this past year?
 3. What was accomplished in the past year? What specific goals did you meet?
 4. What are your goals and objectives for the coming year? (Pastors: write out the "specific responsibilities or emphasis" which you think the congregation needs from you in the coming year, updating that part of your Letter of Call.)
 5. What could the members of the congregation do to make your work more pleasant and effective? What are your family needs?
 6. List your community and church activities outside the parish.
 7. What do you consider fair compensation and benefits for the coming year? Why?
- C. At the second meeting, the task force meets without the pastor/or staff member. Each member of the task force present prepares in written form a response to the following questions:
1. Based on last year's statement of expectations (Letter of Call), how would you evaluate your pastor's work during the past year?
 2. What do you see as the unique skills or strengths of your pastor (or staff member)?
 3. What do you see as especially needed from this pastor (or staff member) in the coming year?
 4. Identify your pastor/staff member's community and church-related activities outside the congregation and consider how those relate to the mission of your congregation.
 5. How can the congregation or its leaders make your pastor/staff member's work more pleasant and effective?
 6. Considering the factors listed above, what would you consider fair compensation and fringe benefits for your pastor (or staff member) for the coming year? Why?
- D. At a third meeting, the pastor (or staff member) meets again with the committee and the following items are reviewed and discussed together:
1. The education, experience, and special abilities of this pastor/staff member.
 2. The specific ways this pastor/staff member's gifts and abilities are needed and used in the congregation.
 3. What specific goals and objectives do you have for the congregation for the coming year stated in writing and what is needed from the pastor/staff member to meet those objectives?
 4. What can the congregation or its leadership do to make the work of our leaders more pleasant and effective?
 5. The activities of your pastor/staff member in your community and beyond it.
 6. The task force's recommendations for salary and fringe benefits for the coming year and the rationale behind these recommendations

Appendix I – Less Than Full-time Call (Part-Time Ministry)

New in 2026

Thank you to the Northwest Wisconsin Synod and Rocky Mountain Synod of the ELCA for sharing their Guidelines for Part-Time Ministry. The following information is built from their documents.

BACKGROUND

Congregational mission and ministry needs do not change when a pastor is called less than full-time. The shift must happen in who takes responsibility for various tasks and aspects of mission and ministry. This is a conversation that is essential to happen in an open and honest way during the negotiating of the call process and revised along the way during the tenure of the pastor serving the congregation. This is particularly important if the pastor has been under full-time call and is shifting to part-time. Which missional areas will be fulfilled by the congregation rather than the pastor?

Ministry settings or Church Councils thinking of calling a part-time rostered minister may consider choosing a primary focus for a part-time rostered minister, which may be:

- Focus on weekly worship;
- Focus on youth and children's programming (Bible study, Sunday school, Confirmation, etc.);
- Focus on visitation (sick and homebound members, hospital, etc.);
- Focus on adult congregational programming (Bible study, Sunday school, etc.);
- Focus on community relations, outreach, and evangelism;
- Focus on advocacy and justice;
- Focus on stewardship of time, talents, and resources;
- Focus on health and wellness;

One of these could be chosen as a primary focus for the part-time rostered minister, and one or two as secondary foci, which can be attended to if time permits. Obviously, secondary areas will need solid lay leadership to assist the rostered minister. Other areas may not be done at all in that ministry setting or done in conjunction with another local ministry. Prioritizing which areas of ministry are most important within a congregation will be a crucial exercise for congregations and church councils preparing for part-time calls.

Models for Part-time Ministry in a Congregation

One of the challenges when moving to a part-time ministry model – both for the congregation and for the rostered minister – is to determine how best to set up and maintain the schedule of the rostered minister. **What that schedule looks like will vary widely from ministry to ministry because one size does not fit all when it comes to part-time ministry.** Several factors will play into the model that a particular ministry setting may choose including: the demographics; the local context; anticipated working hours per week; primary and secondary areas of focus; whether the part-time rostered minister has another job; and so on.

The following models as useful tools for thinking about how to construct a part-time ministry call. While the following models are written specifically for congregational settings, the larger ideas contained within them may generate ideas for how to negotiate a realistic schedule for any ministry setting. Also note that this is not an exhaustive list of ways that part-time ministry may be set up.

A hybrid combination of 2 models may be most appropriate to a specific call.

Model 1: More Days Off Per Week -or- Less Days “On” per Week

In this model, a part-time rostered minister will have 3-4 days a week completely off, when no work is expected. (Most full-time rostered ministers work 6 days a week, usually taking Friday or Monday off.) An alternate view is designating the days “ON” each week.

A minister serving at 75% would work 2½ -3 days (20-25 hours) in addition to Sunday.
A minister with a 50% call would work 1½-2 days (15-20 hours) per week in addition to Sunday.

The part-time rostered minister working in this model would receive the full-time number of vacation Sundays, which is often four or five Sundays per year. Otherwise, part-time rostered ministers would work more Sundays than full-time rostered ministers.

Model 2: More Weeks (Including Sundays) Off Per Month

This model gives the part-time rostered minister the benefit of being able to have some full weekends off. The congregation choosing this model would need to plan well in advance how they intend to supply pastoral leadership on Sundays when the called rostered minister is absent. This may include arrangements with other local or retired clergy, or a lay led worship service.

A conversation regarding the number of vacation Sundays per year would be crucial to negotiating this model. A rostered minister serving 75% would receive only three vacation Sundays per year instead of four; or a rostered minister serving 50% would receive only two vacation Sundays per year.

For 75%-time, 1 week (including Sunday) per month will be off plus 3 weeks of annual vacation.
For 50%-time, 2 weeks (including Sundays) per month will be off plus 2 weeks of annual vacation.

Model 3: More Months Off Per Year

In this model, a rostered minister might take a whole summer off, for example, to coincide with summer break; while for the rest of the year, the rostered minister would work full-time. As with Model 2, congregations need to organize and plan for worship and pastoral leadership during those months when the called rostered minister is away.

Also, as with Model 2, a conversation regarding vacation time will be critical. A rostered minister working full-time for nine months of the year might receive three weeks including Sundays of vacation per year. While a rostered minister working full-time for six months of the year could receive two weeks including Sundays of vacation per year.

In summary, ministries and rostered ministers may find that some combination of these models may work best for them in their context. Regardless of the model(s) used, clear, open, honest communication during the call process will be imperative to negotiate a part-time ministry schedule that will work best for all involved.

QUESTIONS FOR CONSIDERATION AND DISCUSSION

1. Make a physical list of all areas of responsibility that the congregation feels its ministry is well-equipped to take on itself; what are the areas of responsibility that the congregation would need a rostered minister to focus on; and what are areas of ministry that you are willing to let go of for now. Realistically, how many hours would it take for a rostered minister to do these areas? The congregation might find it helpful to ask one or more rostered ministers for their opinions.
2. To prioritize responsibilities, it may be helpful to establish a team/committee to study the operations of the ministry setting. Who does what? What structures and supports are in place, i.e., schedules, calendars, meetings, ministry teams etc. How is the day-to-day operation of the ministry managed? If there are full-time and part-time staff members, how is their time allocated? Are they able to accomplish their jobs in the time allocated? What is the structure for acquiring, equipping, and retaining volunteers? Are there specific job descriptions for staff members and volunteers? How will the congregation tailor the call documents to clearly define the responsibilities of the part-time minister?
3. Is there a particular role and/or set of responsibilities that are needed to accomplish the church's mission and vision?
4. Once priorities and responsibilities are outlined, then a discussion of options of part-time ministry can be explored. Taking into consideration the congregation's discernment of the call and the role and responsibilities needed, identify several models that could work for your ministry setting. Using a decision-making process consider the pros and cons of the models proposed, taking into consideration the structures and support your ministry site has in place or intends to implement for both existing staff positions and the new staff position.

Compensation for Part-time Ministry

An honest discussion about fair and just compensation naturally follows discussions around responsibilities and schedules. The following areas of compensation may not be applicable to all rostered leaders, especially those who are serving in contexts other than a congregation (e.g., hospital, prison, school, other non-profit, etc.); and it is hoped that ministries will make every effort to meet recommended guidelines of the South Dakota Synod.

Salary and Housing

The South Dakota Synod Compensation and Guidelines should be followed for all rostered ministers and SAMs serving in a pastoral role. The Baseline Compensation will need to be adjusted to match the appropriate part-time status.

The congregation should also pay a housing allowance or provide housing and the Social Security Tax Allowance for Ministers of Word and Sacrament or SAMs. In the case of a parsonage as housing, there should be no “rent charge” to the part-time minister or SAM.

Pension and Healthcare Benefits

Any minister working 15 or more hours a week is eligible for benefits through Portico Benefits.

The minimum pension contribution for a full-time minister is 10%. In the case of a part-time minister, whose salary is lower than in a full-time call, a pension contribution of 12-15% is recommended to help fully fund the retirement plan.

Negotiating full healthcare coverage for a rostered minister and family as recommended by the ELCA might not be straightforward. Congregations and ministers are encouraged to be flexible in the allocation of compensation between salary and insurance benefits.

If a minister is covered by a spouse or partner’s insurance, a contribution could be made to a supplemental pension account to keep this benefit in the congregation spending plan and as a benefit for the rostered minister.

Expense Reimbursements

Ministers serving in a part-time call should receive the same expense reimbursements as ministers in a full-time call. This would include travel expenses and mileage, professional expenses including continuing education, Synod Assembly and Theological Conferences and any other “normal” expenses that a full-time minister would incur.

There should be no reduction of time or funds for Continuing Education for ministers serving less than full time.

Sabbath Time

Part-time rostered ministers can sometimes find themselves in situations where it is necessary to work more hours than their call states. This might especially be the case during overnight events such as Confirmation Camp, or during Holy Week or Christmas when rostered ministers are expected to lead several worship services in a one-week time frame. It can be mutually beneficial to offer Sabbath time for these extraordinary hours.