



2019-2020 ROSTERED MINISTER COMPENSATION DEVELOPMENT WORKSHEET

(For use July 1, 2019 through June 30, 2020)

The Sierra Pacific Synod of
the Evangelical Lutheran Church in America

Baseline Compensation for 2019-2020
Adopted in Assembly May 11, 2019

The particular aims of this Rostered Minister Compensation Development Worksheet, originally adopted in Assembly in 2011, are:

- *to establish an approved baseline (minimum) level of compensation for rostered ministers, given their levels of responsibility and education, called to serve in the Sierra Pacific Synod, and*
- *to clarify approved baseline (minimum) levels of compensation for rostered ministers called to service in the Sierra Pacific Synod, and*
- *to provide congregations of the Sierra Pacific Synod with tools for annual determination of appropriate (minimum) compensation for those called to rostered ministry in their community.*

Actual annual compensation levels as well as other aspects of the total compensation package are best determined through the mutual conversation of congregational leaders and their called/ rostered staff.

SIERRA PACIFIC SYNOD (2019-2020 Edition)
Compensation Development Worksheet

STEP 1	DETERMINING <u>BASELINE</u> COMPENSATION	FORMULA
BASELINE COMPENSATION	<p>The Sierra Pacific Synod in Assembly annually sets a “Baseline Compensation” for its rostered ministers. Baseline Compensation is determined annually by consulting both the California and the Western States Consumer Price Index (CPI).</p> <p>The expectation is that compensation reviews are held annually.</p>	<p>Baseline Compensation includes what has been previously referred to as “salary and housing allowance.” <i>(It is important to note that the amount of compensation actually designated as “Housing Allowance” must be recorded as a vote of the congregation’s Council/Board prior to the beginning of each calendar year.)</i></p> <p>For the year 2019-2020 that amount is \$56,828. <i>(Note that if the terms of the call are less than full-time this amount should be adjusted accordingly in consultation with the Office of the Bishop. Likewise, adjustment is made if the congregation provides housing via a parsonage arrangement.)</i></p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> <p>BOX A: \$56,828</p> </div>
LOCALIZED COST-OF-LIVING ADJUSTMENT	<p>The Sierra Pacific Synod covers a large, economically diverse area with housing costs which vary widely. This “cost-of-living” adjustment to the base compensation is intended to acknowledge that diversity.</p>	<p>Determine the median single-family home price in your community [<i>the primary Zip Code(s) served by your congregation</i>] at www.zillow.com (www.zillow.com/home-values/). Write that amount here:</p> <p style="text-align: center;">\$ _____</p> <p>The localized cost-of-living adjustment is calculated as 1% of the median single-family home price in your community. To determine the adjustment, multiply the amount written above by .01 and write that amount in Box B below. [Example: in a community where the median single-family home price is \$450,000, the adjustment is \$4,500 – \$450,000 x .01] <i>(Please note that this is NOT “housing allowance” as defined by IRS regulations, but rather is a way to acknowledge higher costs of housing in many of our congregational service areas.)</i></p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> <p>BOX B: \$ _____</p> </div>
ADJUSTED BASELINE COMPENSATION	<p>In this step, the Localized Cost-of-Living Adjustment is added to the Synod Assembly-approved Baseline Compensation, determining the “Adjusted Baseline Compensation” for rostered ministers serving in your congregation. Such factors as position, experience and advanced educational degrees will be considered in Step 2 below.</p>	<p>Add Box A and Box B together to determine the “Adjusted Baseline Compensation” for your congregation. If the current compensation of your rostered minister is below this adjusted baseline amount, the Sierra Pacific Synod expects that a specific and mutually-agreeable written plan will be developed to bring compensation up to the adjust the baseline level within three years.</p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> <p>BOX C: (Box A + Box B) \$ _____</p> </div>

STEP 2	DETERMINING COMPENSATION RANGE ADJUSTMENTS	FORMULA
YEARS OF EXPERIENCE	As per most professional compensation systems, we acknowledge the value of acquired skills, wisdom, and experiences that can only come from actual ministry experience.	Credit one point for each year of service as an ordained rostered minister (up to a maximum of 40) in Box D. BOX D: _____ points
LONGEVITY IN CURRENT CALL	Research has established that vibrant long-term rostered service is often associated with congregational vitality. We seek to reflect our shared valuing of healthy, longer-tenured ministers with this adjustment.	Credit one point for each year of service <i>in one's current ministry</i> (up to a maximum of 10) in Box E. <i>If this is a new call to a new ministry, 0 is entered in Box E</i> BOX E: _____ points
YEARS OF RELATED NON-MINISTRY EXPERIENCE	Increasingly, persons with prior experience in relevant fields enter rostered ministry in our church. We seek to acknowledge the value of prior experience <u>in relevant fields</u> (e.g. teaching, finance, counseling, administration, social work, etc.) with this adjustment.	Credit is given for each year of prior experience in a relevant field. Multiply those "years of related prior experience" by .5 [# years x .5 /up to a maximum of 8 points) and credit in Box F. BOX F: _____ points
FURTHERED EDUCATION	Lutherans have long expected that their rostered ministers be well-educated. This credit seeks to account for and encourage life-long learning for leadership.	Credit is given (5 points) to those who have taken the time and made the commitment to earn a degree in a ministry-related field beyond the Master of Divinity level (e.g. M.A., M.Th., D.Min., Ph.D., Th.D., S.T.M.) If such is the case, enter 5 points in Box G. BOX G: _____ points
COMPENSATION ADJUSTMENT POINTS	Boxes D-G quantify the value of experience and education a Rostered Minister may possess. These factors will become a basis for adjustment to compensation.	Add together the credits in Boxes D, E, F and G to create a "point total" and write that number in Box H. BOX H: _____ point total

STEP 3	NEGOTIATING ACTUAL COMPENSATION	FORMULA
ADJUSTED BASELINE COMPENSATION (MINIMUM)	Step 1 (Boxes A, B and C) allowed you to determine the baseline (minimum) level of Compensation for a rostered minister serving in your community.	Transfer the amount recorded in Box C on page 1 of this form to Box C below. <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> BOX C: (Box A + Box B) \$ _____ </div>
COMPENSATION ADJUSTMENT (MINIMUM)	Step 2 (Boxes D, E, F and G) comprise a point total which quantifies an appropriate adjustment to compensation. The modifier is equal to 2% of the synodically-identified Baseline Compensation figure. For 2019-2020, the value of that modifier is set at \$1137 per point.	The number of points recorded in Box H, multiplied by the point modifier, quantifies the added value of your rostered minister's experience and education. Complete that calculation to determine the dollar amount for Box J. <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> BOX J: (Box H x \$1137) \$ _____ </div>
APPROPRIATE MINIMUM COMPENSATION	By adding the "Adjusted Baseline Compensation" and the "Compensation Adjustment" amounts together, you will be able to determine an appropriate compensation for your rostered minister.	Add Box C and Box J together and write that amount in Box K. <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> BOX K: (Box C + Box J) \$ _____ </div>
NEGOTIATED ROSTERED MINISTER COMPENSATION FOR 2019-2020	<p>Although the Sierra Pacific Synod may produce helpful guidelines and Baseline Compensation levels, congregations ought annually to review and revise Compensation for their rostered ministers. Acknowledging the amounts in Box C as a "baseline" and Box K as "appropriate," it is the responsibility of the congregation to determine actual annual compensation. During the course of the conversation, consider the following questions:</p> <ul style="list-style-type: none"> • <i>Does our rostered minister bring any special skills to this ministry that ought to be compensated?</i> • <i>Does our rostered minister bear significant added administrative/leadership responsibility?</i> • <i>During the past year, has our rostered minister met the ministry goals which had been mutually established by the rostered minister and the congregation?</i> • <i>Are we expecting our rostered minister to take on any significant new responsibilities this year?</i> • <i>Are there any unique financial stresses which we should address in order to allow our rostered minister to better serve our community?</i> <p>The amount entered in Box L represents our mutually-negotiated compensation for the coming year. (Note: Adjust accordingly if the terms of call are less than full-time, or if use of a parsonage is included as a portion of compensation.)</p> <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> BOX L: Rostered Minister Compensation for 2019-2020 \$ _____ </div> <p>Reminder: This worksheet represents approximately 70% of the costs of a rostered minister. Additional costs include social security, medical benefits, pension plans, continuing education, First Call Theological Education, and automobile & professional expenses.</p>	