

**NORTHEASTERN OHIO SYNOD 2019 COMPENSATION
GUIDELINES AND WORKSHEET
MINISTER OF WORD AND SERVICE (DEACON)**

INTRODUCTION:

A Minister of Word and Service assumes many different responsibilities. Job descriptions vary and are developed by the congregation. We require specialized training for certification as a Minister of Word and Service (hereafter referred to as deacon). Compensation for a deacon should be comparable to professional positions of equal responsibility and training. Adequate compensation enables a deacon to fulfill responsibilities and obligations, encourages vocational satisfaction, and encourages a deacon's best efforts and gifts. Congregations and our synod have an obligation to review compensation plans annually. We also expect deacons to take initiatives in seeking an annual review of compensation.

Inadequate compensation may result in discouragement and dissatisfaction. This sometimes occurs as a deacon's family cannot maintain financial stability, as negative attitudes toward the congregation and church begin, as an inability to participate in continuing education programs, or as "moonlighting" becomes a necessity. Inadequate compensation means low contributions to retirement plans, which leads to inadequate retirement income. All of these realities increase the occurrence of resignations from the roster make it more challenging to recruit able candidates for deacon, and create a poor image of the church in the community.

Our synod recognizes there are deacons and congregations who, for a variety of reasons, choose to be content with salaries that are below the synod minimum. We caution these deacons and congregations, however, that they may be doing disservice to the congregation, other deacons, and their successors by allowing the compensation package to remain below recommended guidelines. In such situations, the congregation, deacon, and bishop's office should work together to implement other support strategies.

Congregations should develop procedures to review their deacon's salary and discuss those personal financial concerns that may apply. This may be best accomplished by a small and understanding committee of three to six individuals appointed by the congregation council. The committee should bring to the congregation council or appropriate committee its recommendations for annual compensation adjustments.

It should be noted that these are suggested base salaries. The total compensation package should also reflect any special concerns of the deacon and his/her family, and other factors as discussed in this document.

I. SALARY

A. BASE CASH SALARY

1. The minimum base salary recommendation for 2019 is based on their level of education within the area of expertise as follows:

NO DEGREE	BACHELORS	MASTERS
\$34,725	\$40,225	\$41,670

This represents a 2.0% increase to the 2018 minimum base cash salary recommendation, as the Social Security Administration has set the 2018 cost of living allowance at 2.0%. It is recommended that \$310 for each year of rostered service be added to this minimum base, or

2. A congregation with an experienced deacon should offer a \$310 increase for the additional year of experience in rostered ministry.
3. It should also be noted that these are suggested base salaries which include money for housing.

B. ADJUSTMENTS: Adjustments to the base cash salary may consist of, but are not limited to:

1. merit
2. local COLA (to reflect significant differences in local cost of living)
3. responsibilities
4. education (either advanced or specialized)
5. other concerns identified by the congregation / pastor.

II. HOUSING

Tax treatment of consecrated Ministers of Word and Service differs from that of ordained Ministers of Word and Sacrament since deacons are not eligible for housing allowances that can be excluded from income taxes. This is reflected in the higher base guideline salaries for deacons compared to pastors with the same level of education.

III. BENEFITS

A. PENSION / HEALTH CARE

1. The congregation shall provide full pension, health, and death benefits for the deacon and family in accordance with [*Portico Benefit Service*](#) (the ELCA Benefit Provider). The “Gold+ level of health benefits has been recommended by the ELCA Church Council and the NEO Synod Council.
2. A “Medical Expense Reimbursement Plan”, established in accordance with specific IRS requirements, could provide tax advantages for deacons by reimbursing deductibles, co-payments, and other medical expenses not covered by insurance. For more information, please contact the synod accountant (jhacker@neos-elca.org)
3. The deacon may elect to waive the care benefit under the coordination of the benefits clause in the *Portico* Handbook. The congregation should consult with the *Portico* (612-333-7651 or 800-352-2876) or the synod office for assistance in determining the effects of these guidelines.

B. FICA ALLOWANCE (SOCIAL SECURITY), INCLUDING MEDICARE

1. Normally a congregation will pay these taxes for deacons, as provided by Federal laws regulating the amount to be paid.
2. For deacons who are considered self-employed as defined in current Social Security guidelines, by virtue of a “teaching call,” please refer to Section III.B. of the clergy guidelines.
3. The synod recommends the deacon periodically check records to be certain accounts have been properly credited. A deacon may do this by obtaining [Form SSA 7050](#) from the Social Security Administration office or online at www.ssa.gov. It is important that deacons do this periodically because one can only go back 39 ½ months to correct errors. This is critical in assuring the receipt of the maximum benefits available.

IV. PART-TIME CALLS

For part-time calls, salary, housing, and benefits should be calculated then reduced to reflect the percent of call, e.g., a call at half-time would receive 50%. All part-time calls should be made in consultation with the synod staff.

V. PROFESSIONAL EXPENSES

These items are considered congregational administrative expenses and are not items to be considered as compensation.

A. **AUTOMOBILE EXPENSES:** Congregations should adequately provide for business mileage expenses in one of the following ways. In determining the method, usage should be considered including factors such as geographical limits of the congregation, distance to commonly used hospitals, etc.

1. Use an accountable reimbursement plan to reimburse the deacon for miles driven in service of the congregation is recommended. Such reimbursement must be based on documentation as required by the IRS, should be reimbursed at the maximum [IRS Standard Mileage Rate](#) for use of a personal car for business purposes and is not taxable to the pastor; or
2. Provide the deacon with a fixed automobile allowance of at least \$4,000 per year in addition to salary. This allowance must be included as taxable income on the deacon's Form W-2; or
3. A congregation may, in accordance with IRS guidelines, buy or lease a car and assume the total cost of operating the vehicle.

B. OTHER PROFESSIONAL EXPENSES

Other ministry related expenses incurred by the deacon should be paid by the congregation in one of the following ways:

1. Paying these amounts directly as they occur; or
2. Setting up a line item in the budget for reimbursement of these expenses, preferably combined with the automobile reimbursement into a single line item; or
3. Paying a monthly professional expense allowance.

Note: Congregations are strongly encouraged to set up an "Accountable Professional Expense Reimbursement" for all deacons in the congregation. Reimbursable professional expenses include, but are not limited to: automobile (mileage, parking tolls), overnight travel (including lodging and meals), professional and liability insurance, vestments and vestment cleaning, long distance business phone calls, books, magazines/journals, professional dues, continuing education, media resources, supplies, meals associated with official meetings and appointments, business gifts (maximum of \$25.00 per person per year), and equipment purchases. Such professional expenses, when reimbursed by the congregation with adequate accounting as specified in the Internal Revenue Code, are not taxable for either income tax or social security/self-employment tax and are excluded from Form W-2. When the congregation provides an expense allowance without accountable reimbursement, the allowance is taxable income included in Form W-2. Professional expenses not reimbursed under an accountable plan, including expenses in excess of the budget for reimbursement, are deductible for self-employment tax, but none are deductible for federal, state, city or school district income tax.

C. COMPUTERS AND CELL PHONES

It is recommended that the congregation provide deacons with a computer and cell phone to facilitate ministry. Note the following in this regard:

1. Computer

- a. A computer owned by the church and provided for the deacon's use is a business expense that is not taxable.
- b. A computer purchased by the deacon is NOT a deductible business expense, even when used for business purposes.

2. Cell Phone

- a. A cell phone provided to the deacon is a nontaxable business expense if the council minutes state it is primarily provided for noncompensatory business reasons (such as the need to be accessible at all time for work-related emergencies).
- b. The deacon may be provided with a nontaxable cell phone reimbursement if council minutes state that the deacon is required to maintain a personal cell phone for noncompensatory business reasons and the reimbursement amount does not exceed reasonable business needs (i.e. reimburse the basic monthly plan, not family plan for extra minutes).

VI. OTHER PROVISIONS

A. VACATION

The minimum vacation should be four weeks (including four Sundays). Attendance at official functions is not to be construed as vacation time.

Note: If financial constraints of a congregation make difficult monetary raises for a deacon, a congregation might consider providing an extra week of vacation (including Sunday) as compensation.

B. SICK LEAVE

Sick Leave should be provided for up to eight weeks per year (including Sundays) with full salary, housing, and benefits. An agreement may be made for partial disability beyond that time in coordination with *Portico*.

C. MATERNITY LEAVE

Maternity Leave should be provided for up to six weeks (including Sundays) with full salary, housing, and benefits. Because of special concerns or needs, additional time may be negotiated between the deacon and congregation.

D. PATERNITY LEAVE / ADOPTIVE PARENTAL LEAVE

Paternity leave and adoptive parental leave may be negotiated between the deacon and congregation. It is recommended that up to six consecutive weeks (including Sundays) with full salary, housing, and benefits be provided. Because of special concerns or needs actual time may be more or less than six weeks.

E. CONTINUING EDUCATION: The ELCA expects of its deacons to complete a minimum of 50 contact hours annually in organized continuing education.

1. Congregations are encouraged to make available to their deacon at least two weeks (including Sundays) per year for continuing education.

2. The scheduling of continuing education should be determined by the deacon in consultation with the council.
3. \$1,000 is recommended; a minimum of \$700 per year should be provided for this education.
4. A deacon should have the privilege of accumulating educational leave and funds over a two year period.

F. SABBATICAL LEAVE

Sabbatical Leave offers an extended block of time for study, personal growth, and reflection apart from usual congregational responsibilities.

1. Normally, an extended study and renewal period of one to three months after five years in the current call should be provided with full salary, housing, and benefits.
2. The leave plan is to be developed in cooperation with the council. The parties shall seek the counsel of the bishop before finalizing an agreement.
3. The congregation shall be responsible for arranging for required coverage during the leave.
4. Within six weeks of the completion of the sabbatical leave the deacon shall present the congregation a written reflection on the experience and the implications for the ministry of the congregation and ministry in the parish. This written reflection shall be added to the deacon's file.

G. WORK WEEK

Because of the nature of ministry, it is recognized that deacons are expected to fulfill many evening and weekend responsibilities in addition to Sunday morning worship. Therefore, adequate time off (one day per week minimum) should be granted that would be free from ministry-related responsibilities.

H. SPECIAL CONCERNS

Where there are special needs within a deacon's family, these should be considered separately.

**COMPENSATION WORKSHEET
MINISTER OF WORD AND SERVICE (DEACON)**

A. COMPENSATION

- 1. Base Salary (I.A.) _____
- 2. Housing (II.) (if applicable) _____
- 3. Other (I.B.) _____

TOTAL DEFINED COMPENSATION _____

B. PENSION AND OTHER BENEFITS

- 1. ELCA pension and benefits (*Portico*) (III.A.1.) _____
- 2. Medical Reimbursement (III.A.2) _____

TOTAL PENSION AND BENEFITS _____

C. PROFESSIONAL EXPENSES

- 1. Automobile reimbursement or allowance (V.A.) _____
- 2. Other Professional expenses (V.B.) _____
- 3. Cell phone (V.C.) _____
- 4. Continuing Education (VI.E.) _____

D. SPECIAL CONCERNS (VI.H.)

- 1. _____
- 2. _____
- 3. _____

*Roman numerals, letters, and numbers refer to sections within the guidelines.