



The Southern District of the LUTHERAN CHURCH — MISSOURI SYNOD

"But you shall receive power when the Holy Spirit has come upon you; and you shall be my witnesses in Jerusalem and in all Judea and Samaria and to the end of the earth." Acts 1:8

DATE: September - 2018

TO: All Congregations of the Southern District

FROM: Rev. Eric Johnson, President

RE: **2019 SOUTHERN DISTRICT SALARY GUIDELINES**
(Ministers of Religion – Commissioned)

The Personnel Committee of the Southern District, out of loving concern for our Professional Workers and their families, annually reviews the Guidelines to determine what adjustments may be necessary. **This year's recommendation by the Committee to the Board of Directors members at their meeting on September 7, 2018, included a resolution that the Southern District Salary Guidelines base salary will remain the same for 2019. The Guidelines are intended for the year 2019.**

These advisory guidelines are intended to be helpful to congregations and workers. Congregations are urged to seriously consider the guidelines as they review their workers' salaries. If your congregation is below the guidelines for your worker(s), then I encourage you to strive to achieve the appropriate level of salary over time. The guidelines should in no way keep a congregation from considering a higher salary for its faithful workers. If your congregation is above the guidelines for your worker(s), I commend you.

If you need assistance in using these guidelines or have any questions regarding them, please contact the president's office at **985-635-4382** or d.olmstead@southernlcms.org.

May God bless all of our congregations in their loving care of their professional workers!

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COMPENSATION GUIDELINES 2019
The Southern District
of The Lutheran Church--Missouri Synod
Commissioned Ministers of Religion
(Teachers, DCEs, DCOs, Deaconess and Others)
August - 2018

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Our Mission

The purpose of the Southern District (officers, staff and leadership) is to challenge, encourage, and support all congregations and workers in the partnership of “telling the Old Story in a new century.”

SOUTHERN DISTRICT, LC-MS SALARY GUIDELINES
FOR PASTORS, TEACHERS, AND OTHER PROFESSIONAL CHURCH WORKERS

INTRODUCTION

Pastors, teachers, DCE's, DCO's and other professional church workers are gifts from God to the people and congregations of our District (Ephesians 4:11). Our care for these workers should reflect our own high regard for the divinely instituted Office of the Holy Ministry (Galatians 6:6). All workers are due a salary comparable to their professional peers, house or housing allowance, and health, retirement, and survivors benefits (1 Timothy 5:18). Those who have demonstrated unusual faithfulness in their labors should receive extra care (1 Timothy 5:7).

Proper care for our workers means more than just financial compensation (1 Thessalonians 5:12-13). We want our workers to devote sufficient time to their personal life, lest in tending the household of God they neglect their own family to the sorrow and disgrace of the Church (1 Timothy 3:4-5). To this end, the congregations, through their responsible officers, should ensure adequate vacation and weekly rest. We further want our workers to receive emotional support as they conduct their ministry lest they become discouraged and cease to radiate the joy of the Gospel. To this end, we should pray for them, encourage them by our words and actions, and appreciate their need to gather frequently with other pastors and teachers.

We further desire our workers to relate to the issues of the day, so that through their understanding, the witness of our congregation to the world might be winsome and persuasive. To this end, the congregation should provide time and funds for the worker's continuing education (2 Timothy 2:15).

Pastors, teachers and all others workers, as God's gifts to the Church, will be aware of their obligations to the people and congregations of our District. They will regard themselves not as a spiritually elite class, but as workers, servants of God's people, through the ministry of the Word and Sacraments (1 Corinthians 3:5). Workers will remember that their care is not confined to financial compensation, but includes also the expressions and tokens of love and respect from congregations, their officers, and fellow pastors and teachers.

They will remain abreast of the times through various opportunities for continuing their professional education so they might serve more effectively. Through word and example, they shall actively encourage our youth to consider careers in professional church work wherein they have found much joy and satisfaction (Acts 16:3). Most especially will our workers give daily attention to their devotional life and humbly practice exemplary stewardship of time and talents and treasures (1 Timothy 4:12).

THE SPIRIT OF THE GUIDELINES

As your congregation considers the compensation it provides for its workers, your leaders must review the Scriptural principles regarding the care of those who serve.

Advising His disciples about their service, Jesus said: *Stay in that house and eat and drink whatever they have, since a worker earns his pay.* . . Luke 10:7.

Paul wrote: *Let spiritual leaders who lead well be considered worthy of double honor, especially if their work is preaching and teaching, because the Scripture says "When the ox is treading out the grain, do not muzzle him," and, "a worker deserves his pay."* 1 Timothy 5:17–18.

In his Small Catechism Luther included a section called "Table of Duties". Luther sites these additional references:

- *In the same way the Lord has commanded that those who preach the Gospel should receive their living from the Gospel.* . . 1 Corinthians 9:14.
- *Let the person who is taught the Word share all good things with his teacher. Make no mistake about this; you cannot fool God. For whatever a person sows he will also reap.* . . Galatians 6:6–7.
- *We ask you fellow Christians, to appreciate those who work with you and who lead you in the Lord and who warn you. Love them and think very highly of them on account of the work they are doing. Live in peace with one another.* 1 Thessalonians 5:12–13.
- *Obey your leaders and submit to them for they must give an account of how they watched over your souls. Obey them so that they may be happy in their work and do not have to complain about you, for that would not be to your advantage.* . . Hebrews 13:17.
- It is the Gospel of peace with God through forgiveness in Christ [Romans 5:1] that motivates a congregation and its workers to deal faithfully and responsibly with and toward each other. God's promises are sure: *...bring all your tithes into the storehouse so there will be food in My temple, and please test Me this way, says the Lord of armies, and see I will open the windows of heaven for you and pour out a blessing for you till there is more than enough.* . . Malachi 3:10.

In summary, your congregation is called to respond. This response is in part demonstrated by the way the congregation provides an equitable salary, housing, supplemental benefits, vacation time, and financial assistance for spiritual and professional growth in ministry in a manner that reflects a genuinely caring attitude of love and concern.

GUIDING PRINCIPLES

Based upon these Scriptural Principles, the following principles are intended to guide your congregation as you approach the task of developing equitable and fiscally sound standards for the compensation of your staff. These guidelines approach the subject of compensation in a direct and uncomplicated manner. Fair and equitable compensation is that which provides for the physical well being of the worker and his or her family thereby releasing him or her from undue financial concern. Removing undue financial concern allows the worker the freedom to give full devotion to his ministry in the congregation and everyone benefits.

With this basic concept as a guide, your congregation is encouraged to address compensation issues fairly and establish a level appropriate to the community standards in which you live and which is equitable for the financial situation of the congregation. Some general factors to consider in establishing fair and equitable compensation include:

COMMITMENT – dedication of self and time to the study of the Scriptures and the teaching, preaching, and living thereof; vigilance in caring for people; openness and availability; considering his duties as a calling and not only a "job".

EDUCATION – continued professional growth through seminars, workshops, clinics, institutes, conferences, graduate courses/ classes, reading of relevant books, journals, etc. . .

EXPERIENCE – time of service to your parish or others.

RESPONSIBILITY – effective time management; conscientious in his or her responsibilities; continued growth in understanding of self and his gifts and capabilities; delegation of appropriate responsibilities; awareness and attention to his or her own spiritual needs; commitment to God, spouse, children, and church – in that order; compassion; preparation for teaching, meetings, etc.

PERFORMANCE – doing the right job well; administering and delegating appropriately; good use of time, setting goals and objectives for self and congregation; seeing opportunity for ministry and seeking to meet the need; educating, stimulating, motivating, equipping the body of Christ for its ministry; utilizing the gifts of the people for the work of the church; seeking spiritual growth and development in God's people.

Congregations are encouraged to engage in some form of formal assessment or evaluation. They should develop clear and mutually agreed upon criteria well before the evaluation takes place. This begins with a clear job description in which the expectations of the worker and of the congregation's responsibilities to the worker are well defined and understood. Effective job descriptions include not only a listing of the duties and responsibilities but the expected level of performance. The worker and the congregation are well served when the yardstick used to measure performance is commonly known, understood, and mutually agreeable.

DEFINING SOME TERMS

What is salary?

The word salary is defined as *fixed compensation for services, paid to a person on a regular basis*. The adjective fixed is important in this definition because beyond this constant there are many variables to be considered. Four qualifying statements should guide you in your deliberations:

1. In practical matters, the District is advisory to the local congregation, providing resources to help the congregation fulfill its responsibilities and mission.
2. This manual is a guideline, not a directive. The District believes that our congregational leaders sincerely desire to fulfill their Christian duty that *everyone who is taught the Word share all good things with him who teaches* [Galatians 6:6].
3. This guideline should not keep a congregation from considering a higher salary for its faithful workers.
4. The total cost of providing for workers is not the same as salary. The last point is perhaps the most misunderstood. For example, adequate compensation includes not only salary but:
 - 1) a retirement program,
 - 2) health insurance,
 - 3) professional growth opportunities/conferences,
 - 4) auto/travel expenses,
 - 5) ministry related expenses, in addition to salary and housing.

When all of these items are grouped together in the congregational budget there is a temptation simply to add them up and come to the conclusion that the worker is well-paid. For the worker's point of view, however, only one item – salary – is available to clothe and feed the family, provide housing, furnish utilities, provide for children's college, etc. A fair salary comparison of a worker to occupations outside the church must weigh what is a benefit, what is a necessary business expense, and what is salary.

ESTABLISHING SALARY

Establishing the salary begins with the base salary but added to this base salary are several components. Adjustments are made for location, education and experience, and level of responsibility. Factoring in these adjustments to the base salary will help you arrive at the suggested cash salary for the church worker.

BASE SALARY

Annually [by July 1st] the District Board of Directors will adopt a recommended **unadjusted base salary** for the next year. Congregations of the District will receive a compensation advisory letter with the recommended **unadjusted base salary** or they may phone the District Office for this figure. The recommended **unadjusted base salary** is not meant to be used alone but must be adjusted to reflect the cost of living for the Circuit in which the congregation is located, as well as by the other components included in these guidelines. Enter these calculations on the worksheet on page 6 below.

UNADJUSTED BASE SALARY FOR 2019 IS: \$35,402

(should include base salary and housing figure)

[enter in appropriate column on page 6]

IRS MILEAGE REIMBURSEMENT FIGURE FOR 2018 IS as follows: The standard mileage rates for 2018 are set at **\$0.545 cents/mile** (change) for business miles driven; **\$0.18 cents/mile** (change) driven for medical or moving purposes; and, 14 cents/mile driven in service of charitable organizations.

NOTE: The Southern District Mileage Reimbursement for 2018 is \$0.44.

COMMISSIONED MINISTERS SALARY WORK SHEET

1. Unadjusted Base Salary (from page 5)	\$ _____
2. Circuit Adjustment (from page 7)	+ _____
3. Education and Experience Factor (from page 9)	+ _____
4. Responsibility Factor (from page 9)	+ _____
5. Principal Leadership Factor (from page 10)	+ _____
6. FINAL CASH SALARY	=
7. Social Security Reimbursement	+
TOTAL CASH COMPENSATION	=
(Amount designated housing allowance for the current year:	_____)
(TSA's or other salary reductions:	_____)
(Cash Salary Reportable to IRS:	_____)
<p>(Total of these three must equal Total Cash Compensation. Whatever is not designated either as housing allowance or for a TSA must be reported as cash salary to IRS.)</p>	

CIRCUIT ADJUSTMENT FACTOR

Because the cost of living varies within the four states which comprise the Southern District, the base salary needs to be adjusted to reflect these variances. The cost of living can vary widely between major cities, suburban areas, small towns, and rural areas.

NOTE: Previous adjustment factors were based only on housing costs. These adjustments use the full “cost of living” measurement, which more accurately measure all costs.

Circuit adjustments have been developed through a comparison of the cost of living from each city in which a Southern District congregation is located. These have been averaged for the Circuit to come up with an adjustment factor appropriate for that Circuit compared to the circuit with the lowest cost of living index average. While there are always exceptions, the Personnel Committee found this to be the most workable means of addressing the cost of living variances within the District. Each congregation is urged to do further research on the cost of living in their communities. “Cost of Living” factors can be found at www.city-data.com.

Table of Circuit Adjustments

Circuit #	Area	Circuit Adjustment
#1	New Orleans Metro Area	.201
#2	Metairie Area	.163
#3	-----	-----
#4	Baton Rouge Area	.104
#5	North Louisiana	.036
#6	South Louisiana	.017
#7	Mississippi	.022
#8	North Alabama	.000
#9	Central Alabama	.068
#10	Western Florida Panhandle	.051
#11	Mobile Bay Area	.049
#12	Southwest Alabama	.026
#13	Southeast Alabama	.013
#14	Mississippi Gulf Coast	.069
#15	Eastern Florida Panhandle	.080

Example: If your congregation is in Circuit #7, the Circuit adjustment factor is .022. Multiply \$ _____ (current year unadjusted base salary) by .022 and you arrive at \$ _____ for the Circuit Adjustment. Do your own calculations below:

Unadjusted Base Salary _____

X

Circuit Adjustment Factor _____

Circuit Adjustment = _____

[enter this figure in appropriate column on page 6]

EDUCATION, EXPERIENCE, AND LEVEL OF RESPONSIBILITY

The next component of the salary is the adjustment for education and experience. Here are the factors you will need to consider.

EDUCATION AND EXPERIENCE

The effectiveness and proficiency of your professional church workers are expected to increase with each year of experience and with additional education. Therefore, congregations should consider including salary increments for experience, for college/seminary degrees earned. Use the table below to determine the appropriate adjustment. Use the factor for the highest level degree attained.

Years Experience	Bachelor's Degree	Masters Degree
0	.000	.10
1	.04	.14
2	.08	.18
3	.12	.22
4	.16	.26
5	.20	.30
6	.24	.34
7	.28	.38
8	.32	.42
9	.36	.46
10	.40	.50
11	.41	.51
12	.42	.52
13	.43	.53
14	.44	.54
15	.45	.55
16	.46	.56
17	.47	.57
18	.48	.58
19	.49	.59
20	.50	.60
21	.51	.61
22	.52	.62
23	.53	.63
24	.54	.64
25	.55	.65
26	.56	.66
27	.57	.67
28	.58	.68
29	.59	.69
30	.60	.70
31	.61	.71
32	.62	.72
33	.63	.73
34	.64	.74
35	.65	.75

Education and Experience Factor Table

Example: If the worker has 10 years of experience and a Bachelor's Degree you would multiply the current year's unadjusted base salary \$ _____ by the Experience Factor of .40 to arrive at the Education and Experience Adjustment. Do your own calculations below:

Unadjusted Base Salary _____

X

Education and Experience
Factor _____

Education and Experience Adjustment = _____

[enter this figure in appropriate column on page 6]

RESPONSIBILITY

Leadership responsibility for a school, multi-staff ministry, or for a larger congregation should also be recognized as a factor in the determination of the professional church worker's salary. The additional workload required for effective leadership should be included in the consideration of salary. As the administrative and leadership responsibilities grow, so should the professional church worker's salary. The two factors on which these guidelines base a salary increment are size of worshipping congregation and the presence of a school or other multi-staff ministry.

Special Ministries DCE, DCO, Deaconess, Certified Lay Ministers

Congregations served by a DCE, DCO, Deaconess or by a Certified Lay Minister may modify the **Unadjusted Base Salary** by applying the factors of the table below.

DCE/DCO/Special Ministries Responsibility Factor Table

Average Weekly Worship Attendance	Total years of Experience (includes all years of service in the capacity as a professional church worker)		
	0-5 years	5-10 years	10 or more years
0 - 125	.015	.025	.050
126 - 200	.100	.125	.150
201 - 350	.150	.175	.200
350 +	.200	.225	.250

Example: If you have a DCE with 10 years experience and average worship attendance of 300, you would multiply the current year unadjusted base salary, \$ _____, by .175 and you arrive at \$ _____ for the **responsibility adjustment**. Do your own calculations below:

Unadjusted Base Salary _____

X

Responsibility Adjustment Factor = _____

Responsibility Adjustment = _____

(enter this figure in the salary work sheet column page 6)

School Principal

The school principal's leadership responsibility varies with the number of teachers supervised and experience in the leadership role as recommended in the following table:

Principal Leadership Factor Table

Number of Full-time Teachers	Total years of Experience (Includes all years of service in the capacity as a professional church worker).		
	0-5 years	5 – 10 years	10 or more years
Less than 4	.20	.25	.30
5 - 8	.25	.30	.35
9 -12	.30	.35	.45
13 +	.35	.40	.50

Example: If you have a Principal with 10 years experience and six full-time teachers on staff, you would multiply the current year unadjusted base salary, \$ _____, by .30 and you arrive at \$ _____ for the **Principal Leadership Factor adjustment**. Do your own calculations below:

Unadjusted Base Salary _____

X

Principal Leadership Factor = _____

Principal Leadership Adjustment = _____

(enter this figure in the salary work sheet column page 6)

ADDITIONAL RESPONSIBILITIES

Although not specifically covered in this document, you will have workers who assume additional responsibilities, such as Director of Athletics, Music Minister, and other duties which require significant time and effort. You are encouraged to compensate these workers for these additional responsibilities using a multiplier with the base salary which reflects an increasing level of responsibility.

Finally, **IF THERE IS A LARGE GAP** between the current and the recommended salary, you should consider a method of closing that gap over a longer period of time. If your congregation has a gap between what it would like to pay its commissioned minister and what it can afford, tell your commissioned minister honestly and frankly that the congregation wants to pay the suggested salary but the amount is beyond the means of the congregation at this time. The congregation should then develop a plan to close that gap over 2–4 years – reducing the gap by 50%, 33%, 25% or 10% each year until it is closed. This approach sets a goal for the congregation and lets your commissioned minister know that there is a plan to bring compensation up to the recommended level. The congregation can feel good about its action and the worker will feel good about the congregation's effort to increase compensation.

I. OTHER COMPENSATION ISSUES

HOUSING

Called and ordained ministers of religion are eligible under Section 107 of the 1965 Internal Revenue Code and subsequent revisions to exclude from their gross income that portion which is used to rent or provide housing. Details on how a congregation should handle compensation to allow their professional workers to take advantage of this IRS ruling may be found in the congregational **Treasurer's Manual** or by calling the Southern District Office. (504-282-2632) or www.southernlcms.org. **Caution:** Your called worker may exclude from gross income the portion used to provide housing for income tax purposes but NOT for self-employment tax purposes (Social Security). The congregation must by formal resolution designate the amount of the total cash compensation, which is being designated **housing allowance** every year. The congregational **Treasurer's Manual** has sample resolutions, which may be used by your congregation. Make sure you consult with your professional worker before making this designation.

WHEN THE CALLED WORKER LIVES IN CHURCH OWNED HOUSING

The recommended salary guidelines above are based on the assumption that your congregation does NOT provide a residence but includes a housing allowance as part of the salary. If your congregation provides a residence, this salary must be adjusted by the value of that church owned housing. Reduce the total salary by **20%** if the worker lives in church owned housing and the congregation pays for the utilities. This is the formula used by the Concordia Plan Services of our Synod when reporting compensation. Congregations are reminded that called workers living in church owned housing must report the fair market value of such housing to the IRS as part of the total compensation when figuring the Self-Employment Tax (Social Security) but not for income tax. If you are unsure of the fair rental value of the residence provided, consult with local realtors to arrive at a fair and equitable figure. This should be adjusted every 2–3 years to reflect the changing value of the housing provided.

HOUSING ALLOWANCE

Called workers living in church owned housing are still entitled to designate a portion of their income as housing allowance. IRS regulations allow for such an allowance covering the cost of such items as drapes, cleaning supplies, furnishings, etc. **Consult the Treasurer's Manual or District or Synod for specific information before designating a housing allowance.**

HOUSING EQUITY ALLOWANCE

If your congregation provides housing to your called worker, he or she is not developing any equity in a home. At the time of retirement or if the worker should die in office, he/she would not be able to provide his or her family with housing. Congregations should assist in developing equity by annually setting aside funds [deferred income] in the name of the called worker. Several methods can be used to accomplish this purpose. Some have adjusted the amount according to the consumer price index and others have used the amount which would have been paid in property tax. Perhaps the most equitable method is to set aside between 1–2% of the fair market value of the church owned house and set this aside in tax-deferred investment. The fair market value of the house can easily be obtained from a realtor and should be adjusted every 2-3 years to reflect changing market conditions.

In the event of the called worker's death the accumulated amount will be transferred to his survivors or estate. Upon building his own home, retiring, or moving to another parish, the accumulated amount is also to be conveyed or transferred to the called worker.

SELF-EMPLOYMENT TAX [Social Security]

All called ministers of religion are considered self-employed for purposes of Social Security. Unlike other church employees, the congregation does not pay half of the FICA tax. The called worker pays the entire tax (currently 15.3% of his cash salary, housing, and honoraria). Because of this difference and because of the burden this often places upon called workers, many congregations have given him or her the amount they would have had to pay if he were considered an employee. This would be 7.65% of the cash salary and housing (either the allowance or fair rental value of church owned housing).

Caution: This is considered taxable income for the called worker but it is a way of helping him or her offset the high tax for self-employment. Your Treasurer's Manual will help in explaining this and provides assistance for those congregations who wish to provide this allowance.

II. SUPPLEMENTAL FRINGE BENEFITS

The spiritual, mental, emotional and physical well-being of the worker is also part of the congregation's responsibility. The congregation is encouraged to establish a holiday schedule, and a vacation policy. The congregation should encourage the workers to use the full-allotted vacation time for the enrichment of his ministry, his personal health, and the welfare of his family. It is to no one's benefit for a worker to avoid taking regular time off or vacations.

CONCORDIA PLAN SERVICES

Congregations are encouraged to enroll and support their professional church workers in the Concordia Worker Benefit Plans of our Synod. While these plans are a significant expense to the congregation, they do provide the utmost protection of the worker and his family for health care, disability, and retirement. These plans are portable and allow a worker to accept a position in your congregation without a lapse of benefit coverage or penalty.

There are five programs of benefits within the Concordia Worker Benefit family:

1. The Concordia Health Plan (health insurance/major medical)
2. The Concordia Retirement Plan (supplement to Social Security)
3. The Concordia Disability and Survivor Plan (benefits to family in case of a worker's death or severe disability)
4. The Concordia All Cause Accidental Insurance Plan (optional)
5. The Concordia Vision Plan

Details on these plans are available from the Concordia Plan Services, 1333 S. Kirkwood Road, St. Louis, MO, 63122-7295 or 1-888-927-7526. The Concordia Plan Services require the congregation to pay the full amount of the premium for the Retirement and Disability and Survivor Plans. Remember that those participating in the "Offset/Regular" basis of the Concordia Retirement Plan, those enrolled after January 1, 1982 are to receive the difference between the full and offset contribution as cash income to provide for an individual retirement investment.

The provisions of the Health Plan are different and Concordia Worker Plans has developed a full range of cost sharing options for employers and workers. If your congregation does not pay the full amount for worker and family, you should consider this expense from his income and adjust the income so that the worker can afford this important benefit.

Current laws also provide for the designation of a portion of a called worker's income for use for medical expenses and thus excluding that portion of his income from income tax. For details call the District Office or the Concordia Plan Services Office.

If congregations do not participate in the Concordia Health Plan they should carefully research other coverage options to insure that their workers are covered both adequately and consistently.

FOR MORE INFORMATION ON IMPORTANT TOPICS

For information on a broad range of tax and investment topics please consult the ***LCMS Congregational Treasurer's Manual*** or ***Income Tax for Pastors and Teachers***. Topics covered include:

Please make reference to your congregation's Treasurer's manual for detailed information on items such as: self-employed ministers of the gospel, social security tax allowance, opposition to social security, taxation of housing reimbursement and housing allowances

Self-employed ministers of the Gospel

- Social Security Tax Allowance
- Self-employment tax
- Opposition to Social Security
- Taxation of Housing Reimbursement and Housing Allowances
- Individual Retirement Accounts
- Tax Sheltered Annuities
- Flexible Spending Agreements for Health Coverage

VACATION

Your Professional Church Worker needs time for renewal through regular days off and a planned vacation; this is essential to their ministry. As a congregation you should insist that the Professional Church Worker use all the vacation time allotted to them.

VACATION SCHEDULE

10 - Month School Workers

Receive paid vacation during Christmas, spring break, and other school vacations.

12 - Month Workers

Years of

<u>Service</u>	<u>Vacation Days</u>
1 - 4.....	3 weeks (21 days)
5 - 20	4 weeks (28 days)
20 +.....	5 weeks (35 days)

* If the worker is in ministry at a school, each congregation needs to decide if any off days surrounding Christmas and Easter will count toward a 12 month worker's vacation time. This decision should be communicated to each affected individual. Unused vacation time should not be carried over to the following year. However, if a worker has unused vacation days accrued at the time he/she is about to move to a new location, he/she should be paid for that time prior to moving.

Note: Days off to attend required District, Circuit and Synod meetings and conferences and attendance at professional seminars and workshops are **NOT** considered vacation time and congregations are discouraged from considering these required meetings and professional growth conferences as days off or part of the allotted vacation time.

SICK LEAVE

It is recommended that sick leave be granted in accordance with the Concordia Disability and Survivor Plan, that is, fourteen (14) calendar days per year. [For schools this would be equivalent to ten (10) working days with the option that two (2) of those days may be used as personal time. Sick leave may be carried over, up to a maximum of 30 days, with no monetary reimbursement for unused days. The use of accumulated sick leave shall be coordinated with the Concordia Plans. A Professional Church Worker who becomes ill at the beginning of their ministry without having accumulated sick leave, may be advanced sick leave in anticipation that advanced days will be earned later in the year.

ANNUAL PREVENTIVE HEALTH EXAM

The Concordia Health Plan encourages preventive health care and provides an allowance for an annual physical examination. Your congregation is encouraged to insist that your Professional Church Workers avail themselves of this benefit and may, if necessary, supplement the allowance to insure on-going preventative health care for your Professional Church Workers.

EMERGENCY LEAVE

To cover special cases of emergency leave, such as death in the immediate family, a congregation may grant special leave at the discretion of the governing Board. It is recommended that workers be allowed leave with pay at the time of a death in their immediate family or household. [Immediate family, for the purpose of these guidelines, includes father, mother, brother, sister, husband, wife, child, grandchild, grandparents, father-in-law, mother-in-law, or any related person residing in the home of the worker.] Leave for a death in the family should be granted for a period of 3 working days at full pay. Extensions may be granted by the congregation's governing board. Emergency leave should not be counted as a regular day off or as part of vacation, sick leave, or personal leave time.

RELOCATION ALLOWANCE

To help reduce a financial strain to workers new to their staffs, congregations are encouraged to provide a relocation allowance. The amount of the allowance should take into consideration such expenses as deposit for an apartment, utilities, telephone, etc. This type of allowance can help make the move and transition to a new location easier for the worker.

MOVING EXPENSES

When a congregation calls a worker, it should pay all necessary and reasonable moving expenses, including adequate insurance for the possessions of the worker and his/her family. The use of a professional moving firm indicates to the Professional Church Worker that you are concerned about their welfare and the protection of their personal belongings. The Lutheran Church--Missouri Synod spends \$2-3 million annually with van line companies relocating personnel throughout the synodical system. The names of the companies are available through the synodical offices in St. Louis.

Note: Please consult the Treasurer's Manual, Section 6.140, on Moving Expenses to determine if the expenses are taxable or not to the Professional Worker.

PROFESSIONAL EDUCATION DEBTS FOR NEW WORKERS

Many workers enter the ministry with significant educational debts. They have undertaken these debts to serve you; so the congregation may well wish to consider assisting the worker in the repayment of these debts. Such assistance is considered regular income for the worker and subject to all IRS taxes.

PROFESSIONAL EXPENSES

There are some expenses that your Professional Church Workers have that are related to their assigned duties. Since these costs relate directly to service provided to the congregation, they are the responsibility of the congregation and reimbursement should be made to the Professional Church Worker for these professional expenses.

AUTOMOBILE-TRAVEL EXPENSES

Auto and travel expenses of your Professional Church Workers in the performance of their duties are a business expense of the congregation and should not be considered personal expenses to be paid by the Professional Church Worker. A program of reimbursement for auto and travel can take several forms. Congregations may lease or purchase a car for the Professional Church Worker to use or reimburse for actual miles driven or provide a flat allowance. Most tax consultants consider reimbursement for miles driven the best option given the IRS recordkeeping requirement. The congregation should use the current IRS rate for travel reimbursement. Whatever method is chosen, the Professional Church Workers should be reminded of their responsibility to maintain complete and accurate records to support tax claims, should that become necessary. Any part of that allowance or reimbursement which cannot be justified must be declared personal income. (We encourage you to read IRS Publication 917.)

CONVENTIONS, CONFERENCES, RETREATS

Attendance by Professional Church Workers at Synodical, District, and Circuit conferences, conventions, retreats, and workshops are required and congregations should encourage their Professional Church Workers to attend. It is the responsibility of the congregation to cover the cost of such attendance. This should include travel, lodging, meals, and registration expenses. The time given to these conferences and conventions should not be counted against days off or allocated vacation time.

CONTINUING EDUCATION

In order to address the changing conditions of our world and remain current with scholarship and professional concerns, Professional Church Workers should be encouraged to participate in an approved program of continuing education. Since the congregation is the primary beneficiary of such program, the congregation should budget an annual amount for continuing education. Reasonable travel and related expenses as well as tuition and room and board should be covered. The Professional Church Worker should not be expected to use vacation time for continuing education.

PROFESSIONAL BOOKS, PERIODICALS, AND MEMBERSHIPS

The cost of books, journals, and professional memberships often prohibits a Professional Church Worker from taking advantage of these resources. To facilitate the professional growth of a Professional Church Worker through books, journals, and professional memberships, the congregation should provide financial assistance to the Professional Church Worker. Funds provided for professional books, periodicals, and memberships should not be considered salary.