

**Compensation Guidelines and  
Employment Information  
For Rostered Ministers  
Southwestern Washington  
2026**

Southwestern Washington Synod Office  
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## **Greetings and Thank You!**

We wish to thank all of you in the congregations and ministries of the Southwestern Washington Synod for the important ministry that you are doing each day. It is through you, in partnership with those around you, that God's gift of shalom flowers and is made present in our neighborhoods and throughout the world.

In the same way that Jesus and his followers walked the roads of Galilee, you are faithfully walking your paths each day, led by the Holy Spirit. With Jesus, you are bringing new life, peace and joy to people's hearts, relationships, society and all creation.

## **Compensation for Ordained Ministers**

As we believe in the ministry of all the baptized, we also train and call persons to specific ministries such as pastors and deacons:

*"This church affirms the universal priesthood of all its baptized members. In its function and its structure this church commits itself to the equipping and supporting of all its members for their ministries in the world and in this church. It is within this context of ministry that this church calls or appoints some of its baptized members for specific ministries in this church." (ELCA Constitution 7.11)*

Compensation for rostered ministers and lay staff is a spiritual matter for your congregation's health and vitality. We know that the church is not a business, although it uses the wisdom of business practices. We are a community of faith. We recommend reading and reflecting on the following passages as you prepare a compensation package for your rostered leader: Psalm 127:1, Psalm 145: 10- 21, Proverbs 2: 1-11, Ephesians 4: 11- 16, 1 Timothy 5: 17-18

After you have read this document thoroughly, if you have any questions on the Compensation Guidelines for Ministers, please contact the Southwestern Washington Synod Office at (253) 535-8300 or email [stefanie.dezarn@swwasynod.org](mailto:stefanie.dezarn@swwasynod.org). You can also contact Portico Benefits Customer Care Center at 800.352.2876 for information specific to benefits they provide ministers. If you have any specific tax questions, please consult a tax professional that is familiar with clergy and church taxes.

## Important Reminder

### Washington State Minimum Wage Act – Ministerial Exception

Based on the first amendment of the US Constitution, related legal doctrines, and case law; the Fair Labor Standards Act and Washington Minimum Wage Act do not apply to Ministers. Other positions within the church may also fall under the ministerial exception, however, this document specifically focuses on rostered ministers (pastors and deacons).

When making decisions regarding compensation for rostered ministers, the synod recommends reviewing the current overtime exemption salary thresholds. Washington's minimum salary threshold for both small (less than 50 employees) and large employers will increase annually through January 1, 2028. In October the January 1<sup>st</sup> rates are published for employers. In 2026 the minimum weekly threshold for small employers is \$1,541.70 (\$80,168.40 annualized). Below is a link to the salary threshold table.

### [F700-207-000 Overtime Rules Implementation Schedule](#)

There is a wealth of resources about overtime laws and positions that are exempt from overtime on the state's L&I website. These may be accessed here:

<https://lni.wa.gov/workers-rights/wages/overtime/overtime-rules-resources>

## Compensation and Benefits for Rostered Leaders

When a congregation calls a Pastor or Deacon, leaders are asked to complete the ELCA's "Definition of Compensation, Benefits and Responsibilities for Ministers" form.

**It is strongly recommended that this form be completed by the council each year as part of making decisions about rostered leader compensation and filed in the rostered leader's personnel file.**

Links to these forms may be found here:

[https://swwasynod.org/wp-content/uploads/2023/09/Compensation\\_and\\_Benefits\\_for\\_a\\_Pastor\\_Form.pdf](https://swwasynod.org/wp-content/uploads/2023/09/Compensation_and_Benefits_for_a_Pastor_Form.pdf)

[https://swwasynod.org/wp-content/uploads/2023/09/Compensation\\_and\\_Benefits\\_Word\\_and\\_Service-1.pdf](https://swwasynod.org/wp-content/uploads/2023/09/Compensation_and_Benefits_Word_and_Service-1.pdf)

### Explanation of changes to 2026 Defined Compensation

Factors considered in the 2026 guidelines include cost-of-living and number of years of experience. Please see the small chart at the bottom of each page for the percentage of STEP increase per the number of years of experience. The number-of-years-of-experience factor is now capped at 25 years. Clergy already paid above this level should be given the cost-of-living increase.

**SOUTHWESTERN WASHINGTON SYNOD  
EVANGELICAL LUTHERAN CHURCH IN AMERICA  
2026 COMPENSATION GUIDELINES FOR MINISTER OF WORD AND SACRAMENT (COMPARISON)**

2026 DEFINED COMPENSATION				
YEARS EXPERIENCE	BASE SALARY+ HSG ALLOW	SOC SECURITY ALLOWANCE	TOTAL	
0	60,132	4,600	64,732	
1	61,785	4,727	66,512	
2	63,485	4,857	68,341	
3	65,230	4,990	70,221	
4	67,024	5,127	72,152	
5	68,867	5,268	74,136	
6	70,761	5,413	76,174	
7	72,707	5,562	78,269	
8	74,707	5,715	80,422	
9	76,761	5,872	82,633	
10	78,872	6,034	84,906	
11	80,647	6,169	86,816	
12	82,461	6,308	88,769	
13	84,317	6,450	90,767	
14	86,214	6,595	92,809	
15	88,153	6,744	94,897	
16	90,137	6,895	97,032	
17	92,165	7,051	99,216	
18	94,239	7,209	101,448	
19	96,359	7,371	103,731	
20	98,527	7,537	106,064	
21	99,636	7,622	107,258	
22	100,756	7,708	108,464	
23	101,890	7,795	109,685	
24	103,036	7,882	110,919	
25 +	104,195	7,971	112,166	

**BASE SALARY IS COMPUTED AS FOLLOWS:**

- STARTING SALARY 2024 WA EXEMPT+COLA x 2 yrs
- EACH ADDITIONAL YEAR OF SERVICE THRU 1-10
- EACH ADDITIONAL YEAR OF SERVICE THRU 11-20
- EACH ADDITIONAL YEAR OF SERVICE THRU 21-25
- EACH ADDITIONAL YEAR OF SERVICE THRU 26-50
- COST OF LIVING ADJUSTMENT (COLA)

**2026**

- 60,132
- 2.75%
- 2.25%
- 1.125%
- 0.00% Beginning 2026, add COLA to prior year's salary if over guidelines
- 2.80%

2025 DEFINED COMPENSATION				
YEARS EXPERIENCE	BASE SALARY+ HSG ALLOW	SOC SECURITY ALLOWANCE	TOTAL	
0	58,494	4,475	62,969	
1	60,103	4,598	64,701	
2	61,756	4,724	66,480	
3	63,454	4,854	68,308	
4	65,199	4,988	70,187	
5	66,992	5,125	72,117	
6	68,834	5,266	74,100	
7	70,727	5,411	76,138	
8	72,672	5,559	78,232	
9	74,671	5,712	80,383	
10	76,724	5,869	82,594	
11	78,451	6,001	84,452	
12	80,216	6,136	86,352	
13	82,021	6,275	88,295	
14	83,866	6,416	90,282	
15	85,753	6,560	92,313	
16	87,682	6,708	94,390	
17	89,655	6,859	96,514	
18	91,673	7,013	98,685	
19	93,735	7,171	100,906	
20	95,844	7,332	103,176	
21	96,922	7,415	104,337	
22	98,013	7,498	105,511	
23	99,115	7,582	106,698	
24	100,231	7,668	107,898	
25	101,358	7,754	109,112	

**2025**

- 58,494
- 2.75%
- 2.25%
- 1.125%
- 1.00%
- 3.10%

**INCREASE PRIOR YR**  
1,763  
3,543  
3,640  
3,740  
3,843  
3,949  
4,057  
4,169  
4,284  
4,402  
4,523  
4,222  
4,317  
4,415  
4,514  
4,615  
4,719  
4,825  
4,934  
5,045  
5,159  
4,081  
4,127  
4,174  
4,221  
4,268

**PCT. INCREASE**  
2.80%  
5.63%  
5.63%  
5.63%  
5.63%  
5.63%  
5.63%  
5.63%  
5.63%  
5.63%  
5.63%  
5.11%  
5.11%  
5.11%  
5.11%  
5.11%  
5.11%  
5.11%  
5.11%  
5.11%  
3.96%  
3.96%  
3.96%  
3.96%  
3.96%

PLEASE NOTE: INCREASE SHOWN ARE THE STEP INCREASE PLUS SOCIAL SECURITY OFFSET COMPARED TO 2025 PRIOR YEAR EXPERIENCE WORD AND SACRAMENT CLERGY CAN CLAIM RELIGIOUS EXCEPTION TO THE WASHINGTON EXEMPT SALARY THRESHOLD RULES

**SOUTHWESTERN WASHINGTON SYNOD  
EVANGELICAL LUTHERAN CHURCH IN AMERICA  
2026 COMPENSATION GUIDELINES FOR MINISTER OF WORD & SERVICE (COMPARISON)  
(WITH MASTERS)**

2026		2025	
YEARS EXPERIENCE	SALARY	YEARS EXPERIENCE	SALARY
0	48,850	0	47,519
1	50,193	1	48,826
2	51,573	2	50,169
3	52,991	3	51,548
4	54,449	4	52,966
5	55,946	5	54,422
6	57,485	6	55,919
7	59,065	7	57,457
8	60,690	8	59,037
9	62,359	9	60,660
10	64,074	10	62,329
11	65,815	11	63,731
12	66,989	12	65,165
13	68,497	13	66,631
14	70,038	14	68,130
15	71,614	15	69,663
16	73,225	16	71,231
17	74,872	17	72,833
18	76,557	18	74,472
19	78,280	19	76,148
20	80,041	20	77,861
21	80,941	21	78,737
22	81,852	22	79,623
23	82,773	23	80,519
24	83,704	24	81,424
25 +	84,646	25	82,340

INCREASE PRIOR YR	PCT INCREASE
1,331	2.80%
2,674	5.63%
2,747	5.63%
2,823	5.63%
2,900	5.63%
2,980	5.63%
3,062	5.63%
3,146	5.63%
3,233	5.63%
3,322	5.63%
3,413	5.63%
3,187	5.11%
3,258	5.11%
3,332	5.11%
3,407	5.11%
3,483	5.11%
3,562	5.11%
3,642	5.11%
3,724	5.11%
3,807	5.11%
3,893	5.11%
3,080	3.96%
3,115	3.96%
3,150	3.96%
3,185	3.96%
3,221	3.96%

**BASE SALARY IS COMPUTED AS FOLLOWS:**

- 2026 STRT SALRY FOR NEW MWS W/MST (2025 + COLA)
- EACH ADDITIONAL YEAR OF SERVICE THRU 1-10
- EACH ADDITIONAL YEAR OF SERVICE THRU 11-20
- EACH ADDITIONAL YEAR OF SERVICE THRU 21-25
- EACH ADDITIONAL YEAR OF SERVICE THRU 26-50
- COST OF LIVING ADJUSTMENT (COLA)

2026	2025
48,850	47,519
2.75%	2.75%
2.25%	2.25%
1.125%	1.125%
0.00%	1.00%
2.80%	3.10%

Beginning 2026, add COLA to prior year's salary if over guidelines

PLEASE NOTE: INCREASES SHOWN ARE THE STEP INCREASE PLUS THE INCREASED COST OF LIVING BASED UPON PRIOR YR EXPERIENCE  
PLEASE NOTE: FOR THE FIRST 20 YEARS (PROJECTED), THIS IS NON-EXEMPT STATUS WHICH IS ELIGIBLE FOR OVERTIME COMPENSATION

**SOUTHWESTERN WASHINGTON SYNOD  
EVANGELICAL LUTHERAN CHURCH IN AMERICA  
2026 COMPENSATION GUIDELINES FOR MINISTER OF WORD & SERVICE (COMPARISON)  
(WITHOUT MASTERS)**

2026		2025	
YEARS EXPERIENCE	SALARY	YEARS EXPERIENCE	SALARY
0	48,082	0	46,772
1	49,404	1	48,058
2	50,762	2	49,380
3	52,158	3	50,738
4	53,593	4	52,133
5	55,066	5	53,566
6	56,581	6	55,040
7	58,137	7	56,553
8	59,735	8	58,108
9	61,378	9	59,706
10	63,066	10	61,348
11	64,485	11	62,729
12	65,936	12	64,140
13	67,419	13	65,583
14	68,936	14	67,059
15	70,487	15	68,568
16	72,073	16	70,110
17	73,695	17	71,688
18	75,353	18	73,301
19	77,049	19	74,950
20	78,782	20	76,636
21	79,669	21	77,499
22	80,565	22	78,370
23	81,471	23	79,252
24	82,388	24	80,144
25 +	83,315	25	81,045

INCREASE PRIOR YR	PCT. INCREASE
1,310	2.80%
2,632	5.63%
2,704	5.63%
2,779	5.63%
2,855	5.63%
2,934	5.63%
3,014	5.63%
3,097	5.63%
3,182	5.63%
3,270	5.63%
3,360	5.63%
3,137	5.11%
3,207	5.11%
3,279	5.11%
3,353	5.11%
3,429	5.11%
3,506	5.11%
3,585	5.11%
3,665	5.11%
3,748	5.11%
3,832	5.11%
3,032	3.96%
3,066	3.96%
3,101	3.96%
3,136	3.96%
3,171	3.96%

**BASE SALARY IS COMPUTED AS FOLLOWS:**

- 2026 STRT SALRY FOR NEW MWS W/O MST (2025 + COLA)
- EACH ADDITIONAL YEAR OF SERVICE THRU 1-10
- EACH ADDITIONAL YEAR OF SERVICE THRU 11-20
- EACH ADDITIONAL YEAR OF SERVICE THRU 21-25
- EACH ADDITIONAL YEAR OF SERVICE THRU 26-50
- COST OF LIVING ADJUSTMENT (COLA)

2026	2025
48,082	46,772
2.75%	2.75%
2.25%	2.25%
1.125%	1.125%
0.00%	1.00%
2.80%	3.10%

Beginning 2026, add COLA to prior year's salary if over guidelines

PLEASE NOTE: INCREASES SHOWN ARE THE STEP INCREASE PLUS THE INCREASED COST OF LIVING.

PLEASE NOTE: FOR THE FIRST 21 YEARS (PROJECTED), THIS IS NON-EXEMPT STATUS WHICH IS ELIGIBLE FOR OVERTIME COMPENSATION

The following information is offered to assist with understanding Defined Compensation, Benefits and other components of a Rostered Leader compensation package.

## DEFINED COMPENSATION

Defined compensation is the term used for salary+housing+social security offset. This is the number found on the charts above.

Portico Benefits uses the Defined Compensation number, along with the rostered leader's date of birth and synod of service to calculate benefits.

### Clergy Housing

#### Five Things to Know about the Clergy Housing (or Parsonage) Allowance from the IRS (IRC §107):

1. The Housing Allowance is a benefit for Word and Sacrament ministers (pastors) only, as approved by the IRS. The term "housing allowance" includes church provided parsonages, rental allowances with which the minister may rent a home, and housing allowances with which the minister may purchase a home. A minister can receive a housing allowance for only one home.
2. Clergy need to determine the cost of maintaining **one** residence for the upcoming calendar year or for the remainder of the year if a call commences during a year. The housing allowance amount is the **lesser of**:
  - Amounts actually paid for housing and related expenses.
  - The fair rental value of the home.
  - The amount actually paid or declared by the congregation as the housing allowance.
3. The clergy housing allowance amount must be requested annually and recorded in writing by official action by the congregation council, treasurer/financial secretary or the congregation. The onus to prove the housing allowance amount is up to the clergy alone.
4. The housing allowance is not subject to federal income tax, but it is subject to self-employment tax (social security tax). On the W-2, it is not reported in Box 1. It is reported as an information item in Box 14 of the W-2 form.
5. A housing allowance operates prospectively; in other words, it is declared ahead of when the expenditures are made. It can be modified if significant expenses not anticipated earlier are identified, but the allowance must always be changed ahead of the expenditure.
6. Clergy need to maintain records of their costs, including receipts, in order to document the housing expenses in the event of an IRS audit. The proof of the qualified amount is on the pastor only.
7. The housing allowance does not qualify as taxable benefit, but the pastor still has to pay social security tax on the fair rental value of the home/parsonage.

Current information about Clergy Housing Allowance may be found at <https://www.irs.gov/faqs/interest-dividends-other-types-of-income/ministers-compensation-housing-allowance/ministers-compensation-housing-allowance>

### Housing Equity Fund

The Southwestern Washington Synod suggests a minimum annual contribution of \$750 into a Housing Equity Fund for pastors living in a church-owned parsonage, since the clergy are unable to have increased home value that they can sell when leaving this call. The ELCA Portico Benefits Services provides an Optional Pension account for such contributions that have unique tax advantages, though other investment vehicles may be used. A significantly larger tax-free contribution can be made annually into such a fund. Housing Equity contributions are not considered part of "Defined Compensation" and therefore do not increase the cost of benefits. To determine the maximum annual housing equity contribution, contact Portico Benefits Services and your tax advisor.

## **Self-Employment Contributions/ Social Security Offset for Clergy**

All pastors are considered self-employed by the IRS for Social Security purposes. This means that they must pay both the employee and the employer share of social security tax under the Self-Employed Contribution Act (SECA) which is 15.3% in 2026.

Congregations are prohibited from directly paying social security tax for clergy. They can, however, include an allowance for their pastor, which offsets their social security burden\* ("social security offset".) It is the synod's expectation that every congregation assume at least 50% of its pastor's Social Security burden\* through a Social Security Allowance paid to them. This is 7.65% of the pastor's cash salary/ housing, regardless of whether the housing is provided in the form of a housing allowance or in the form of a parsonage with utilities and taxes paid by the church. The IRS considers Social Security and Medicare allowance as taxable income to the pastor. Any allowance is typically reported as part of the taxable income in box 1 on an IRS Form W-2, not in boxes 2 or 4. The allowance is included in the pastor's total defined compensation when reported to Portico for purposes of determining Defined Compensation amounts. If a pastor resides in a church parsonage, the annual monetary value of that benefit (fair rental value, plus all utilities, maintenance, and applicable taxes) is considered "taxable" for purposes of them computing their self-employment contributions, too.

*\*Ordained clergy may choose to opt out of the Social Security system. This means that they do not pay into the Social Security system and have waived their rights to all benefits under the Social Security Act, including hospital insurance benefits. This also means that the congregation does not need to pay a social security offset for them.*

## **Social Security for Deacons**

For the purposes of Social Security, Deacons are considered lay employees of the congregation/ministry and receive social security benefits from their congregation/agency just like other lay employees do. They do not pay into social security as self-employed.

## **PORTICO BENEFITS**

### **Portico Benefits Services**

The ELCA benefit program provides one comprehensive, efficient set of wellness-oriented benefits:

- Health — medical and mental health, prescription drugs, dental, wellness benefits (such as a fitness center discount, financial incentives, and the employee assistance program);
- Disability — monthly income and continuation of other benefits;
- Life — basic group life, accidental death & dismemberment insurance, opportunity to purchase additional coverage at group rates;
- Retirement — 403(b) defined contribution plan, 20 fund options including 8 social purpose funds, social impact investing aligned with ELCA social policies and teachings, financial planning services Members of the ELCA benefit program also have opportunities to utilize tax advantaged accounts to help them manage out-of-pocket health and dependent (day) care expenses, and to apply for individual long-term care insurance policies with a Portico discount.

Portico is the ELCA's benefits and insurance ministry that all active rostered leaders must be enrolled in, and lay non-rostered employees may also be enrolled in. Benefits are based on the Defined Compensation of the enrolled employee.

Portico has made significant changes to their health plans for 2026. Please refer to the Portico website [porticobenefits.org](https://porticobenefits.org) for the most up-to-date information.

## Waiving ELCA Health Benefits

- When your organization sponsors employees in the ELCA Traditional Benefits Program, you must offer ELCA health benefits to all sponsored plan members.
- Sponsored plan members can choose to waive ELCA health benefits if they qualify. They only qualify if they have other valid health coverage, such as through a spouse's employer, or receive a subsidy on a state, federal, or state/federal partnership individual health insurance exchange and purchase coverage through the individual exchange.
- Sponsored plan members who choose to waive ELCA health benefits will need to provide information about their other valid health coverage.
- Plan members who don't have valid health benefits waiver for 2026 must either enroll in ELCA health benefits or end their participation in the ELCA Traditional Benefits Program.

## Retirement Benefits

Regular pension contributions to the ELCA Portico Benefits Services are computed based on age. 2026 Pension Contribution Rates for Clergy Enrolled in a Predecessor Church Pension Plan before 1988 (Based on Age of Member on December 31, 2024)

Under 61 = 10.0%      62-70 = 11.0%      71+ = 12.0%

If service in the church began in 1988 or later, the required pension contribution is 10% of "Defined Compensation" regardless of age.

## Required Portico Benefits for Active Rostered Leaders (even if Medical Insurance is waived):

- Life Insurance Benefit - The cost of the basic life insurance coverage is 0.8% of the rostered minister's defined compensation.
- Disability - These contributions are down to 0.9% of Defined Compensation.
- Basic Group Life Insurance - The supplemental life insurance policy rate varies by age, so be sure to use the Portico Benefits calculator on their website for this rate.

## Portico Disability

If a rostered minister becomes disabled as a direct result of injury, physical or mental disorder and is therefore unable to perform the material duties of his or her occupation for the employer, the ELCA Portico Benefits Service expects the employing congregation or institution to pay full salary and benefits during the first two months of disability. Beginning with the third month of disability, Portico Benefits Services provides 2/3 of pre-disability pay to qualifying plan members. Portico must be part of the conversation from the start of the injury or illness.

Current information on Portico disability insurance may be found at [porticobenefits.org/](https://porticobenefits.org/)

Note: Rostered leaders may need to access specific information through their myporticobenefits site.

## EXPENSES

### Auto Expense Reimbursement/Auto Allowance

Auto expenses and other work-related travel are a business expense for the congregation and are not part of a church professional's salary or benefits. An appropriate place for this line item in the church budget is under church operating expenses.

Auto reimbursement plans or auto allowances should be sufficient to cover all congregation-related expenses including cost of fuel, repairs, insurance, tolls, parking, and depreciation. The IRS is increasingly requiring accurate records (including odometer readings, mileage, date and time, etc.) to support auto expenses claimed as congregation-related travel. A paper spreadsheet, or even a

phone app can be used to track mileage. Expenses for automobiles may be handled in one of the three following ways:

1. The easiest method is for the congregation to reimburse the minister for actual miles driven at the current IRS standard mileage rate for operating an auto for business. The minister submits a monthly log and reimbursement is based on the actual miles driven for congregation business. An annual budget figure for this type of reimbursement program is usually based on a review of the work-related miles driven by a congregation professional in the previous year. The actual annual pay-out may be more or less based on the actual requirements for travel in each year. Reimbursement for mileage cannot be given to the minister from their home to church, unless they have a work-related stop (e.g., a meeting or pastoral care) to do on the way.
2. Congregations can purchase or lease a car and assume the total automobile expense. The pastor, in order to comply with tax regulations, is required to report and to reimburse the congregation for personal use of the vehicle.
3. The congregation can pay a pre-determined dollar amount on a monthly basis in the form of an auto allowance. An auto allowance is considered taxable income, and it should appear as part of wages on either W-2 or 1099-MISC Forms. Clergy filing under self-employed status may be able to deduct some of their auto expenses using Schedule C and Form 4562 (Depreciation & Amortization).

### **Professional Expense Reimbursement Plan**

A congregation and its rostered minister(s) can work together to maximize the reimbursement of professional expenses, which are typically paid out-of-pocket with after-tax wages by the pastor. These expenses can include the cost of periodicals, books, professional supplies, conferences, etc. Using methods that meet the IRS requirement for "Accountable Reimbursement" plans, a pastor can receive reimbursements which are exempt from all taxes (federal and social security) and which are not considered part of "Defined Compensation" when calculating the medical/dental contribution to the ELCA Portico Benefits Services plan. This is an especially advantageous plan for pastors who are planning an extensive study leave for which there will be expenses greater than continuing education set-aside accumulations. Appropriate motions must be passed by the congregation council at its first meeting after the congregation's budget is passed and a system for submitting vouchers and receipts for reimbursement is established by the council. For reference in meeting the IRS requirements for an accountable plan, contact the IRS.

### **Moving Expenses**

Congregations are expected to pay for their rostered ministers to move into their community when this is selected by the minister. Usually, a contract with the moving company is secured by the minister and then paid for by the congregation.

## **CONTINUING EDUCATION**

Congregations should expect pastors to be involved in continuing professional and theological education programs which provide opportunities for personal development, enrichment of devotional life, and growth in pastoral effectiveness and competency. The purpose of continuing education is "professional growth" and "self-renewal" as distinguished from program development, vacation, or synod and regional pastoral leadership retreats. Synod guidelines call for at least two (2) weeks' study leave per year and a minimum of \$700 per year for continuing education expenses, both cumulative up to three (3) years. It may be beneficial to establish a policy regarding accrued continuing education time such as:

*A rostered leader may take only as many days of accumulated continuing education time as they have used in the previous eleven (11) months when those days will be used after the date of the announcement of his or her resignation or termination of call.*

Accumulating continuing education accounts may be established and managed through the Region I Financial Services Office, in Mill Creek, WA. It is an option for pastors to contribute an additional \$350 each year to their continuing education through a salary reduction plan. If your congregation wants to establish this with the ELCA Region 1 Financial Services Office, please contact Region 1 Bookkeeper Rudy Vazquez at [rudy.vazquez@elcaregion1.org](mailto:rudy.vazquez@elcaregion1.org).

### **First Call Theological Education (FCTE)**

Pastors and Deacons in the first 3 years of call are required to participate in Region 1 FCTE. This annual retreat is a Monday afternoon to Thursday mid-day in the autumn. The cost is \$600 per rostered minister, payable by the congregation/ministry.

## **TIME AWAY**

### **Weekly Sabbath**

The Southwestern Washington Synod expects all ministers, all other church professionals and synod staff to be able to observe and enjoy a weekly Sabbath. This means that at least one (1) full day free from professional congregational leadership responsibilities should be provided each week for the rostered minister's Sabbath and, when possible, arrangements be made for having two (2) consecutive days off.

### **Annual Vacation**

Pastors are "on call" day and night, carrying heavy responsibilities daily, are often separated from family and relatives for great lengths of time, must regularly produce fresh material for the spiritual growth of parishioners, and are seldom able to take advantage of three-day weekends and other holidays. The SWWA Synod guidelines call for a minimum of four (4) weeks annual paid vacation, including four (4) Sundays\*. Keep in mind that part-time clergy cannot be given a straight percentage of vacation time, because this would potentially have them working more Sundays than a full-time clergy. During this time, meetings should not be scheduled which would require a pastor's attendance and the pastor should be considered available only in the event of a personal emergency. Ministers will help to secure a substitute for them, if necessary. Pulpit supply lists are available from the Synod Office [stefanie.dezarn@swwasynod.org](mailto:stefanie.dezarn@swwasynod.org). A congregation should encourage these days off for relaxation.

**\* Unused Vacation Time.** Given the intent of vacation is to provide rest, relaxation and life balance, vacation should be used and not banked. In the absence of any other officially recognized agreement or policy about the accumulation of unused vacation days, the synod recommends that congregations adopt the following ELCA Churchwide policy, as follows: *A maximum of ten (10) days of vacation time may be "carried over" from one year to the next. No more than ten (10) days of additional vacation time may ever be retained.*

Employees should not earn vacation leave while in a paid or unpaid leave status, including sabbatical leave.

### **Schedule Flexibility and Holidays**

Because the schedule and demands of parish ministry are fluid and ever-changing, care and conversation should guide the setting of schedules. A Minister's office hours and availability need to be predictable and still flexible enough to permit responsiveness to pastoral needs as they arise. Additionally, flexibility for Ministers to attend family needs and events, providing care is taken to make up the time elsewhere, is a valued benefit that congregations can offer without additional financial cost. Communication up front regarding expectations around schedule and flexibility will help both the Minister and congregation when unscheduled needs arise.

Regarding holidays, the local context should always be considered and, again, expectations should be clarified in advance. This is an excellent use of a Mutual Ministry Committee, or the Executive Committee when there is no Mutual Ministry Committee. The following is our recommended place to start the conversation with your Minister.

Ministers should receive paid holidays like other exempt or full-time professionals. As household needs and community expectations vary, care should be taken in establishing a calendar of holidays annually, especially when the Minister has school-age children. Ministers expect to work on some statutory holidays, particularly Thanksgiving, Christmas Eve, Christmas Day, New Year's Day, and Independence Day when it falls on a day with a regularly scheduled worship service. If there are services on those days, grant an agreed upon day before or after as a holiday.

Additional statutory (paid) holidays for Ministers *may* include Rev. Dr. Martin Luther King Jr. Day, Memorial Day, Juneteenth, Labor Day, Veteran's Day, Thanksgiving and the day after Thanksgiving. If the community context expects a worship or prayer service on these days it is important to communicate that to the Minister in advance, including any information regarding rotational responsibilities with other clergy in the community. When your Minister leads services on one of those days, grant an agreed upon day before or after as a holiday.

In the event a congregation has more than one rostered minister on staff, the synod recommends planning who shall work on the above statutory holidays and whether one of the ministers can observe the holiday in lieu of working. Such planning shall be done in an equitable/fair manner and in consideration of the congregation's needs.

### **Sabbatical Leave**

The congregation and its rostered minister(s) are encouraged to plan together for a time when the rostered minister can take a sabbatical leave of three (3) months for personal growth and reflection in the fifth year of service in the congregation and every fifth year after that. This will be an on-going part of the Rostered minister's compensation package. Please refer to the synod's sabbatical leave guidelines when developing a policy and creating a Letter of Call.

<https://swwasynod.org/wp-content/uploads/2024/04/Guidelines-Sabbatical-2023.pdf>

### **Compassionate and Emergency Leave**

In the event of a death in a minister's immediate family (spouse, son, daughter, mother, father, brother, sister, grandparent, grandchild or legal guardian of either the employee or employee's spouse) congregations are encouraged to provide paid leave of up to five (5) working days. Such provision may be provided in the event a minister wishes to be with the person upon learning of an imminent death as well. Additional leave beyond the five-day provision shall be taken as part of the minister's sick leave and/or vacation leave.

**Other time away provisions are addressed in the following section.**

## **CONGREGATION AS EMPLOYER – IMPORTANT EMPLOYMENT LAW CONSIDERATIONS**

In addition to compensation and benefit numbers, congregational leaders are responsible for keeping up to date on current state employment laws and the practices of the ELCA. As an employer, this is the duty of the congregation, not the pastor or deacon. *It is strongly recommended that each congregation has written personnel policies and people set aside to steward these policies, keeping them in alignment with state and federal laws.*

The following information is offered to assist your congregation in stewarding this responsibility.

### **Fair Labor Standards Act and Washington State Minimum Wage Act – Ministerial Exception**

As noted earlier in this guide, the Fair Labor Standards Act and Washington Minimum Wage Act do not apply to Ministers. Employees who work for religious organizations that have religious duties tied to the mission of the church qualify under the ministerial exception. Please note the exception does not bar lawsuits from employees (i.e. Fraud).

There is a wealth of resources about overtime laws and positions that are exempt from overtime on the state's L&I website. These may be accessed here:

<https://lni.wa.gov/workers-rights/wages/overtime/overtime-rules-resources>

### **Washington State Paid Sick Leave**

Beginning January 1, 2018, employers in Washington State are required to provide their non-exempt hourly employees with paid sick leave. Employers are not required to provide paid sick leave to employees that hold overtime eligible exempt positions.

The synod recommends congregations provide rostered ministers with an annual sick leave allowance in proportion to the person's employment status and provide such leave for the same reasons outlined in Washington's Paid Sick Leave Law. A simple approach to providing sick leave is to provide a lump sum amount on January 1<sup>st</sup> of each calendar year. If a person is hired during a calendar year, they can be provided with a pro-rated lump sum amount on their date of hire, and on January 1<sup>st</sup> thereafter. The synod also recommends congregations allow for carry over of unused sick leave not to exceed 40 hours.

For example:

- a. A Deacon is hired in a full-time role. The congregation offers 80 hours of paid sick leave front loaded on January 1<sup>st</sup>. At the end of the year, the Deacon has 32 hours of unused sick leave. On January 1<sup>st</sup>, the congregation front loads 80 hours of sick leave and the 32 hours of unused sick leave will roll into the new calendar year. Therefore, the person shall have 112 hours to use in the benefit year.
- b. A Pastor is hired in a .75 full-time role. The congregation offers 60 hours of paid sick leave front loaded on January 1<sup>st</sup>, in alignment with the person's less than full time status. If the person is hired on July 1<sup>st</sup>, their first 6 months of employment they would receive 30 hours of paid sick leave, also front loaded.

Current details of this law may be found at <https://www.lni.wa.gov/workers-rights/leave/paid-sick-leave/>

A congregation may elect to forgo a formal sick leave provision for rostered ministers or other exempt staff. In such cases the synod recommends consideration of what is provided to nonexempt staff for internal equity and fairness. Further, coordination of benefits in consideration of Washington State Paid Family and Medical Leave benefits should be factored into a congregation's sick leave provisions. Finally, the synod recommends that no rostered minister be provided with more than 45 working days of sick leave in consideration with the ELCA Board of Pensions' long term disability policy.

When a rostered minister has insufficient accrued sick leave to cover an illness and there are compelling and extenuating circumstances, additional paid sick leave may be granted. In such cases, the decision to grant additional paid sick leave will be made at the sole discretion of the Church Leadership Team in consultation with the bishop. Please refer to Portico's requirements in the event of disability.

Employees should not earn sick leave while in a paid or unpaid leave status, including sabbatical leave. Employees will not be paid for unused sick leave upon separation of employment.

## **Washington State Paid Family and Medical Leave**

Washington's Paid Family and Medical Leave provides paid time off through the state's program. This program is quite different than the Federal Family Medical Leave Act (FMLA). Rostered ministers are not exempt from participation in the state's program. Therefore, this is another form of paid leave they may be eligible for subject to the state's eligibility rules. In the event a minister may be eligible for paid medical leave due to disability, Portico's disability program should be a factor of consideration.

Informational links to obtain more information about the state's Paid Family and Medical Leave are here: <https://paidleave.wa.gov/small-businesses/> <https://paidleave.wa.gov/>

## **SWWA Synod Parental Leave**

Prior to the effective date of Washington State's Paid Family and Medical Leave program, the 2019 Synod Assembly voted to recommend providing parental leave of up to 12 weeks. Letters of Call and Letters of Appointment should include provisions for parental leave and sick leave. These issues should be discussed, and an official policy established by the congregation's council. The policy provisions should be created and/or modified in consideration with the State's Paid Family and Medical Leave provisions. Further, specific conditions, including the number of weeks of leave before and after the birth or adoption of a child, should be outlined in writing. Parental leave is not based on whether a parent is a primary or secondary care giver. The synod recommends that in the case of birth, adoption or fostering, paid parental leave should include up to 12 weeks of full salary, subject to the provisions below, and benefits. This benefit shall be in addition to the provisions of paid sick leave and paid vacation. When both parents are pastors (either in the same congregation/agency/synod or separate ones), both should be given the recommended leave.

The pastor and congregation should coordinate paid parental leave with the state of Washington's Paid Family and Medical Leave benefits. When a leave is to be taken, rostered ministers should apply with the state of Washington for paid family and medical leave. The congregation should provide the person compensation during their waiting week and provide "supplemental benefits" thereafter to keep the individual whole in the event the weekly benefit through the state is less than the person's weekly salary. This provision must be identified as supplemental benefits to avoid reducing the benefit provided by the state. A congregation should not provide a supplemental benefit that takes the person above their usual wage.

The minister should not report supplemental benefits on their weekly claim. To receive supplemental benefits the minister must provide the congregation with the weekly benefit they are receiving from Paid Family and Medical Leave. This information is included in the approval letter.

The congregation shall continue to provide the person's health insurance benefits during parental leave.

In the event the minister is not eligible for benefits through the state's paid leave program, the congregation shall provide paid parental leave of up to 12 weeks as per their established policy. Paid parental leave through a congregation (without coordination of benefits through the state's plan) should be limited to one paid leave in a twenty-four-month period. Exceptions to this provision may be granted by the Church Leadership Team.

<https://paidleave.wa.gov/question/can-i-pay-my-employees-while-they-are-using-paid-family-and-medical-leave-to-make-them-whole/>

## **Federal Family and Medical Leave Act**

The federal Family and Medical Leave Act (FMLA) entitles eligible employees of covered employers to take unpaid, job-protected leave for specified family and medical reasons, including mental health. Most congregations in our synod are not-covered employers.

- Covered Employers: *Private employers are covered employers under the FMLA if they employed 50 or more employees in 20 or more workweeks in the current or preceding calendar year, including joint employers or successors in interest to another covered employer.* Public agencies, including a local, state, or Federal government agency, and public and private elementary and secondary schools are FMLA covered employers regardless of the number of employees they employ.

Current information about FMLA may be found at <https://www.dol.gov/agencies/whd/fmla>

### **Military Leave**

Military leave shall be provided in compliance with the federal Uniformed Services Employment and Reemployment rights Act and Washington State Employment and Reemployment law. The employee must provide the appropriate notice in compliance with these laws.

[Employment Protections for Veterans & Military Personnel | Washington State](#)

### **Washington CARES Fund**

Long-term care insurance is paid by the employee through quarterly premiums taken from the employee's paycheck. Washington is the first state in the nation to develop a public plan that makes long-term care affordable. **WA Cares Fund** gives members access to a lifetime benefit they can use on a wide range of long-term services and support should they need it.

Current information about WA Cares may be found at <https://wacaresfund.wa.gov/>

### **Administrative Costs Washington State Workers' Compensation Plan**

All congregations are required by law to provide Workers' Compensation coverage for all employees. For purposes of Workers' Compensation, clergy are employees and therefore must be covered under Workers' Compensation.

### **Unemployment Insurance**

Organizations that are operated primarily for religious purposes, and which are operated, supervised, controlled, or principally supported by a church are exempt from unemployment insurance provisions. Each congregation shall inform individuals performing services exempt from "employment" insurance under RCW 50.544.040(1) that the individual may not be eligible to receive unemployment insurance benefits. A written notice of exclusion is to be provided to the individual at the time of hire. A poster shall also be displayed in a conspicuous place giving notice of this exclusion.

## **MISCELLANEOUS**

### **Payment to Supply Pastors**

The 2026 synodical rate of payment to supply pastors is \$200 for one worship service and \$75 for each additional service/adult forum/Bible study on the same day and at the same location. Travel should also be reimbursed at the current IRS rate per mile, plus applicable parking, ferry, and road or bridge tolls. The payment of these expenses is the sole responsibility of the congregation and should be paid on the day in which a supply pastor fills the pulpit. The Synod Office keeps a list of pastors who are willing to serve as supply preachers. Please reach out to Stefanie DeZarn at 253-535-8300, [stefanie.dezarn@swwasynod.org](mailto:stefanie.dezarn@swwasynod.org).

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

The Southwestern Washington Synod encourages congregations to form a Mutual Ministry Committee for each member of its rostered leadership. The function of the Mutual Ministry Committee is to provide a space for conversation between ministerial staff, council and congregational members in order to grow together in ministry.

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

1. Identifying professional leadership needs for the congregation, preparing job descriptions, assisting the call or interview committee at the time when a congregation seeks to call a pastor, or as the exit interview group when a pastor leaves. They may also serve as the personnel committee, dealing with other staff, such as the secretary, organist, choir director, or custodian.
2. Identifying continuing education possibilities with the pastor considering his/her and the congregation's needs, enabling the rostered minister to participate in such opportunities.
3. Providing on-going reflection on the needs and expectations of both minister and congregation, guided by the mission statement of the congregation, and periodically reviewing the call/contract/appointment extended to the pastor, as provided for in the Letter of Call.
4. Serving as the personal and confidential support group to the rostered minister(s) and spouse (and lay staff), providing opportunities for open communication between congregation and minister, initiating possibilities for reconciliation in times of conflict.

The synod suggests a Mutual Ministry resource, "Pastor and People, Making Mutual Ministry Work," which can be ordered from Augsburg Fortress at

<https://www.augsburgfortress.org/store/product/9780806646510/Pastor-and-People>