

**2019
Compensation Guidelines
For Professional Church Workers
North Wisconsin District
The Lutheran Church—Missouri Synod**

Introduction

Scripture has clear words of instruction for us in matters pertaining to the compensation of church workers (I Thessalonians 5:12-13; I Timothy 5:17; Galatians 6:6). The review committee and the congregation should know and understand this counsel. From these passages it is evident that we must treat those who labor in our midst with loving care and respect. Also it is evident that good work deserves good pay. Therefore, the matter of merit should receive serious attention.

The Administrative Services Committee (ASC) of the North Wisconsin District Board of Directors is pleased to share that there is now a new tool from Concordia Plan Services (CPS) to assist with compensation matters. The struggle the ASC has faced through the years has been to adequately address the many variables in determining salaries for church workers throughout our District. The new CPS tool factors in those variables for a congregation's geographical area. It also offers a salary range of other Lutheran Church—Missouri Synod ordained and commissioned ministers, as well as the salaries of other Christian church workers in the area. The areas not addressed in the new CPS tool are addressed on pages 3 and 4 of these guidelines.

The new CPS tool is currently only available to assist in determining salaries for ordained and commissioned positions, **with the exception of teachers**. The final section for commissioned **teachers** is being prepared and is expected to be rolled out in the fall of 2018. Until that time, Lutheran schools of our District should continue to use the 2019 Compensation Guidelines and the base salary and chart as reflected in this document to assist in determining teacher salaries. The new base rate below reflects the recommendation by the North Wisconsin District Board of Directors.

**2019 Compensation Base Rate
\$37,096
1.7% Increase from 2018**

For Ordained and Commissioned Ministers, minus teachers, please use the following link to access the new CPS tool: <https://tc.cbiz.com/CompToolCPS/Login.aspx>.

Standard IRS automobile mileage rate effective 1/1/18 is 54.5¢ per mile. Please note these rates change yearly; please check the District website at www.nwdlcms.org for updates.

Suggestions for Implementation & General Information

I. ORGANIZE

- Pray often for God's blessing on your task.
- Appoint a special committee to study salaries and benefits for all workers in your midst. You will want to include members of your boards of: education, elders, stewardship and other appropriate boards and committees. Your pastor(s) and principal might also be advisory members of this committee.
- Use the CPS Tool to assist in determining the salary of your called worker(s). It takes into account the variables unique to each geographical area.

II. STUDY

Consider the following:

- The purpose and mission of your congregation (association) and its ministries including the Christian day school where one exists.
- A careful and honest evaluation of present salaries and benefits offered to your workers.
- A comprehensive study of job descriptions, responsibilities, expectations and division of tasks among staff persons.
- A review of your congregation's (association's) financial resources, funding patterns and capabilities.
- A study of alternative funding sources including tuition, third source funding, establishing a foundation to benefit the educational program, fraternal agencies and other opportunities which may be unique to your congregation and community.
- A study of the salary and benefit suggestions of the North Wisconsin District.

III. ACT

- Establish a plan for implementing the salary and benefit suggestions of the North Wisconsin District.
- Install a plan that will effectively seek to meet the guidelines over a period of time should there be a discrepancy between current church worker's salary and guidelines (for example 85% of goal in the first year, 92% in the second year and 100% in the third year).
- Share the specifics of their personal salary and benefit packages with each of your worker(s): salary, Concordia Plans, other benefits. A sample form is included at the end of this document.
- Continue to pray for God's blessings on the pastoral, educational and outreach ministries to congregation (association) and community.

Questions concerning these guidelines can be submitted to Rev. William Plautz, Chair, Administrative Services Committee at 715-226-0324 or email at rev_81@hotmail.com.

Following are issues not addressed in the new CPS tool

Retreats and Sabbaticals

While this section is included in the CPS material, it is presented here to make the district congregations aware that the North Wisconsin District has developed Sabbatical Guidelines, approved by the Board of Directors, to help congregations as they seek to care for the well-being of their church workers. You may access the Sabbatical Guidelines at the district website at www.nwdlcms.org.

Vacation based on years of service

1-3 years: 14 days
4-10 years: 21 days
11-25 years: 28 days
25+ years: 35 days

Personal Days

The congregation should have a policy to determine personal days for full-time workers. A suggested benefit is: one year of LCMS service, one per year; two years' service, two days; three years, three days up to five days per calendar or school year.

Home Equity Support

In prior years, the NWD encouraged congregations to provide a Home Equity Plan (HEP) when a home was provided for the worker. However, significant changes in the federal law now make this illegal and all congregations had to stop this practice as of December 31, 2004. Previously deferred HEP funds (on or before December 31, 2004) and earnings on these funds are unaffected. The congregation can still provide to the worker additional annual compensation which the worker can deposit in a tax-sheltered annuity, a traditional IRA, or a Roth IRA. Another option would be for the congregation to increase the salary of the worker by an amount equal to the former home equity contribution.

Preschool Directors, Teachers, Aides, and Childcare Workers

The work of these individuals is significant in the congregations they serve. The following are suggestions for determining their equitable salary. Clear policies need to be in place for determining those salaries and benefits. Salary determination should not be perceived as subjective or arbitrary.

Steps:

1. Determine Base Salary
2. Determine multiplier from guidelines that reflects position and years of experience.
3. Determine percentage of the full-time week a worker is expected to provide. Example: five half days would result in a .5 factor.
4. Find the worker's salary by multiplying that factor times the salary determined in Step 2.
5. Teacher aides' salary can be determined in the same manner as in steps 2-4 and multiplying that by a factor that would reflect less responsibility. For example: .5 or .75 for an aide with teaching or additional duties.
6. For directors consider using the principal column to determine salary. If the director teaches half-time with administrative duties half-time, consider determining half of appropriate teacher salary and half appropriate administrator salary and combining them.

Following are Special Circumstances Budget Items

Vacancy Coverage

A position becomes vacant when the worker leaves, resigns, or becomes incapacitated. Please check with Concordia Plan Services as to when and under what circumstances an enrolled worker becomes eligible for disability payments and unable to assume their duties.

It is recommended that the salary of the person filling the vacancy be determined according to your current policies and guidelines. Simply, what would that individual's salary be if he or she would be called or contracted to the vacated position?

The vacancy workers assume agreed upon duties of the vacated position. When will the vacancy begin and when will it end? Having something in writing concerning duties, beginning and ending dates, and compensation is highly recommended. If the vacancy worker is assuming 100% of the vacant position's duties, he or she should be compensated 100%; if 50% then compensated 50%. Mileage should be paid according to your policies for the vacant position. Vacancy compensation excludes Concordia Plan Services benefits.

Guest Preacher Fee

Provide prompt payment for this service.

One service: \$143 plus IRS mileage

Two services and a Bible class: \$230 plus IRS mileage

Base Compensation Rate										
\$37,096										
Years	Teacher								Principal	
	Non-Rostered		Level 1 BA		Level 2 BA + 18 hours		Level 3 MA			
	%	\$	%	\$	%	\$	%	\$	%	\$
0	0.900	33,386	1.000	37,096	1.059	39,285	1.089	40,398	1.220	45,257
1	0.929	34,462	1.032	38,283	1.093	40,546	1.123	41,659	1.255	46,555
2	0.958	35,538	1.064	39,470	1.127	41,807	1.158	42,957	1.290	47,854
3	0.987	36,614	1.096	40,657	1.161	43,068	1.193	44,256	1.325	49,152
4	1.016	37,690	1.128	41,844	1.195	44,330	1.228	45,554	1.359	50,413
5	1.045	38,765	1.160	43,031	1.229	45,591	1.263	46,852	1.394	51,712
6	1.074	39,841	1.192	44,218	1.262	46,815	1.298	48,151	1.429	53,010
7	1.103	40,917	1.224	45,406	1.296	48,076	1.332	49,412	1.464	54,309
8	1.132	41,993	1.256	46,593	1.330	49,338	1.367	50,710	1.499	55,607
9	1.161	43,068	1.288	47,780	1.364	50,599	1.402	52,009	1.534	56,905
10	1.190	44,144	1.320	48,967	1.398	51,860	1.437	53,307	1.569	58,204
11	1.214	45,035	1.344	49,857	1.423	52,788	1.463	54,271	1.604	59,502
12	1.238	45,925	1.368	50,747	1.449	53,752	1.489	55,236	1.635	60,652
13	1.258	46,667	1.392	51,638	1.474	54,680	1.515	56,200	1.666	61,802
14	1.278	47,409	1.416	52,528	1.500	55,644	1.541	57,165	1.696	62,915
15	1.298	48,151	1.440	53,418	1.525	56,571	1.568	58,167	1.728	64,102
16	1.305	48,410	1.448	53,715	1.534	56,905	1.576	58,463	1.756	65,141
17	1.312	48,670	1.456	54,012	1.542	57,202	1.585	58,797	1.772	65,734
18	1.319	48,930	1.464	54,309	1.550	57,499	1.594	59,131	1.784	66,179
19	1.326	49,189	1.472	54,605	1.559	57,833	1.602	59,428	1.795	66,587
20	1.333	49,449	1.480	54,902	1.567	58,129	1.611	59,762	1.804	66,921
21	1.337	49,597	1.486	55,125	1.574	58,389	1.618	60,021	1.812	67,218
22	1.343	49,820	1.492	55,347	1.580	58,612	1.624	60,244	1.819	67,478
23	1.348	50,005	1.498	55,570	1.586	58,834	1.631	60,504	1.827	67,774
24	1.354	50,228	1.504	55,792	1.593	59,094	1.637	60,726	1.833	67,997
25	1.359	50,413	1.510	56,015	1.599	59,317	1.644	60,986	1.841	68,294
26	1.364	50,599	1.516	56,238	1.606	59,576	1.650	61,208	1.848	68,553
27	1.370	50,822	1.522	56,460	1.612	59,799	1.657	61,468	1.856	68,850
28	1.375	51,007	1.528	56,683	1.618	60,021	1.663	61,691	1.863	69,110
29	1.381	51,230	1.534	56,905	1.625	60,281	1.670	61,950	1.870	69,370
30	1.386	51,415	1.540	57,128	1.631	60,504	1.676	62,173	1.877	69,629
31	1.391	51,601	1.546	57,350	1.637	60,726	1.683	62,433	1.885	69,926
32	1.397	51,823	1.552	57,573	1.644	60,986	1.689	62,655	1.892	70,186
33	1.402	52,009	1.558	57,796	1.650	61,208	1.696	62,915	1.900	70,482
34	1.408	52,231	1.564	58,018	1.656	61,431	1.703	63,174	1.907	70,742
35	1.413	52,417	1.570	58,241	1.663	61,691	1.709	63,397	1.914	71,002
36	1.418	52,602	1.576	58,463	1.669	61,913	1.716	63,657	1.922	71,299
37	1.424	52,825	1.582	58,686	1.675	62,136	1.722	63,879	1.929	71,558
38	1.429	53,010	1.588	58,908	1.682	62,395	1.729	64,139	1.936	71,818
39	1.435	53,233	1.594	59,131	1.688	62,618	1.735	64,362	1.943	72,078
40	1.440	53,418	1.600	59,354	1.694	62,841	1.742	64,621	1.951	72,374

**WORKSHEET FOR COMPUTING COMPENSATION AND EXPENSES
FOR PROFESSIONAL CHURCH WORKERS**

WORKERS NAME

A. BASE SALARY

Basic Cash Salary

\$ _____

Housing/Parsonage Allowance

\$ _____

Fair Market Rental Value of Parsonage

\$ _____

TOTAL

\$ _____

B. ADJUSTMENTS

10-Month Contract (Teacher Only)

\$ _____

FICA-Social Security

\$ _____

Related Life Experience

\$ _____

TOTAL

\$ _____

C. NON-SALARY BENEFITS

Concordia Plan Services

\$ _____

Tax Sheltered Annuity or IRA

\$ _____

Home Equity Support

\$ _____

TOTAL

\$ _____

D. CHURCH BUSINESS EXPENSES

Automobile

\$ _____

Books, Periodicals, Continuing Education

\$ _____

Conventions & Conferences

\$ _____

IRS Housing Declaration @ % of _____ as determined by congregation.