

**COMPENSATION WORKSHEET  
NORTHEASTERN IOWA SYNOD**

**Definition of Compensation, Benefits and Responsibilities of the Pastor**

Congregation(s) \_\_\_\_\_

Name of Pastor \_\_\_\_\_

Effective Date: from \_\_\_\_\_ to \_\_\_\_\_  
*(Only if a term call)*

**A. COMPENSATION/SALARY**

1. Base salary paid to pastor \$ \_\_\_\_\_

*(Note: For First Call pastors, base salary increases will follow synod guidelines for at least the first three years.)*

2. Housing

a. Option 1: Housing Allowance Paid to Pastor. \$ \_\_\_\_\_

For the initial calculation, this is the base salary x 30%. Once the call is issued, the pastor may raise or lower the amount of the housing allowance as needed. If the housing allowance is raised, the base salary is lowered by the same amount. If the housing allowance is lowered, the base salary is raised by the same amount.

**OR**

b. Option 2: Parsonage Provided for Pastor. Parsonage Value. \$ \_\_\_\_\_

For the initial calculation, this is the base salary x 30%. This amount is **NOT** paid to pastor. It is only used to determine Defined Compensation.

i. Basic utilities are to be paid by the congregation (gas, electricity, sewer, garbage). The pastor and congregation may negotiate whether internet or cable/satellite are paid by the congregation. In some cases, a tax professional may recommend that a pastor receive a utilities allowance instead. If that is the case, list the utilities allowance paid to the pastor here: \_\_\_\_\_.

ii. A pastor may choose to designate some of the base salary as a Furnishings Allowance. This provides a tax advantage to the pastor by reducing taxable income for expenses related to furnishing the parsonage and covering monthly expenses like internet service. If the pastor is designating an amount of salary as a housing allowance, list that amount here: \_\_\_\_\_.

3. FICA Allowance Paid to Pastor as Additional Salary: (line 1 + 2a **OR** 2b) x 7.65% \$ \_\_\_\_\_

Our nation's tax policy treats pastors as self-employed persons for FICA purposes. Where straight W-2 employees pay 7.65% of their income for FICA Tax, with the employer providing the remaining 7.65%, ordained clergy are required to pay the full 15.3% FICA Tax on income and housing. Congregations must provide a FICA Tax offset equivalent to the employer's portion of this tax which is paid as regular salary.

**TOTAL DEFINED COMPENSATION** (Add lines 1-3) \$ \_\_\_\_\_

**B. REIMBURSEMENTS**

*Required:*

1. Travel  
Annual Allowance **or** \$ \_\_\_\_\_  
Per Mile Reimbursement at current IRS rate

2. Official required meetings (Synod Assembly & Fall Conference) \$ \_\_\_\_\_

3. Continuing Education (\$900 recommended for full-time call) \$ \_\_\_\_\_

4. Moving Expenses \_\_\_\_\_

*(Note: Under the current federal tax code, moving expenses are considered a fringe benefit and must be included as taxable income on the pastor's W-2)*

*Recommended:*

1. Publications and Professional Expenses (\$700 recommended for full-time call) \$ \_\_\_\_\_

2. Amount set aside annually for Sabbatical Leave (\$400 recommended) \$ \_\_\_\_\_

*(This is set aside by the congregation to pay for coverage while pastor is on sabbatical.)*

**C. BENEFITS**

To calculate retirement & medical you must sign into your Portico EmployerLink account, select "Resources" then "Understanding Portico's Benefits" and select "Calculators," or call Portico Customer Care at 800.352.2876.

- 1. Required Retirement Plan Contributions  
Indicate percentage: 10% 11% 12% (% x Total Defined Compensation) \$ \_\_\_\_\_
- 2. Health + Disability + Basic Group Life \$ \_\_\_\_\_  
Plan Option: (Platinum+; Gold+; Silver+ A or B) \_\_\_\_\_  
 Member only  Member & spouse  Member & children  
 Member, spouse, children  Coverage waived
- 3. Housing Equity Allowance paid as additional retirement contributions \$ \_\_\_\_\_  
*(only applicable when a parsonage is provided)*
- 4. Reimbursement for medical expenses not covered by medical plan up to \$ \_\_\_\_\_
- 5. Vacation Four weeks including four Sundays
- 6. Continuing education Two weeks including two Sundays
- 7. Sabbatical Leave \_\_\_ weeks after \_\_\_ years of service in this congregation
- 8. Parenting leave of \_\_\_\_\_ weeks with full salary, housing, and benefits.  
*(Recommended 6 weeks)*

**D. AGREEMENTS**

**YES NO**

- 1. We presently have or will establish a Mutual Ministry Committee. \_\_\_\_\_
- 2. Congregation has or will establish a Sabbatical Leave Policy. \_\_\_\_\_
- 3. Other \_\_\_\_\_
- 4. When calling a new seminary graduate, the congregation(s) must fully support the pastor participating in the Synod First Call Theological Education Program.

**E. OTHER PROVISIONS**

1. During this time period, the pastor will give special attention in ministry to the following:

- a. \_\_\_\_\_
- b. \_\_\_\_\_
- c. \_\_\_\_\_
- d. \_\_\_\_\_
- e. \_\_\_\_\_

2. The congregation will encourage this pastor's ministry in the following ways:

- a. \_\_\_\_\_
- b. \_\_\_\_\_
- c. \_\_\_\_\_
- d. \_\_\_\_\_
- e. \_\_\_\_\_

3. Other matters:

\_\_\_\_\_  
\_\_\_\_\_

**CONTACT PERSON:**

Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_