

**Compensation Equity Proposal to the
Council of the Southeast Michigan Synod
Presented Saturday, December 17, 2022**

Compensation Equity Taskforce members:

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Ms. Shavaughn Joyce, Taskforce Co-Chair
The Rev. Matthew Bode, Taskforce Co-Chair
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Background:

At the 2022 Synod Assembly, which took place on May 14, 2022, at Zion Lutheran Church, Ann Arbor, the assembly was presented with Resolution 2022-2: Compensation Equity. This resolution directs the Southeast Michigan Synod Council to appoint a task force to establish compensation equity policies for Synod Staff and to develop principles, resources, and recommendations regarding compensation equity in congregations. This resolution was passed by an overwhelming majority of the Synod Assembly. A task force was then put into place by Bishop Kreiss, who identified two co-chairs to oversee the process and one synod staff member to serve as a resource and provide assistance as appropriate. The task force is comprised of a mix of clergy and laity and includes people of color and members of the LGBTQIA+ Community. It also includes individuals who have experience in human resources from the secular business world. For the text of the resolution, see resource #1.

Purpose:

The compensation guidelines for staff of the Southeast Michigan Synod of the Evangelical Lutheran Church in America are designed to create as much pay equity as we can as a reflection of our values as followers of Jesus Christ. As the synod staff is small, we recognize that it might become easy to overlook the gifts of inclusivity and diversity that a staff member might bring in service to the synod. In the categories of disability, race, sexual orientation, and gender expression, it may well be that a staff person not only serves in their specific job or calling, but also their identity might mean larger service as the only representative of a particular demographic on synod staff. That can create an additional burden and area of service that may not be in their job description. Nevertheless, their service in this area may be invaluable.

Therefore, as we also, through our synod formula, factor years of experience, advanced degrees, ordination status, and others, we must also consider the gifts of disability, race, sexual orientation and gender expression, and any other marginalized identities of a candidate.

In doing so, we acknowledge the gifts and responsibilities that status brings to the larger church, and how it reflects the deficits in diversity that exist throughout our church body.

Historical Information Regarding Compensation among Synod Staff – See Resource #2

Please note that this historical information only includes details from the tenure of Bishop Kreiss

When Bishop Kreiss was elected Bishop in 2011, the synod staff included 6 Full time staff, including the Bishop, and 1 staff member who was $\frac{3}{4}$ time. In the years of Bishop Kreiss' tenure, the staffing in the synod office has changed. The current Synod Staff is made up of 5 full time staff, including the Bishop, and one hourly staff person who comes in between 3 – 5 hours per week. The responsibilities of previous positions have been folded into current and new full time positions.

The Director of Evangelical Mission's (DEM) position receives a small stipend from the SEMI Synod. However, as the DEM is an employee of the ELCA Churchwide organization, the majority of their compensation is paid by the ELCA. Therefore, any compensation information presented in Resource #2 does not include that position. Also not included in Resource #2 is compensation information regarding the part staff position as that hourly wage is determined by a different formula.

Since 2011, there has been a steady increase in the salaries of what are now the positions of Assistant to the Bishop for Advocacy and Urban Ministry and Assistant to the Bishop for Administration. This included a raise when these two positions were elevated to the status of Assistant to the Bishop in fiscal year ending 2021. Since 2011, the Bishop has not received a raise. Upon discovering that the Bishop was being compensated below both the synod guidelines and the average compensation of Bishops throughout the ELCA, a proposal was crafted and presented to the 2022 Synod Assembly, which included a 15% increase in salary for all Synod staff for the fiscal year ending 2024. This proposal, included within the budget, was adopted by the assembly.

Process:

Pastor Kiefer, in consultation with Pastor Schillack and the compensation guidelines task force, researched compensation guidelines and policies of synods throughout the ELCA. Much of this information had been obtained when the synod compensation guidelines task force was researching average compensation for the office of Bishop. Specifically, we looked at the synod compensation guidelines for the Southeastern Synod, the Alaska Synod, Metro Chicago Synod, South Dakota Synod, and Indiana/Kentucky Synod.

Ms. Joyce, Pastor Bode, and Pastor Kiefer met to lay out goals for the compensation equity task force. The ultimate goal was the creation of a compensation guideline document that gives weight to related non-rostered work experience, thus creating a more equitable system of compensation. This follows the directive of the resolution: "A system that values clergy over lay staff fails to speak clearly to the societal problem of pay inequities between marginalized people and people of privilege...We can model and address this when we ensure that there is pay equity for members of the synod staff."

The Compensation Equity Task Force requested job descriptions for the Assistant to the Bishop for Administration and Assistant to the Bishop for Advocacy and Urban Ministry positions, as those staff positions could be filled by either ordained or lay persons. This request was made to allow for the creation of a policy around annual staff evaluations, which would determine if the job description matched the job being done. This reflects the reality that, in ministry, needs may change from year to year. These job descriptions were provided by Ms. Beth Fisher and Ms. Robin McCants and reflect what their positions currently involve. These job descriptions provide a concrete basis for any future adjustments that may come, depending on need.

It was determined that the one major difference between ordained and lay staff compensation relates to the provision of a housing allowance for clergy. Per the IRS only Ordained Ministers of Word and Sacrament are eligible for a housing allowance under the tax code. This, then, accounts for the compensation gap between Ordained and Lay staff.

Another factor that has not been taken into account, to the knowledge of the Task Force, is non-ordained work experience in a field related to the staff member's position on synod staff. A reality which exists in the United States is that marginalized persons are not always provided with the opportunities to pursue advanced degrees but may have obtained valuable skills through ministry related work experience. Thus, a compensation calculator that accounts for non-ordained, ministry related, work experience, can help bridge the gap between Ordained and Lay staff.

It was determined that the layout of the compensation formula from Indiana/Kentucky Synod would be most easily adapted to achieve compensation equity amongst synod staff. It can also be easily used by congregations to determine compensation of both ordained and lay staff. (See Resource #3)

This compensation formula works to achieve compensation equity as follows:

- All staff start out at the same level of compensation – this number was determined using the 2023 minimum guidelines for Ordained persons with 0 years' experience plus a median housing allowance of \$20,000.
- Box E allows for input of years of experience that Lay Synod staff members have working for the Synod office.
- Box F allows for input of years of non-ordained, ministry related, work experience.
- Boxes K and J allow for input as it pertains to advanced degrees and additional responsibilities, as is appropriate.

Adjustments were made to the compensation formula to reflect the reality of the housing market of the Southeast Michigan Synod. This was done by obtaining the average home value for each county in the Synod and taking an average of those numbers.

Resource #4 is an outline of what compensation would look like if this formula were adopted by the Synod. Resource #5 is the current proposal for the 2025 compensation, which includes moving the Assistant to the Bishop for Administration from 10% to 12% retirement contribution to match the rest of the staff.

Recommendations of the Compensation Equity Taskforce:

- 1) The Compensation Equity Task Force recommends the adoption of a compensation formula that takes into account years of experience in non-ordained, ministry related, work. This recognizes and lifts up the reality that the gifts and skills of professional staff often come from lived work experience and not always from a classroom. The Task Force specifically recommends the formula as created by the Indiana/Kentucky Synod and amended to meet the needs of the Southeast Michigan Synod, which is presented in Resource #3.
- 2) The Compensation Equity Task Force recommends that a fund be established to allow for all Synod Staff members, lay or ordained, to take a sabbatical, per the sabbatical policies already found in the Synod Compensation Guidelines. These times of sabbatical will need to be arranged in consultation with the Bishop and the Synod Council.
- 3) The Compensation Equity Task Force recommends annual staff evaluations, conducted by the Bishop, which include review of the staff job descriptions, and other tasks performed by the staff member, so that any necessary amendments can be made.

Resources mentioned in the document are available upon request.