

## ***Annual Performance and Salary Review***

In order to ensure that checks and balances occur in the salary decision-making process and that employees and pastors are informed about salary matters, the following will serve as the process by which annual salary recommendations are made at First Lutheran Church:

☒ Performance evaluations will be done annually during April or May. Employees and pastors are to do their evaluation with their immediate supervisor. The senior pastor will be evaluated by the Human Resources Committee (HRC). A copy of all performance evaluations will be given to the senior pastor. Only the employee/pastor, immediate supervisor and senior pastor will see the evaluation unless the employee/pastor gives their consent.

☒ When the budget process begins each fall, the senior pastor will make recommendations to the HRC concerning salary increases for all non-pastoral staff. The general salary increase recommendation for each employee will be prioritized as “high”, “average” or “low.” This broad recommendation will be based upon a variety of considerations: performance evaluation, qualifications and experience, length of service, equity among staff, relative worth of the position, comparisons of similar positions in other churches, ability of congregation to provide increases, unique circumstances concerning the position or employee, etc. The HRC will make recommendations for all pastoral staff. All staff recommendations are considered confidential between the senior pastor and HRC.

☒ The HRC will translate their decisions regarding the senior pastor’s recommendations into specific percentages and dollar amounts for each employee and pastor of the church.

☒ The HRC provides their recommendations to the Congregation Council for each individual and pastor. This information is considered confidential between the HRC and Council. Once the Council has made a decision concerning the HRC recommendations, employees and pastors will be informed of their individual salary recommendation. This information is considered confidential between the Council and individual. If an employee or pastor wishes to contest or be in conversation about their salary determination, they may meet with the HRC. If agreement is not reached with the HRC, the individual may meet with the Council. The Council will make a final decision concerning that individual’s salary.

☒ Once a final determination is made for all salaries, the total amount for all staff salaries is listed in the proposed budget to be presented to the congregation. Salary information concerning individuals is considered confidential.

☒ After the annual meeting of the congregation when a budget is approved, the senior pastor will inform all staff of their individual salary change, submit change of salary information to the ELCA pension office, and insure that salaries are retroactive to January 1 since the church’s budget operates on a calendar year.

4/8/97 HRC