

# STRATEGIES FOR SETTING STAFF SALARIES

## Understanding and Using UUA Salary Recommendations



UUA Office of Church Staff Finances

Jan Gartner, Compensation and Staffing Practices Manager



UNITARIAN  
UNIVERSALIST

# Your Host

## Jan Gartner

### UUA Compensation and Staffing Practices Manager

- Compensation Program
- Regional Compensation Consultants
- Staffing Practices
  - Job descriptions and employment agreements
  - Payroll issues
  - Onboarding and orienting, offboarding and departures
  - Supervision and performance feedback
  - Staffing levels



# Office of Church Staff Finances

Rev. Richard Nugent, Director

## What We Offer

Health Plan

Dental Plan

Life Insurance

Long-term Disability

Retirement Plan

Compensation Program

Staffing Practices Guidance

Aid Funds

# Office of Church Staff Finances

## Our Mission

(a work in progress)

Guided by the values of our faith,  
we equip congregations for excellence as employers  
and their staff for financial competence and well-being.

# Our Time Together

## Compensation Program

- History
- Current program
- Moving forward

## Salary Recommendations

- Purpose
- Determining Our Recommendations
- Three Comparisons: Competitiveness, Consistency, Equity
- Using UUA Salary Resources and Recommendations

## Complications

## Support

## Questions

# Compensation Program

## Program History

*Pervasive problem: inconsistent, arbitrary compensation*

1990 UUA Committee on Ministerial and Church Staff  
Compensation formed

1994 report, “To Sustain the Living Tradition”

# Compensation Program

## Program History

“To Sustain the Living Tradition”

- Similar challenges today
- What is appropriate and reasonable?
- Recommendations:
  - Salary guidelines
  - Basic benefits package for all full-time staff, “not to be bartered”
  - Housing cost index

1995 General Assembly adopts Fair Compensation Guidelines

# Compensation Program

## 2014 Fair Compensation Guidelines

1. Salary recommendations
2. Ministers' "in lieu of FICA" (self-employment tax offset)
3. Insurance: Health, LTD, Life, Dental
4. Retirement Plan
5. Vacation
6. Professional Development
7. Professional Expenses
8. Personnel Policies



# Compensation Program

## Moving Forward

- Comprehensive Program Review
  - Components
    - Salaries
    - Benefits
    - Staffing practices
  - Advice from paid consultant
  - Input from constituency groups
  - Our own research (e.g., other religious denominations)
  - Practical, philosophical, and theological aspects
  - Timetable: proposal by 2018, full implementation by 2020
- “Fair” (hard to track; want to support, not shame)

“Employer of Choice” model

# Salary Recommendations

## Purposes of Recommendations

- Aid with consistency across congregations
- Enable congregations to attract and retain excellent staff
- Encourage congregations to *live their values within their walls*



# Salary Recommendations

## Process for Determining Our Recommendations

1. Describe jobs in UU congregations (capsule job descriptions)
2. ID comparable church and nonprofit jobs for these titles
3. Obtain market survey data on salaries
4. Translate survey data to our structure\*\*
5. “Market rate” is target (midpoint); build range around target
6. This is Geo Index 3. Adjust for others.

\*\* Involves judgment and approximations

# Salary Recommendations

## Three Comparisons

### 1. Competitiveness

- Compare salaries with jobs “in the world”
- Challenge: which jobs to include and weighting them

### 2. Consistency

- Compare salaries for similar positions across UU congregations
- Challenges: varied congregational situations; congregational data collection

### 3. Equity

- Compare salaries within a congregational staff team
- Challenges: assessing relative value of staff roles; accounting for performance, longevity

# Salary Recommendations

## 2017-2018 is a Catch-up Year

- No changes to salaries or geo indices from 2016
- Format changes for user-friendliness
- Benefits impact total payroll cost
- Does NOT mean holding salaries constant
- Urging congregations to review all staff salaries

# Salary Recommendations

## UUA Resources

### [Salary Recommendations for Congregational Staff](#)

- [Guide to Salary Recommendations](#)
- [Capsule Job Descriptions](#)
- [Geo Index Listing \(find your location\)](#)
- [Salary Recommendations \(for each Geo Index\)](#)

# Setting Salaries

## Basics

- 40 hours, 12 months
- Benefits not included
- Salary + Housing for ministers

## Find Geo Index

- Geo index 1 thru 7, listed by state; 3 is close to U.S. average cost of wages
- Geo Index reflects cost of wages.
- For cost of living, use [bestplaces.net](http://bestplaces.net).

2017-2018 Geo Index Listing

City	State	Classification
Ames	IA	2
Burlington	IA	1
Cedar Falls	IA	1
Davenport	IA	2
Des Moines	IA	2
Dubuque	IA	2
Iowa City	IA	1
Slouss City	IA	2
Boise	ID	2
Coeur d'Alene	ID	1
Idaho Falls	ID	1
Moscow	ID	1
Pocatello	ID	1
Twin Falls	ID	1
Alton	IL	2
Bloomington	IL	5
Carbondale	IL	3
Chicago	IL	4
Decatur	IL	3
Deerfield	IL	3
DeKalb	IL	3
Elgin	IL	3
Evanston	IL	3
Geneva	IL	3
Grayslake	IL	3
Hinsdale	IL	3
Joliet	IL	3
Naperville	IL	3
Valparaiso	FL	2
Venice	FL	2
Vero Beach	FL	2
W Melbourne	GA	2
Athens	GA	2
Atlanta	GA	3
Augusta	GA	2
Brunswick	GA	2
Dahlonega	GA	2
Lawrenceville	GA	1
Macon	GA	3
Marietta	GA	2
Roswell	GA	3
Sandy Springs	GA	3
Savannah	GA	2
Statesboro	GA	1
Honolulu	HI	4
Waples	FL	3
North Palm Beach	FL	3
Odessa	FL	2
Orlando	FL	2
Ormond Beach	FL	1
Panama City	FL	2
Pensacola	FL	2
Port Charlotte	FL	2
Rockledge	FL	2
Sarasota	FL	2
St. Augustine	FL	2
St. Petersburg	FL	2
Stuart	FL	2
Summerfield	FL	2
Tallahassee	FL	2
Tampa	FL	2
Tarpon Springs	FL	2

# Setting Salaries

## Locate Min-Mid-Max columns for your size

UUA Salary Recommendations

Geo Index 3

July 2017 - June 2018

### Ministers

Recommendations assume full-time (40 hours) and do not include the cost of benefits or payroll taxes. Refer to Guide to Salary Recommendations.

#### Notes for setting ministerial salaries:

- All recommendations are for Salary + Housing.
- Second minister salaries should be determined primarily by level of responsibility, authority, and impact relative to lead minister, regardless of title. May blend Associate/Assistant salary lines.
- Program ministers (e.g., Minister of Pastoral Care, Minister of Music, Minister of Religious Education) are generally treated as second ministers - Associate, Assistant, or blend.
- Interim minister salaries should be at midpoint or above.

TITLE See capsule job descriptions	Small <150 members			Midsize I 150 - 249 members			Midsize II 250 - 349 members			Midsize III 350 - 499 members			Large I 500 - 749 members			Large II 750+ members		
	MIN	MID	MAX	MIN	MID	MAX	MIN	MID	MAX	MIN	MID	MAX	MIN	MID	MAX	MIN	MID	MAX
Lead Minister: Solo, Senior, or Co-lead	47,100	59,000	70,800	58,850	75,050	91,100	65,850	85,700	105,450	71,900	94,250	116,950	77,850	102,950	128,500	97,150	131,150	164,950
Second Minister: Associate function	42,700	50,850	59,000	48,900	62,450	76,000	54,950	71,400	87,850	59,950	78,750	97,450	64,900	86,100	107,100	84,100	113,400	142,700
Second Minister: Assistant function	41,050	48,850	56,400	41,300	52,400	63,500	45,450	59,500	73,450	47,800	64,600	81,500	50,050	69,800	89,550	62,500	88,850	115,050



# Setting Salaries

## Choose best job title

- Might not be YOUR position title
- Responsibility, authority, impact
- Blend may be appropriate

### Capsule Job Descriptions

For use with UUA Salary Recommendations, 2017-2018

#### Ministers



*Choose the best fit job, based on the descriptions below, regardless of the position title in your congregation. For some employees, it may be appropriate to blend two jobs, using a straight or weighted average.*

- These definitions apply to called, hired, contract, and developmental ministers.
- Special note: **Interim minister\*** salaries should be at midpoint or above.

#### Lead Minister (solo, senior, or co-lead)

Performs all of the expected duties of ministry. Typically serves as head of staff and as executive for administrative purposes. Has a collaborative relationship with the governing board. Represents the congregation in the community. "Co-lead" ministers are of equal rank.

#### Second Minister

In collaboration with and under the direction of a lead minister, a second minister performs assigned ministerial duties. The title and responsibilities of a secondary minister can vary widely. Some secondary ministers partner with the lead minister on broad initiatives and direction-setting, in addition to overseeing numerous ministries of the congregation, while others manage one particular program.

Traditionally, an Associate Minister has helped develop the congregation's vision and is called by a vote of the congregation while an Assistant Minister is focused on implementation and is hired by the senior minister or governing board. These distinctions may come into play in making compensation decisions. However, when setting salaries in a multi-minister setting, we expect congregations to put their emphasis on internal equity, i.e., the level of responsibility, authority, and impact of the second minister relative to the lead minister (and other lead staff).

#### \* Interim Minister

An Interim Minister carries out the customary responsibilities of a minister and engages the congregation in an intentional transition-related process during a 1-to-2 year period as the

# Setting Salaries

Look at appropriate row or rows

Example:

Second minister blend?

(average Associate and Assistant)

Large I		
500 - 749 members		
MIN	MID	MAX
77,850	102,950	128,500
64,900	86,100	107,100
50,050	69,800	89,550

# Setting Salaries

## What do they mean?

- **Minimum:** new hire with minimum qualifications
- **Midpoint:** target; median salary based on market data
- **Maximum:** experienced and highly valued; more than longevity; can go higher

Large I		
500 - 749 members		
MIN	MID	MAX
77,850	102,950	128,500
64,900	86,100	107,100
50,050	69,800	89,550

# Setting Salaries

## Where to place employee in range?

Example:

Min = \$40,000

Mid = \$50,000

Max = \$60,000

Range (min to max) = \$20,000

<b>Entry</b> (bottom quarter) 40 to 45K	<b>Proficient</b> (middle "half") 45 to 55K	<b>Master</b> (top quarter) 55 to 60K
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**Entry**

growing into job

**Proficient**

most employees, full skill set, doing job well

**Master**

valuable beyond responsibilities

# Setting Salaries

## Moving employees through the range

- Staff add value over time
- Keep up with changes in cost of living and/or UUA salary structure

## Step Model (simplified example)

- Divide range into 10 equal parts. Each one becomes a step.
- The minimum is the “base,” the bottom, the foot of the stairs – step “0”.
- Hire at 0 for minimum qualifications, or up to step 2 or 3, based on experience.
- Add 1 step per year of experience for years 1-4, then 1 step per 2 years, up to step 7.
- Add steps for exceptional performance and/or significant relevant training.
- Automatically adjusts for changes in UUA salary structure

# Complications

## Values in Tension

- Compensation *and* Annual Program Fund
- Compensation *and* Staffing Levels



# Complications

## Congregational size

- Membership vs. Sunday attendance vs Budget
- RE program size for RE positions
- Cusp of size range

## Cost of wages vs. cost of living

- High cost of living areas
- Cusp of Geo Index

# Complications

## Capsule job descriptions: no good match

- Qualifications
- Level of responsibility, authority, impact
- Blending through straight or weighted average
- Unique, creative staff positions

## Benefits

- Can add 30-40% on top of salary
- Might increase faster than salary (e.g., Health Plan)



# Complications

## Staff Over-functioning

- Exempt staff: working a lot of extra hours
- Nonexempt staff: off-the-clock volunteering (*illegal!!*)

Burnout  
Cost of turnover

## Budget Challenges

- Salaries lose ground, not moving up in range
- Examine priorities, creative or difficult solutions

Decreasing hours  
Decreasing staff  
Use of volunteers  
Programmatic changes

## Local wages

- Local positions more sensitive to prevailing local wage norms
- State and local minimum and living wage laws

# Complications

## Ministerial Salaries

- Often competitive; some starting offers above midpoint
- Give as much thought to compensation for other positions

## UUA Support

### Compensation Consultants

- Regionally based
- Trained and supported
- Available at no cost

My office

Regional staff

# The “Art” of Compensation

- UUA Recommendations: general advice for all congregations
- Not customized counsel
- Applying sensibly and fairly is up to you





# Your Questions





# Thank you for joining me!



Stay in touch!  
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