

UNITARIAN UNIVERSALIST ASSOCIATION
Compensation, Benefits, and Pension Committee
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Explanation of Salary Range Recommendations

Introduction:

Fair and adequate compensation is essential to the recruitment, retention and motivation of qualified personnel. All employer-organizations face this fact. Compensation rewards are experienced in both financial and non-financial terms, and it has been customary to assume that persons who work for religious organizations are drawn to the non-financial ones. Economic realities today require that many clergy and other church staff must now give the financial aspects a higher priority.

In 1995, our congregations adopted guidelines for Fair Compensation work. The work supporting those guidelines is continued through two groups, the UUA Compensation, Benefits, and Pension Committee (CBPC) and the District Compensation Consultants.

The CBPC, appointed by our UUA Trustees to provide pay and benefit recommendations for congregations, is primarily composed of laypersons with expertise in human resources, retirement plans, and personal financial management. The District Compensation Consultants are volunteers appointed by District staff and serve the local congregations. The Office of Church Staff Finances provides the UUA staff support.

Central to the UUA program is the notion that salary and benefit decisions are within the ultimate jurisdiction of employer-congregations.

Our Principles and Purposes encourage and challenge our congregations to not only provide for a mutual support, but also for a call to be our most authentic. This challenge is tied to our first two principles: the inherent worth and dignity of every person; and justice, equity and compassion in human relations. These two principles call us to provide our best for those who serve our congregations.

Our Association encourages its member congregations to provide wages and benefits comparable to those available to persons with similar qualifications and abilities who work in secular employment. Only thus can churches attract persons of the highest caliber whose service will enrich the religious, educational, social justice, and other programs for our members and communities. The UUA offerings are detailed at www.uua.org/programs/ministry/finances/compensation.html.

UUA Salary Program Principles

Several basic principles underlie our UUA salary range recommendations:

- Base salaries for church staff should be comparable to wages received by others performing similar duties in not-for-profit organizations of the same management size.
- Salary ranges should be adjusted for differences in wage rates around the US.
- Salaries are linked to the size of membership of congregations, which is the key indicator of church financial resources.
- Salary recommendations must be realistic in terms of congregational finances.
- Salaries should be accompanied by the standard array of employer-paid benefits for eligible staff members.

- There should be no discrimination in compensation based on gender, age, race, or other personal individual characteristics.

Base Salary Data

Since 1996, our Association has used the services of a professional compensation and benefits consultant who is an active UU layperson. He contacted six other Protestant denominations and one Jewish group about the salary and benefit patterns of their congregations. He learned that only two other religious groups similar to the UUA collect salary data at a national level. Others do so on a regional or state basis.

Secondly, our consultant examined survey results and other studies from the Association of Church Personnel Administrators, the National Association of Church Business Administrators, the Pulpit and Pew research program at Duke University, Christian Ministry Resources, and the Department of Labor. Few UU congregations were included in the data from these sources, and the widespread variations in ministerial education and credentialing made valid comparisons difficult. Also, these surveys missed the mark in terms of clear methodology, sufficient sample size, or appropriate job matches.

In order provide a more valid “market-driven” approach for UUA salary range recommendations, we purchased the 2004 report from the Abbott Langer & Associates, Inc. consulting firm in Illinois, the leading researcher of salaries in not-for-profit organizations in the United States. Where the duties, responsibilities, activities, and accountability of church staff were similar to positions in other not-for-profit organizations, the median actual salaries in these secular bodies were used to determine approximate Midpoints of UUA ranges.

Finally, the 2003 salary and benefit data provided by UU congregations served as a base line indicator for what UU congregations seemed able to pay, and what current church staff deemed acceptable.

Building Salary Range Recommendations for UU Churches

UUA salary range recommendations link salaries recommended for ministers to the salaries paid to the executive directors of not-for-profit organizations with an overall staff comparable to that of UU congregations of various sizes. For example, the recommended range for a minister in a small UU congregation was checked against that of the executive director in an organization with fewer than five employees. For 2006, the salary range recommendations for several ministerial roles were conflated in recognition of the trends toward multi-staff “team ministries.”

The position of Credentialed Religious Educator in a UU congregation was matched to the position of training director in not-for-profits. Several separate educator ranges were provided to align with the program for credentialing within this valuable body of personnel in UU churches.

Comparing the duties of administrative and office management positions in church work and in not-for-profit employment found many valid comparisons. UUA Midpoint salaries for administrative and other office positions align with those in the not-for-profit organizations.

This approach does not lend itself as well to establishing salary ranges for church musicians since there are few comparable positions in not-for-profit organizations. For 2006, we continued the practice of linking church musician salary ranges to those of various grades of religious educators.

The Minimum is not the Goal

As with most organizations, our Association has built the salary recommendations around the Midpoints of the ranges. These Midpoints represent a typical salary for a jobholder in the not-for-profit sector. In other words, the initial minimum amount is not the goal for persons in a particular position. It represents a point below which only one-quarter of those in the survey are paid. The Midpoint of the range, on the other hand, represents where a competently performing staff member would be after mastering the

requirements of the position. While the Minimum may be a suitable starting salary for a qualified new employee, it is expected that most staff will grow toward the Midpoint of their range within five years. Where employers believe an employee's performance does not warrant pay above the Minimum of a range, there are usually other factors of training or suitability to be addressed.

UUA salary ranges are intentionally wide enough for employer-congregations to use with considerable latitude. The Abbot Langer data suggested that salary ranges for several jobs should be far wider than seen in current practices. The spread between the Minimum and the Maximum has been adjusted to allow for considerable growth in salaries, consistent with other not-for-profit organizations. With this modified design, and as a result of an internal survey of UU congregations, Minimum salaries for UU ministers did not occasion increases from the ranges recommended for 2004-2005. The Midpoints were increased, as were some of the Maximum amounts, resulting in wider ranges that provide more room for salary growth in individual cases.

Annual Adjustments

As in most other employment situations, it is expected that church staff members will receive an annual salary adjustment linked to changes in the cost of living. The Consumer Price Index (CPI) is published regularly by the US Bureau of Labor Statistics. This index has been forecast at approximately three percent between January 2005 and January 2006.

As an inducement to improvement in performance, it is also expected that annual merit adjustments will be offered to most employees. Over time, for those performing their duties at a solid, acceptable level, merit increases should drive salaries past the Midpoint toward the Maximum goal. In addition to rewarding competence, these adjustments are conducive to longer service. Actively moving towards Fair Compensation helps all employer-congregations avoid the expenses and dislocation of recruitment and training of new personnel.

Geographic Variations

In 2001, our Association began to delineate five Geo Index or Wage Rate Areas applicable to 240 cities or surrounding communities where UU congregations are located. This linkage is continued for salaries recommended for 2006. It is important to note that what we call Wage Rate Areas are based on *actual wages paid, not on differences in cost of living*. Rather, wage rates reflect actual wages paid to residents of identified communities as reported to the IRS by employers.

Wage Area Index	Relationship to National Wage Rates	Limits of Wage Rate Area	UUA Adjustment to National Structures
1	Very Low	Less than 93% of National Rates	National Structure minus 12%
2	Low	Between 91 and 97% of National Rates	National Structure minus 6%
3	Average	Between 97 and 103% of National Rates	National Structure
4	High	Between 103 and 109% of National Rates	National Structure plus 6%
5	Very High	Greater than 109% of National Rates	National Structure plus 12%

Unfortunately, there is no index for every community in which there is a UU congregation. If a particular UU congregation finds its city is not listed on the table provided, the congregation should use the nearest comparable benchmark city when adopting the appropriate Wage Rate Area Index for their salary range determination.