

Guide to UUA Salary Recommendations, 2017-2018

Office of Church Staff Finances



About Our Salary Recommendations

Intent

The UUA Salary Recommendations will assist you in offering appropriate pay to your employees. They should guide, but not limit, congregational compensation decisions. Our intent is to help you attract and retain excellent staff, as well to urge you to be a faithful employer – one whose compensation and other staffing practices align with your mission and values as a Unitarian Universalist congregation.

Development

The UUA Salary Recommendations were developed through a process of comparative wage analysis using data obtained from national sources, including ERI, Inc. The ERI database makes use of census, federal wage surveys, and other wage data. ERI data is also used to assign a Geo Index to each congregation. See “Find Your Geo Index,” below.

Our recommendations are expressed as ranges built around a target, or midpoint. The midpoint represents the market rate for the position, as determined by our wage analysis.

Using Our Salary Recommendations

1. As You Begin

Remember these basics:

- Recommendations are based on a **40-hour workweek**. Pro-rate the amounts in the tables for positions of fewer hours, or divide a recommendation by 2080 (which is 52 X 40) to get an hourly rate.
- Salary recommendations **do not include any benefits**. For a full-time employee, [UUA-recommended benefits](#) add roughly 30-40%.
- For ministerial positions, recommendations include **Salary and Housing**.

2. Find Your Geo Index

UUA Salary Recommendations are based on prevailing wage rates in communities where UU congregations are located. ERI data is used to assign a Geo Index to each congregation. The Geo Indices range from Geo Index 1 to Geo Index 7, with Geo Index 3 representing congregations in communities where the average wage falls close to the U.S. average. Our Geo Index Listing provides an explanation of each of the seven Geo Indices.

There is a difference between the cost of wages and the cost of living:

- The **cost of wages**, also called the cost of labor, reflects wages paid by employers located in a particular location.
- The **cost of living** shows how expensive it is to live in a particular location, based on the prices of goods (including housing) and services.

The UUA Salary Guidelines take into account the **cost of wages** through the Geo Index. In keeping with compensation philosophy and best practices, we do not explicitly incorporate the cost of living into our recommendations. However, we recognize that attracting and retaining good staff in areas with a high cost of living often means paying more. We advise congregations to take their area's cost of living into consideration in setting salaries, and professionals seeking to relocate should be aware of cost of living and housing in their potential new location. You can look up the overall cost of living (plus breakdowns by category, e.g., housing) of any U.S. location, compared to the U.S. average, on [Sperling's Best Places](#).

3. Locate Your Membership Size

On the appropriate Geo Index chart for your congregation, look for the MIN-MID-MAX columns corresponding to your membership size.

4. Choose the Best Job Title

Use our Capsule Job Descriptions to determine the best fit job title for each staff position in your congregation. You may determine that one of your positions is best described as a blend of two of our capsule descriptions. In such a case, you can use the straight average or a weighted average of two jobs.

The job title you use for the purposes of following our Salary Recommendations may or may not correspond to the staff member's actual position title in your congregation.

5. Understanding and Using the Range

Midpoint Represents Market Value: The midpoint, or target, of the range for each position represents the market value for the job as determined by our analysis. There is a suggested range around the target within which we expect most employees to fall. The range provides flexibility to pay individuals based on their experience, skills, proficiency, and contributions to the congregation's success, as well as to ensure that internal equity (how salaries align relative to each other within the staff team) is maintained. The full range is considered market competitive.

Sections of Range: As you consider where to place an employee, consider the range as follows:

- **Entry section** – bottom 25% of range: This portion of the range is for an employee who partially meets job responsibilities and is growing into the job. The minimum is appropriate for a new hire with little or no relevant experience. A new hire with previous experience and relevant educational credentials might be offered closer to the 25% mark. In a competitive environment, be prepared to go above the entry level range to get the person you want.

- **Proficient section** – middle 50% of range: The middle 50% of the range is where most employees are expected to fall. This portion of the range is for employees who have the full skill set and are fulfilling their job responsibilities well. Aside from length of service, factors to consider in determining merit adjustments within this part of the range are: participation in or completion of continuing education opportunities, strong performance and contributions, and expanding or deepening in their role over time. An employee hired near the minimum of the range (bottom of entry level) might reach the midpoint after 7 to 8 years and then would move beyond it.
- **Master section** – top 25% of range: This portion of the range tends to be reserved for seasoned staff members who add value to the organization above and beyond the expected responsibilities and skill set. For instance, consider the benefit to your congregation of a staff member who: exceeds expectations in most aspects of their work, possesses treasured institutional knowledge, represents the congregation in the community, serves as a mentor to colleagues, and/or takes on leadership roles in the Association or their professional organization. You are welcome to pay above the maximum of the range, and doing so can help you attract and retain excellent staff.

Internal alignment, or internal pay equity, is very important. Salaries within a congregation must “make sense” relative to each other, taking into account the similarities and differences in responsibility and experience across your staff.

Prevailing local wages: Especially for positions that draw from the local talent pool, be aware of the going rate for similar jobs in the area, and make sure you are honoring any minimum or living wage laws for your location!

Staffing levels: There is a “rub” between staffing levels and staff salaries. If you are struggling to pay your staff appropriately and to move them up through the range over time, you may need to revisit your level of staffing. The best solution to maintaining just compensation, in some cases, is having fewer staff positions and/or reducing hours for particular positions.

Changes to staffing levels or hours should not be made lightly, of course. Eliminating a position entirely is nearly always a challenging endeavor and we recommend seeking advice from your regional staff on how to proceed. If you reduce hours for a position, whether at a time of turnover or for a staff member in place, be sure to review the position description and adjust the job scope. It goes without saying that reasonable job scopes are inherent to a just compensation process.

You may discover that some of your staff are very willing to renegotiate their job scope so that they can receive a better *rate* of pay for working somewhat fewer hours. (We know of one valued professional who said to their leadership, “Given my level of skill and experience, the salary you are offering me is appropriate for X hours of work per week. Here’s what I can do for you in X hours.”) In other cases, you may lose the staff member if there is any reduction in the hours or total pay for the position. These can be hard conversations. We always advise clarity, transparency, kindness, and collaboration in your communications with staff about their jobs and their pay.

6. Moving Employees Through the Range

The Consumer Price Index has risen about 1% per year, on average, for the past 3 years. This means that roughly the first 1% of any increase to your staff’s salaries this year is essentially maintaining their purchasing power, but not providing recognition of added value to your

congregation. It is important to annually evaluate salaries based on both **merit** (the increasing value of the staff member over time) and changes in **cost of living**. (See “Understanding and Using the Range,” above, for more about appropriate use of the whole range.)

7. Other Factors

Cost of turnover: It is worth mentioning that the total cost of replacing a staff member can be significant: lost productivity plus the time and expense of recruiting, hiring, and orienting – and potentially some less tangible costs, such as congregational anxiety or staff team morale. If you are making a decision about compensation or staffing that you believe might cost you a current (effectively-performing) staff member, think through the possible costs. You may experience some “sticker shock” in finding a replacement. The more attractive the salary (and other aspects of your compensation package), the more likely you are to have a stronger applicant pool from which to choose.

Contextual Considerations: Any number of factors in your congregation may influence how you use the guidelines and how you place individual staff within the recommended range for their position. Examples:

- Consider the membership size of your congregation relative to the size category. Are you close to the next size category?
- Religious Education program enrollment that is unusually large relative to your membership size should be taken into account for Religious Educator positions. Typically, RE enrollment falls between 20% and 40% of membership. If your RE enrollment is 50% or more of your membership, it is appropriate to adjust RE salaries upwards.
- Consider “complexity.” Your congregation’s depth and breadth of programming, or expectations of one or more particular staff, may be greater than typical for a congregation of its size.

8. The “Art” of Compensation

We are serving hundreds of congregations, each with its own membership and attendance patterns, programming, budget, and staffing structure. In developing and distributing these recommendations, we have attempted to provide clear, consistent advice to every congregation, based on sound compensation principles. This is not customized counsel that perfectly fits any single congregation, so the work of applying the general guidelines to your unique context is up to you.

We encourage you to take a thoughtful and systematic approach, keeping justice and integrity at the heart of your compensation deliberations. As you proceed, you will realize that compensation is not an exact science. When it comes to choosing the right capsule job description (or blend), placing an employee along the salary range, considering internal alignment, or contemplating a truly unique aspect of your congregation or its staff, you will be making judgment calls. This is the “art” of compensation.

We are here to help, as are your regional [Compensation Consultants](#).

Reminders and Related Issues

Other Payroll Costs

Remember that benefits and payroll taxes typically add 30 to 40% on top of salary for a full-time position.

Fair Labor Standards Act

The Fair Labor Standards Act (FLSA) is a federal law that protects employees by establishing standards for a minimum wage, overtime, recordkeeping, and youth employment. The FLSA resources on our [Compensation and Payroll](#) page can help you make sure you are managing payroll and recordkeeping correctly for your staff.

Employee or Independent Contractor?

We have resources on our [Compensation and Payroll](#) page to help you properly classify workers as employees or independent contractors. (Congregations sometimes assume a worker is an independent contractor when, based on the law, they need to be treated as an employee.)