

UUSS Compensation Covenant Task Force Report

March 2008

The Compensation Covenant Task Force was established by the UUSS Board of Trustees in November 2007 and was charged with reviewing and recommending action on concerns raised by Rev. Doug Kraft in his "Clearness" document. Task Force members were Judy Bell, Taylor Carey, Dave Dawson and Margaret Wilcox, with Rev. Kraft participating in all meetings. Issues raised in the "Clearness" document included fair compensation for lead minister's salary, decisions that retroactively impact an employee, sabbatical reserve, salary review process, ministerial evaluation process, and the covenant between UUSS ministers, the Board of Trustees, and our congregation's members.

Lead Minister Salary

In February the Task Force submitted two recommendations to the Board of Trustees regarding the lead minister's salary. The Board adopted Recommendation I and took Recommendation II under advisement as part of the 2008-09 budget adoption process.

Recommendation I stated: According to the Board of Trustees meeting minutes from November 2007, the Finance Committee has determined that there are funds available to revisit budget cuts made earlier in the year. The Compensation Covenant Task Force recognizes that Rev. Doug Kraft had a 2007-08 salary cut of \$1000. We recommend that this amount be fully reimbursed during the current fiscal year as part of revisiting the earlier budget cuts. The Education Minister's salary was also reduced and, while this is outside the scope of the Task Force charge, we would encourage the Board of Trustees to consider this.

Recommendation II stated: According to UUA Recommended Salary Ranges for 2008, the ideal salary for Rev. Doug Kraft in 2008-09, considering our congregational size of 400 members and his 16 years of experience as a Unitarian Universalist parish minister would be approximately \$113,200. The UUA Explanation of Salary Range Recommendations clearly states that, "...most staff will grow toward the Midpoint of their range within five years." Given his years of experience and his service to our congregation Rev. Kraft must, at a minimum, be above Midpoint for a congregation our size. We recommend that for 2008-09 his salary be at 120% of midpoint or \$95,760.

In addition, the Task Force is now forwarding Recommendation III: As noted in Recommendation II, Rev. Doug Kraft's ideal salary, considering our congregational size and his years of experience as a parish minister, is approximately \$113,200. To minimize the impact on the UUSS budget, we have recommended a 2008-09 salary of \$95,760. However, over the next five years we recommended that his salary be increased each year between 2009-10 and 2012-13 by an amount equal to an additional 20% of the difference between his actual salary and his ideal salary for that year, based on UUA Recommendations and congregational size. By the end of five years, his salary will then be at the ideal point.

Policy Recommendations

The Task Force reviewed the other issues raised in the "Clearness" document and is recommending policies to help avoid such issues in the future. We urge the Board to consider adopting these policies.

Decisions with a retroactive impact on employees: When the UUSS Board of Trustees or other governing body makes a decision or must correct an administrative error that has a retroactive impact on an employee, the governing body will inform the employee as soon as the situation becomes apparent and will involve the employee in an open and fair manner in determining how the impact on the employee will be managed.

Sabbatical reserve: The Lead Minister Letter of Agreement, dated May 2007, specifies that, “The Congregation will develop a holding fund sufficient to support replacement services during Ministers’ sabbatical.” The UUA Joint Recommendations Concerning Ministerial Agreements (2005) states, “Because the need for specifically ministerial services will not entirely disappear during the minister’s sabbatical, we urge congregations to create a reserve fund to cover additional expenses that may be incurred by the congregation during that time.” UUSS policy should be consistent with both of these statements. Each annual budget must include an appropriately prorated contribution to the Sabbatical Reserve fund.

Salary review: Annually the Personnel Committee, in consultation with the Committee on Ministry and the appropriate supervisors, will review all staff and ministerial salaries for the next budget year and will make recommendations to the Board of Trustees. As a Fair Compensation Congregation (practicing), all salaries should be within the UUA recommended ranges for a congregation our size and within our geographic area. Since the UUA Guidelines specify that the midpoint of each range is expected to be reached within the first 5 years of service, assuming satisfactory performance, recommended salaries should reflect movement through the range based on years of service.

Evaluation of the ministry: The congregation does a full assessment of the church ministry every three years. During other years the Board of Trustees is charged with providing annual feedback to the lead minister. The sharing of evaluation feedback between the minister and the Board member(s) who lead these conversations should focus on and provide clear and fair reflections of the information gleaned during the assessment process. If the evaluation of the ministry results in recommendations that affect ministerial compensation, either as a result of extraordinary performance or unsatisfactory performance, any resulting increase or decrease should have as its base the salary level recommended annually by the Personnel Committee.

Record of compensation changes: Since the leadership of the congregation rotates annually, institutional memory of changes to compensation and benefits can be short. Therefore, we recommend that a succinct and individual chronological record sheet of any changes be kept for each of the ministers as well as other employees. The record sheet would include the date of a change to salary, housing, benefits or professional expenses. It would also include the amount of the change, how it was authorized and a brief explanation of the reason for the change. The minister or other employee should be given an updated copy each time a change is made. This record would then be available to appropriate people charged with making decisions that would affect the financial package.

Strengthening the Covenant: By establishing policies that clarify our relationships and document a process of open communication, mutual trust, good faith and right relations, the Compensation Covenant Task Force hopes that our Covenant with one another will be significantly strengthened and will endure.