

Policy B: Compensation and Benefits

Adopted November 14, 2009; Amended May 16, 2019 and August 15, 2019

With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the Executive Team may not cause or allow jeopardy to fiscal integrity or public image. Accordingly, the Executive Team may not:

- 1. Change Senior Minister's compensation, benefits, or allocated professional expenses as established by the Board.**

Interpretation. The Senior Minister's compensation and benefits are set by the Board. The Board has the authority to change the Senior Minister's compensation and benefits. The Executive Team lacks that authority.

Monitoring. The Director of Finance and Administration is required [annually] to affirm to the Board that the Senior Minister has not adjusted or requested to adjust their compensation or benefits from that specified by the Board and codified in the operating budget.

We report **COMPLIANCE**

EVIDENCE: No such actions or requests have occurred.

- 2. Promise or imply permanent or guaranteed employment.**

Interpretation. The Executive Team is not permitted to promise anyone permanent or guaranteed employment with First Unitarian, and additionally must not speak or write so imprecisely that an employee, contract worker, or consultant could reasonably understand their employment to be permanent or guaranteed.

Monitoring. The Executive Team must certify [annually] to the Board:

- (a) That 100% of employees have received and signed for copies of the most recent edition of the church's Personnel Policy. This policy specifies that FUCDM is an "at will" employer and that employment can legally be terminated at any time, for any reason, by either employer or employee.

We report **COMPLIANCE**

EVIDENCE: The most recent Personnel Policy was sent around to staff within the last few weeks.

- (b) That all contracts and consultant agreements engaged during the period stipulate the terms and duration of the agreement.

We report **COMPLIANCE**

EVIDENCE: The only contracts engaged in within the last year were so stipulated.

- (c) That both the Personnel Policy and any written employment contract or agreement stipulate that in the event of discrepancy between a written and a verbal agreement, the written agreement controls.

We report **COMPLIANCE**

EVIDENCE: The current iteration of the Personnel Manual has this explicit stipulation. No contracts have been entered into since this version of the PM was adopted.

3. Establish current compensation and benefits that:

a. Deviate materially from the nonprofit or geographic market for the skills employed.

Interpretation. Compensation and benefits for each First Unitarian staff position must be compared annually to the most recent edition of the Unitarian Universalist Association compensation and benefits guidelines (“UUA Guidelines”) in light of the UUA’s position descriptions, and the current required level of skills and responsibility for each First Unitarian staff position, and the experience and skill level of the staff member. The Executive Team must set compensation and benefits in alignment with the UUA Guidelines, with the midpoint taken as the baseline unless a staff member’s skills, experience, or particulars of the job description justify a difference.

Monitoring. The Executive Team is required to report [annually] to the Board that they have conducted a compensation review. The report must document the correspondence between the compensation and benefits provided to First Unitarian staff employees and the UUA Guidelines. Deviation of 5% or less are taken as compliance; greater deviations must be explained.

We report **NONCOMPLIANCE**

EVIDENCE: See Figure 1 at the end of this report.

Rev. Amy Shaw is 8% over the midpoint due to the terms of her contract. She declined the 2% COLA approved by the congregation

DFA Charles Lewis is 12% under the midpoint. There currently aren’t sufficient funds to raise him to the midpoint. He is also earning a stipend of \$500/month for doing the duties and functions of the bookkeeper while that position is vacant.

DRE Devon McClurken is 9% under the midpoint. They are new to the role. It is expected that with good performance, the gap will be closed next year.

Kerrie Lee is technically 24% over the midpoint, but the UUA does not have clear guidelines for staff who are providing technical expertise; the closest analog is the Administrative Assistant category.

Jane White is 9% over the midpoint due to her years of service to the congregation.

Childcare Workers and RE Workers are roughly 20% below the midpoint. Originally we had planned to raise them all to \$12/hr this year, but fiscal restraints and the planned furlough of that staff restricted them to only receiving a COLA.

Bruce Martin is 126% above the Midpoint recommendations. The UUA Guidelines tend to vastly underestimate the cost of musicians while churches must compete with local rates.

Barbara Martin is technically 80% above the midpoint. As with Kerrie Lee, there are no concrete guidelines for expert staff outside of Administration and Religious Education.

b. Create obligations over a term longer than revenues can be safely projected, in no event longer than one year and in all events subject to adequate revenue.

Interpretation. Compensation and benefits are determined on an annual basis and is subject to the congregation's budget as adopted and to both anticipated and actual revenues for the next fiscal year. A commitment regarding compensation and benefits must be expressly conditioned on adequate revenues and must not extend beyond one year (and, typically, would be expressed in terms of the fiscal year). Compensation of a contractor or consultant is subject to budget constraints and the availability of revenues; an agreement with a contractor or consultant may not extend beyond one year.

Monitoring. The Executive Team will certify [annually] to the Board that First Unitarian is not bound by a contract or other obligation that would extend beyond the current fiscal year or 12 months from its start date.

We report **COMPLIANCE**

EVIDENCE: No contract or obligation exists that would violate this policy.

4. Establish deferred or long-term compensation and benefits that:

a. Cause unfunded liabilities to occur or in any way commit the organization to benefits that incur unpredictable future costs.

Interpretation. Same as Interpretation of II.B.3(b) (immediately above).

We report **COMPLIANCE**

EVIDENCE: No such liabilities exist.

b. Provide less than some basic level of benefits to all full-time employees, though differential benefits to encourage longevity are not prohibited.

Interpretation. The Executive Team is expected to specify and propose budgeting for core benefits for all full-time staff, taking into account the expected budgetary resources, the UUA Guidelines, the restrictions of the UUA benefit plans in which First Unitarian participates,

the terms of the letter of agreement the UUA recommends for ministers and other religious leaders, and Unitarian Universalist principles. For example, the regulations of the UUA's Retirement Plan specify that First Unitarian must make the same percentage contribution of salary on behalf of all employees who work half-time or more. This rule would not permit a full-time employee (whether minister or not) to receive a retirement plan contribution (measured as a percent of salary) that is greater than the contribution made on behalf of a half-time clerical worker.

Definitions.

Encourage employment longevity means that any differential benefits are designed as an incentive to retain long-term employees.

Differential means that the benefits are available at different rates or amounts depending on the length of an employee's position and tenure (for example, vacation and sabbatical).

Monitoring. The Executive Team will report [annually] First Unitarian's employee benefits for a position and its title and full time equivalent (FTE), highlighting any changes to the benefit policy and practice since the preceding report.

We report **COMPLIANCE**

EVIDENCE:

| | | | |
|----------------------------|------------------------------------------------------------------------------------------------------------------------|---------|------------|
| Senior Minister | Benefits are determined by contract | 1 FTE | No changes |
| DFA | 80% Healthcare, Dental premium covered 10% contribution to Retirement acct Access to Life and LTD through UUA | 1 FTE | No changes |
| DRE | 80% Healthcare and Dental premium covered 10% contribution to Retirement acct Access to Life and LTD through UUA | 1 FTE | No changes |
| Membership Coordinator | 80% Healthcare and Dental premium covered 10% contribution to Retirement acct Access to Life and LTD through UUA | 1 FTE | No changes |
| Communications Coordinator | 80% Healthcare and Dental premium covered 10% contribution to Retirement acct Access to Life and LTD through UUA | .75 FTE | No changes |
| Administrative Assistant | Access to Health, Dental, Life, and LTD through UUA; may elect to participate in Retirement plan | .4 FTE | No changes |

| | | | |
|---------------------------|----------------------------------------------------------------------------------|---------|------------|
| Childcare Coordinator | No access to UUA Insurance Programs; may elect to participate in Retirement plan | .25 FTE | No changes |
| Choir Director | No access to UUA Insurance Programs; may elect to participate in Retirement plan | .1 FTE | No changes |
| Accompanist | No access to UUA Insurance Programs; may elect to participate in Retirement plan | .1 FTE | No changes |
| Special Music Coordinator | No access to UUA Insurance Programs; may elect to participate in Retirement plan | .1 FTE | No changes |

c. Allow any employee to lose benefits already accrued from any forgoing plan.

Interpretation. If there are changes in benefits or benefit providers, the Executive Team must ensure that employees retain benefits accrued prior to the change and, further, that if employees must take any actions to transfer accrued benefits to the new program or plan, they are informed in a timely way and with appropriate reminders. In the event of a reduction in benefit level, including but not limited to provisions for sick leave or vacation, the Executive Team must allow affected employees to retain the benefits already accrued, with the recognition that future accrual shall be at the reduced level. For example, if the number of days of paid time off is to be reduced, staff members must be allowed to retain the days of paid time off accrued prior to the date of the change in policy.

Monitoring: The Executive Team is required to report [annually] whether any change of benefit provider or benefit level has been undertaken since the previous report. If a change has taken place, policy compliance requires that 100% of employees warrant that they clearly understood the change, the required actions if any, and that they received any needed support arising from these changes.

We report **COMPLIANCE**

EVIDENCE: No such change of provider or benefit level has taken place.

Figure 1

| <i>Full-Time Staff</i> | | Salary (or Salary/Housing) | FICA | Total Comp | 20-21 UUA MID | Deviation |
|-------------------------------|-----------------------------|---------------------------------------|-------------|-------------------|--------------------------|------------------|
| Rev. Amy Petrie Shaw | Senior Minister | \$ 96,000 | \$ 7,344 | \$ 103,344 | \$ 95,600 | 108% |
| Charles Lewis | DFA | \$ 63,491 | | | \$ 71,800 | 88% |
| Devon McClurken | DRE | \$ 50,000 | | | \$ 55,000 | 91% |
| Lyra Halsten | Membership Coordinator | \$ 42,018 | | | \$ 41,900 | 100% |
| <i>Part-Time Staff</i> | | Hourly Rate | | | | |
| Kerrie Lee | Communications | \$18.36 | | | \$ 14.81 | 124% |
| Jane White | Administrative Assistant | \$16.08 | | | \$ 14.81 | 109% |
| Julie Morocho | Childcare Coordinator | \$14.34 | | | \$ 14.81 | 97% |
| | Childcare workers (average) | \$11.00 | | | \$ 13.61 | 81% |
| | RE workers (average) | \$10.65 | | | \$ 13.61 | 78% |
| Karen Kraemer | Choir Director | \$23.08 | | | \$ 22.98 | 100% |
| Bruce Martin | Accompanist | \$41.45 | | | \$ 18.37 | 226% |
| Barbara Martin | Special Music Coordinator | \$26.73 | | | \$ 14.81 | 180% |