

Churchwide Compensation Guidelines

In 1988 the General Assembly approved a set of Churchwide Compensation Guidelines in the form of fourteen principles that would serve as guidelines to the whole church for its use in assuring fair and consistent treatment of its full-and part-time employees. "As a set of guidelines, it calls for flexible implementation by particular churches and governing bodies. It does not include detailed procedures or mandatory requirements." (GA Minutes, 1988, p. 795) The Guidelines were reviewed and revised by the General Assembly in 1999. In 2002, the General Assembly reviewed and reaffirmed the revised Guidelines.

Principle One: Standards

The compensation plans in Presbyterian Church (U.S.A.) entities, governing bodies, congregations, and related organizations or institutions should be in accord with the biblical, theological, and ethical standards of the Presbyterian Church (U.S.A.) as set forth in the theological background statement (Appendix A).

Principle Two—Mission

The fulfillment of the church's mission calls for effective, competent staff throughout the church and appropriate compensation to attract and retain them.

Principle Three—Equity and Accountability

The compensation plans should be equitable, consistent with the Presbyterian system of government, and include mutual consultations and accountability on compensation matters among governing bodies and affected constituency groups at every level.

Principle Four—Applicability

These principles of compensation should apply to all compensation plans for the entities of the General Assembly and are advisory to other governing bodies and Presbyterian-related institutions. Entities include the Office of the General Assembly, the General Assembly Council, the Presbyterian Church (U.S.A.) Foundation, the Presbyterian Church (U.S.A.) Investment and Loan Program, Inc., the Presbyterian Publishing Corporation, and the Board of Pensions.

Principle Five—Basic

Factors to be considered when setting compensation should include the nature, purpose, scope, and responsibility of the position; the experience, knowledge, and skills required; the challenge of the work to be done and its impact on the effectiveness with which the church achieves its mission.

Principle Six—Components

Compensation for regular employees should include cash salary and related payments and allowances; participation in the Presbyterian Church (U.S.A.) Benefits Plan or its equivalent (e.g. which provides retirement, disability, health, survivor and death benefits coverage), paid holidays, leaves, vacation, and continuing education and/or staff development.

Principle Seven— Compensation Plan Reviews

Each employer should review its compensation plan on an annual basis and make the plan available to all affected persons.

Principle Eight— Performance Reviews

Performance reviews for each employee should be conducted annually and are one factor to be considered for salary adjustments. Performance-based increases provide opportunity for financial recognition to employees.

Employers should also be alert to changes in the responsibilities of positions, of skills and knowledge of employees, in the technology of the workplace, and should make appropriate changes in position titles, descriptions, and compensation.

The general level of salaries should recognize changes in living costs, especially as they impact lower-paid employees. Cost-of-living adjustments should not be confused with increases based on performance or changing duties.

Principle Nine— Minimum Compensation

Presbyteries, synods, and General Assembly entities should establish minimum terms of call or employment for representative positions in agencies or institutions related to those bodies and review the adequacy of such minimum terms on an annual basis.. Ordinarily, no employee should be compensated at a rate below applicable minimum terms. Exceptions should be reviewed on an annual basis.

Principle Ten— Recruiting

The system of compensation should ensure that all church employees are compensated according to the following criteria:

- Employees recruited locally should be paid within salary ranges related to the average salaries paid by employers in that location for comparable positions requiring similar skills and experience.
- Employees recruited regionally or nationally should be paid within salary ranges related to the average salaries regionally or nationally paid by employers for comparable positions in comparable organizations requiring similar skills and experience, modified to reflect the cost of living in the locale where the work is done.

Principle Eleven— Salary Relationships/Stewardship

The Church is one Body with varieties of gifts, and each person's contribution to its mission is important. The church recognizes the value of all varieties of service and seeks to temper the values and rewards of the marketplace. A reasonable relationship between the highest and the lowest salaries paid to all church employees honors the principle of shared community and call. In maintaining a relationship between the highest and lowest salaries, lower levels of compensation should be comparable to or better than the average salaries paid in the marketplace, but not so far above the average that good stewardship of the church's funds is compromised. Salaries at the top levels should reflect a tempering of excessive compensation.

In establishing compensation plans and/or individual salaries, comparable salary data may include data from other national church organizations, including pension boards and foundations, academic institutions, the publishing field, pastors' salaries, and other sources as deemed appropriate by the elected bodies of the entities or the employing organization. Salaries should not fall below a just salary that permit a church employee to maintain a decent standard of living. *(A possible point of reference could be the Board of Pensions of the Presbyterian Church (U.S.A.) terms of its income supplement program for its retirees.)*

Principle Twelve—Special Salary Action

The church is committed to “A Theology of Compensation” (Appendix A) and the desire to exercise good stewardship. The church is similar to other employees in society who, when they establish pay practices, experience tension between available resources, philosophical principles, and the realities of the employment marketplace. Many of these organizations utilize an exception-based principle in their compensation practices. Recognizing that there may be employment situations requiring exceptional skills/experience levels or supply/demand crises, the appropriate elected body should deliberate on whether an exception to their compensation plan should be made. As one Body, the exception decision may affect other parts of the Church. Thus, it is incumbent upon the persons involved in the decision to seek the advice of others to the end that the decision enhances rather than diminishes the bonds of community.

Principle Thirteen—Resource Sharing

In order to provide fair compensation throughout the church, there should be a process in every presbytery, insofar as possible, to share resources so that churches and other bodies that do not have funds to pay for adequate salaries or benefits are given help to do so, subject to annual review. When total presbytery resources are inadequate to meet these mission needs, this is a basis for seeking funds from the synod. The same principle should apply to synods and the General Assembly. All governing bodies should share in giving to the mission of the church, even though they themselves may be receiving aid.

Principle Fourteen—Economic Justice

Every compensation plan should be accompanied by a vigorous program of economic justice to ensure that all employees are paid equitably at all levels of employment, without regard to race, color, gender, national origin, age, disability, marital status, sexual orientation, creed, or religious affiliation (except when it is determined to be bona fide occupational qualification.)