

In 2019, the Commission on Personnel began a critical analysis of the clergy compensation scale, considering geographic differences in cost of living in our diocese as well as re-evaluating the structure of the scale itself. After a 4 year process of research and analysis, the Commission presents its findings and recommendations.

Brief History of the Clergy Salary Scale

The Diocese of Olympia was one of the first dioceses in The Episcopal Church to establish a salary scale. The Clergy Salary Scale began at the recommendation of a study commissioned by Diocesan Convention 1973. The 1973 commission was to examine clergy compensation and offer guidelines for fair and equitable compensation that recognizes that clergy have “a right to expect compensation that is adequate to their needs; provides a reasonable standard of living in the community; and which does not detract from performance of their ministerial duties.”¹ That Study Group proposed institutionalizing a system of standard clergy compensation that included a minimum annual stipend, congregational grades, and required written letters of agreement for clergy. Those recommendations and the Commission on Personnel became part of diocesan canon in 1975, and have remained a core of clergy compensation in this diocese for nearly 50 years.

About Congregational Grades

Congregational grades are calculated using a formula that considers data from the annual Parochial Report, and their sole function is determining clergy compensation. Current data points (attendance, pledging units, operating budget), gleaned from annual Parochial Reports and thus available for every congregation, are essentially unchanged since the establishment of grades in 1973.

In an attempt for congregational grades to more equitably capture the level of responsibility of congregational clergy in the 2020s, the Commission considered changing the data points used to calculate congregational grades. This conversation corresponded with General Convention shifting data collected on the annual Parochial Report, which made it difficult to know which data points would be available in the future. The Commission gathered information from other dioceses with similar algorithms for calculated clergy pay levels. General Convention 2024 is expected to finalize a new Parochial Report form. This conversation and analysis are ongoing. *(See the Commission Report to Diocesan Convention for an update about 2024 Congregational Grades.)*

¹ *Journal of the Diocese of Olympia*, Reports to Convention, 63rd Annual Convention, November 16 & 17, 1973, page F-18.

Progression of this Project

A review of the Clergy Salary Scale was initiated in January 2019 by a concern about geographic differences in compensation related to cost of living across the diocese as well as equity (white and male clergy vs women, clergy of color, and LGBTQ). In an open forum conversation at Clergy Conference 2019 (May), diocesan clergy affirmed the desire for review and revision of the Clergy Salary Scale.

In summer/fall 2019, the Commission separated the salary equity questions into a separate and parallel data collection and analysis project. Diocesan Convention 2021 Resolution #6 raised awareness about additional identifiers for full-inclusion and equity. In 2021, self-identification data were collected from clergy and merged with salary data from Church Pension Group to provide a baseline dataset. In 2023, clergy data were again collected and collated to compare with the 2021 baseline. *(See the Commission Report to Diocesan Convention for an update about Clergy Salary Equity data.)*

In January 2020, the Commission identified the following goals for an updating the clergy salary scale:

- Keep pace with growth of the economy in our region
 - Establish an E-grade that keeps up with WA state law re overtime pay, or acknowledge that we won't
- Recognize clergy experience by advancing clergy pay beyond 10 years (midpoint of the scale)
- Add a geographic differential that recognizes a range of costs of living around the diocese
- Add an additional level for curates and associates of D and E congregations

For the remainder of 2020, the Commission researched the history of the clergy compensation scale and congregational grades, invited a consultant to teach us about how compensation scales are created, considered the first draft of a revised scale, and analyzed geo-economic differences in our diocese.

In July 2020, the Commission began exploring how to apply a geographic differential to the clergy salary scale. A **geographic differential** is a % increase applied to wages at congregations in metro areas, where cost of living is higher. Discussion questions included:

- What percentage is appropriate? Should there be more than one level of differential?

- Where would the differential apply? How many metro areas are in the diocese? Which counties are in metro areas?
- Recognizing that metro areas continue expanding and shifting, how often should counties requiring geographic differential be reviewed and updated?

In 2021, the Commission drafted a revised salary scale that included a geographic differential. With all the changes in church life since March 2020, the Commission chose to postpone focus group discussions to 2022.

At Clergy Conference 2022, the Commission shared the proposed revised salary scale and gathered feedback from clergy. In light of an unusually high proposed COLA (10.1%) for 2023, the Commission decided to wait another year before proposing a revised salary scale to Diocesan Convention.

These past 4 years (2019-2023) have brought many changes to the economics of life and church in this diocese, and many congregations and clergy are discerning fresh and sustainable ways to live into their ministries.

In 2023, acknowledging that the church is in a different context than when we began this study, the Commission reviewed and updated the assumptions, goals, and recommendations of the Clergy Salary Scale project in anticipation of bringing the full scope of the project to Diocesan Convention.

Assumption

- That there exists an inequity in clergy compensation between white and male clergy vs women, clergy of color, and LGBTQ-identifying clergy.
 - This question has been explored and addressed in the Clergy Salary Equity data collection and reporting. *(See the Commission Report to Diocesan Convention for an update about 2023 Clergy Salary Equity data.)*

Goals

These were the original goals of the project:

- Keep pace with growth of the economy in our region
 - *The proposed scale meets this goal. See the proposed Resolution below.*

- Establish an E-grade that keeps up with WA state law re overtime pay, or acknowledge that we won't
 - *The clergy salary scale of the diocese has already been surpassed by WA state overtime pay law. Amendments to the standard clergy Letter of Agreement reflect this change.*
- Recognize clergy experience by advancing clergy pay beyond 10 years (midpoint of the scale)
 - *The proposed scale meets this goal. See the proposed Resolution below.*
- Add a geographic differential that recognizes a range of costs of living around the diocese
 - *Geographic differential details are on the work agenda of the Commission in 2024.*
- Add an additional level for curates and associates of D and E congregations
 - *Compensation at this level was deemed unsustainable for clergy and not pursued further.*

Goals articulated in 2023 as the Commission refined its presentation:

- Fair and living wages for clergy
- Affordability of clergy compensation for congregations
- Equity in pay across clergy demographics
- Consideration for differing costs of living around the diocese
- Compensation standards that attract new clergy to the diocese

Recommendations

With these factors in mind, the Commission offers the following proposed resolution for Diocesan Convention 2024.

The Commission recognizes that this proposed revision will involve change for nearly every congregation, and thus specifically invites feedback from congregations and clergy about the resolution as the final version is prepared for Diocesan Convention 2024.

A set of study questions are included to encourage EVERY congregation into conversation about clergy compensation in their particular culture and context.

Proposed Resolution for Diocesan Convention 2024

Title: Clergy Salary Scale Revision

Submitted by: Commission on Personnel

Resolved, that this 114th Convention of the Diocese of Olympia adopt a revision to the clergy salary scale that reflects its commitment to fair, just, equitable, and sustainable clergy compensation; and be it further

Resolved, that the revised salary scale take effect January 1, 2025; and be it further

Resolved, that the Commission on Personnel report to the 116th Convention (2026) on the effects of the revised salary scale with regard to clergy attraction, retention, and equity; and be it further

Resolved, that the Commission on Personnel report to the 116th Convention (2026) on the effects of the revised salary scale with regard to congregational sustainability.

Explanation:

The Commission on Personnel continues on a quest to create a salary scale that reflects and compensates for levels and breadth of clergy work and responsibility, taking into consideration education, experience, and responsibility in call.

Congregational grades are a key feature in the structure of the 50 year history of clergy salary scale in this diocese. As such, the Commission desires to retain the grade format. The revised scale includes **4 congregational grades instead of 5.**

- This shift acknowledges that most of the congregations in the diocese are small and very small, a small group are medium size, and a few are large as measured by the current formula for calculating congregational grade.
- Using four grades groups together more like-size congregations. In a 4-grade arrangement, new grade D would include most of current grade E, new grade C would include some of current grade E and all of current grade D, new grade B would include all of current grades C and B, and grade A would remain unchanged. *This estimate is based on 2023 congregational grades. Some variance may occur as a 4-grade scale is applied.*

Proposed Annualized Salaries (1.0 FTE) for Parochial Clergy

These salary numbers reflect 2024 proposed salaries (2023 plus proposed 4.6% COLA). Actual 2025 salaries may include an additional COLA.

Includes cash compensation, housing, and utilities. Does not include pension.

Years of experience apply to any experience in a call, not necessarily the same call.

	MIN	QRTL2	MID	QRTL4	MAX
		5yr	10yr	15yr	20yr
D	\$80,896.75	\$88,986.42	\$97,076.10	\$105,165.77	\$113,255.45
C	\$87,170.37	\$96,977.04	\$106,783.71	\$116,590.37	\$126,397.04
B	\$99,949.55	\$112,443.24	\$124,936.94	\$137,430.63	\$149,924.32
A	\$117,587.70	\$133,756.01	\$149,924.32	\$166,092.63	\$182,260.94

Proposed Hourly Rates for Parochial Clergy

Same notes as above.

	BASE	QRTL2	MID	QRTL4	MAX
		5yr	10yr	15yr	20yr
D	\$38.89	\$42.78	\$46.67	\$50.56	\$54.45
C	\$41.91	\$46.62	\$51.34	\$56.05	\$60.77
B	\$48.05	\$54.06	\$60.07	\$66.07	\$72.08
A	\$56.53	\$64.31	\$72.08	\$79.85	\$87.63

What is different about the proposed scale?

- *4 congregational grades* instead of 5
 - New grade D = approximately 75% of current grade E
 - New grade C = approximately 25% of current grade E + all of current grade D
 - New grade B = all of current grades C and B
 - New grade A = all of current grade A
- As congregation size increases, the percentage increase from one grade to the next increases. Current scale (2024) is roughly 10% increase between each grade. *The proposed scale is 10% from D to C, 17% from C to B, and 20% from B to A.*
- As congregation size increases, the width of the range increases. In the current scale (2024), the range is the same for all grades, with the minimum 20% below the midpoint and the maximum 20% above the midpoint (a range of 40). *Range widths in the proposed scale are 40 for D, 45 for C, 50 for B, 55 for A.*

What about the geographic differential?

Geographic differential is not included in the proposed scale because the Commission on Personnel is still considering many factors about it, including:

- The diocese now includes congregations in 3 different metro areas - King-Pierce-Snohomish counties, Whatcom County (adjacent to Metro Vancouver BC), and Portland OR-Vancouver WA-Salem OR.
- Percentage that reflects a general difference in cost of living between higher income zip codes and less expensive places to live.
- Whether to reduce the base salary to reflect cost of living outside metro areas before applying geographic differential.
- Guidelines for determining where geographic differential applies.
- Intervals for re-evaluating applicable locations to acknowledge changing economics in and around the diocese.

Study Questions for Congregations

Begin by engaging in prayerful conversation(s) with congregation members, congregation leaders (especially but not limited to Bishop's Committee or Vestry members), and clergy to understand:

- When you think about compensating your clergy for their leadership, wisdom, expertise, and care for your community, what is your deepest hope or desire?
- What would it be like for the congregation if those hopes came true?
- What would it be like for the clergy if those hopes came true?
- How is your clergy salary currently determined? Does clergy compensation reflect an adequate and livable wage for your community?

Together, look at *the 2024 Clergy Salary Scale adopted by Diocesan Convention 2023, 2024 Congregational Grades, the Proposed Resolution for Diocesan Convention 2024, and your congregation's 2024 budget.*

- Work through calculating clergy salary (in 2024 numbers provided) for your congregation using the proposed scale. New grade equivalents are included in the report above. Take into account your clergy person's years of experience.
 - How does the new number compare with current compensation?
 - What is life-giving for the congregation about the proposed salary?
 - What is life-giving for the clergy about the proposed salary?
 - What questions or worries do you have?
- What feedback do you have for the Commission as they finalize the proposal for Diocesan Convention 2024?

Feedback Process

Congregational feedback will be collected by an online survey no later than January 2024.

Clergy feedback will be collected at Clergy Conference in early February 2024.

Additional feedback methods may be added.