

## **Employee Compensation Policy**

### **Purpose of Policy and Connection to the Mission**

The Board of Directors of Temple Beth Am adopts this Policy to provide guidance to the Executive Director as they operate the synagogue and to promote the hiring and retention of professionals that are able to effectively advance the mission.

The Board recognizes that staff turnover is inevitable and can be healthy. Accordingly, our goal is not to eliminate staff turnover. Rather, the Board wants to provide the Executive Director with the flexibility to craft compensation practices that help to ensure that turnover occurs for organizationally healthy reasons (e.g., pursuing new opportunities we cannot offer) and that individuals who demonstrate outstanding job performance can be recognized and rewarded. Furthermore, the Board recognizes that the practices derived from this policy must strike a balance between the complex and individualized nature of employee compensation and the critical importance of a values-driven and consistent approach to compensating our team.

### **Background**

This Policy affirms that the Temple Beth Am community is a sacred one that includes the professionals we employ and that Temple Beth Am's mission, vision, and values should be reflected in all aspects of its human resource practices, including employee compensation. The below principles are based on our mission and values, including the admonition in Leviticus 19:13, part of the Holiness Code, "You shall not defraud your fellow. You shall not commit robbery. The wages of a laborer shall not remain with you until morning."

The Board also recognizes that Temple Beth Am's professionals are key to advancing our mission and that advancing the mission requires us to sustain a high level of employee performance. This policy notes, therefore, that to advance the mission and reflect our values, we must consider employee compensation as a high organizational priority. Temple Beth Am aims to create a diverse, equitable, and inclusive community among its professionals as an essential part of living our mission.

### **Policy**

The Board of Directors adopts the following principles regarding employee compensation:

- 1.** It is a Board priority that as the cost of living in Seattle increases, so should the salary/wages all our professionals receive. The Executive Director shall determine the cost-of-living adjustment based on relevant and appropriate data from a reputable source, such as the US Bureau of Labor Statistics.
- 2.** The Board recognizes that extraordinary circumstances may impede our ability to offer cost of living adjustments. If the Executive Director believes such circumstances exist, the Executive Director may present multiple budgets, including at least one budget that includes a cost-of-living adjustment for all non-clergy staff. The Executive Director may present additional budget proposals that do not include cost-of-living adjustments.
- 3.** Unless there are extraordinary circumstances, a cost-of-living decrease should not result in a negative adjustment of professionals' compensation. For example, if the cost of living decreases by 1%, the Executive Director shall not decrease professional compensation absent extraordinary circumstances.
- 4.** The Executive Director shall implement best practices for employee hiring, compensation, and retention in a manner that advances Temple Beth Am's goals regarding diversity, equity, and

inclusion, and will research the latest best practices at least annually. Best practices suitable for Temple Beth Am will be determined by the Executive Director, but examples of such practices might include: (i) not requesting current salary information when hiring, (ii) paying new employees based on responsibilities rather than previous salaries, or (iii) internally posting salary ranges for specific titles. If the Executive Director identifies barriers to implementing DEI-based HR best practices, they shall report to the Executive Committee.

5. It is important that the Executive Director is able to attract and retain individuals who perform at an extraordinary level. Therefore, the Board believes it is appropriate for the Executive Director to offer compensation that can distinguish between staff members based on their performance. Any such recommendations for merit-based awards must be made in consultation with the Evaluation Committee in advance. Either the Executive Director or the Evaluation Committee may also consult the Senior Rabbi regarding merit-based awards. Application of this principles (and all principles herein) must comply with existing laws, including those relating to employment and anti-discrimination.
6. It is important to the Board that Beth Am be able to attract and retain high performing professionals and pay them competitively, so we strive to pay all our professionals, at a minimum, at the 50<sup>th</sup> percentile considering individuals' experience, time in role, credentials, and other pertinent factors. Benchmarking should use an established, relevant, timely, respected database.
7. The Board recognizes that this compensation policy may require adjustments to other portions of the budget, including but not limited to the number of persons employed or the level of experience that professionals bring to their roles.

These principles apply to all Temple Beth Am staff, excluding clergy and *madrichim*.<sup>1</sup>

### **Reporting**

The Executive Director shall report to the Board on an annual basis regarding Temple Beth Am HR Practices, and their implementation.

### **Implementation**

1. The Executive Director shall update the professional compensation process to reflect this Policy.
2. The Executive Director, working with the Finance Committee, shall ensure that the annual budget complies with this Policy.
3. The Executive Director shall report to the Board regarding compliance with this Policy at least annually (e.g., in connection with the discussion of the annual budget).

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<sup>1</sup> Many of these principles may apply to clergy with pulpit and pastoral duties and *madrichim* (teenagers supporting the education of our younger children). However, clergy employment is governed by our bylaws, by other Board policies, and by written agreements. It is therefore outside the scope of this Policy. *Madrichim* play a unique, seasonal, and limited role at Temple Beth Am, and therefore may require more flexibility than this Policy permits. For example, it is not possible to benchmark *madrichim* pay. Similarly, various circumstances may require us to raise or lower *madrichim* pay.