

# Proposal to end the practice of holiday/year end staff bonuses

This proposal is to have the Board formally discontinue the Fellowship's practice of giving cash bonuses to the staff at yearend. This is a problematic practice for many reasons, and it should be discontinued. Here's why...

The way we do the bonuses, it's easy for it to feel like a "tip" from the congregation, which can actually feel insulting and imply that a person is not properly paid for the work they do, rather than a gesture of appreciation. Some members actually find the whole practice distasteful. Others, of course, consider this a cherished holiday tradition.

In contrast to "tipping", we should ensure that the salaries we provide are fair market rate in San Diego for the job the employee serves in. If we can't afford to pay them fairly, then we can't afford the hours that they're putting in, and one way or another we need to adjust for that. The bottom line is that a year-end bonus is not a substitute for fair compensation.

The real goal is to show appreciation. Once people are fairly compensated, research shows that more money is not the best way to show appreciation. Instead, a small gift with a note or other such personalized gesture, shows appreciation much more effectively.

Those are the philosophical reasons to change our practices. Here are additional reasons for discontinuing routine year end staff bonuses.

**INHERENT BIAS:** Although we start with a mathematical formula, it's always tweaked. The tweaking is always based on what board members perceive to be most fair and who they perceive to be most deserving (or perhaps most poorly paid). This is inherently biased, and therefore inherently unfair, and certainly not based on any measurable standard of merit. Additionally, since the minister is in charge of staff, having board members discuss the performance of staff members, whom they do not supervise, makes no sense and is not actually in their sphere of responsibilities.

**TRANSPARENCY:** Another reason against annual bonuses is transparency. Publicizing who gets how much bonus is, per Alisa Guralnik, a big human resources no-no, so giving bonuses that only the Board knows about clouds the compensation picture and the full picture of our finances.

**HOURS OF EXTRA WORK FOR ALREADY OVERWORKED PEOPLE:** It requires hours of someone's time to organize, shepherd, and promote this special collection to the congregation. Originally Tracey did this as she really counted on that extra money (she was arguably underpaid). The last two years, because the Board was unwilling to suspend the practice, the person who did the work was the treasurer, who is already an overworked volunteer and who needs to be given less work, not more.

The bookkeeping requires our bookkeeper to put in extra time over and above her normal duties. The bookkeeper's agreement with us is for a flat fee. She has never charged us for this extra time, so we've been taking advantage of her good nature, which is itself unfair.

And finally, it requires an extra board meeting and at least an hour of the Board's time to discuss and approve the distributions. We are also trying to put less responsibility on the Board, not more.

For all these reasons, we are requesting that the Board approve this proposal to formally discontinue the practice of year end staff bonuses.

Ellie Kilpatrick, Minister  
Heather Megill, Administrator and DREF  
Sarah Miller, Treasurer  
Kathryn Sturch, Finance Committee Chair

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