

2004 Nonprofit Compensation and Benefits Report

Additional Information on the Data File and Survey Methodology

In June 2004, 1,119 Maricopa county nonprofit organizations were mailed a letter inviting them to participate in the nonprofit compensation study. The mailing list was derived from the National Center for Charitable Statistics (NCCS) core data file for 2002. The NCCS is a national repository of data on the nonprofit sector in the United States; its core data file is comprised of 501(c)3 nonprofit organizations and contains information obtained from form 990, the annual financial disclosure to the IRS. Certain types of organizations are not required to file an annual form 990; therefore they are generally not included in the core data file and are underrepresented in this study. They include religious nonprofit organizations, organizations with less than \$25,000 in gross receipts, and local affiliates of national organizations. Additionally, nonprofits less than three years old are missing from the core data file because of the delay in compiling tax return data.

We limited the mailing list by applying the following study selection criteria: organizations had to be located within Maricopa County and had to have at least one paid employee. Hospitals, foundations, and institutions of higher education were also eliminated from the study and from the mailing list, due to the differences in their compensation practices and the availability of other compensation information for these specific types of organizations. All other classifications of 501(c)3 nonprofit organizations were included in the study. Organizations that met the selection criteria comprised the final mailing list of 1,119 organizations.

The study was also publicized through the ASU CNLM's web site and e-mail newsletter, the *Arizona Nonprofit Community Report*, as well as the quarterly research publication *Nonprofit Research Abridged*. This additional publicity may have reached organizations that qualified for the study but were not included in the original mailing due to the limitations of the core data file.

A letter addressed to the Human Resources Director was mailed to the 1,119 organizations. An additional letter to the Executive Director was mailed to all the organizations with annual revenues for 2002 of one million dollars or more. The letter introduced the study and included the web site address where the survey could be completed online. Instructions were also given for downloading a paper copy of the study or requesting a paper copy from the ASU CNLM's office. A follow-up postcard was sent two weeks after the survey was mailed, reminding participants to fill out and return the survey. The organizations were informed in all mailings that completing the survey instrument would entitle their organization to a complimentary copy of the final report.

The survey instrument was available online for seven weeks. During the final three weeks of data collection, organizations that had started but not completed the study were sent several e-mail reminders informing them of the upcoming deadline to complete the study.

A total of 229 eligible organizations completed the survey; 225 completed the online version and four completed the paper version.