



2004 Nonprofit Compensation and Benefits Report

Maricopa County

The Center for Nonprofit Leadership &
Management

College of Public Programs
Arizona State University



Arizona State University

Center for Nonprofit Leadership and Management

<http://nonprofit.asu.edu>

Knowledge and Tools for Nonprofit Effectiveness

- Research That Matters
- Nonprofit Leadership Education
- Assistance to Nonprofits
- Conferences and Convenings

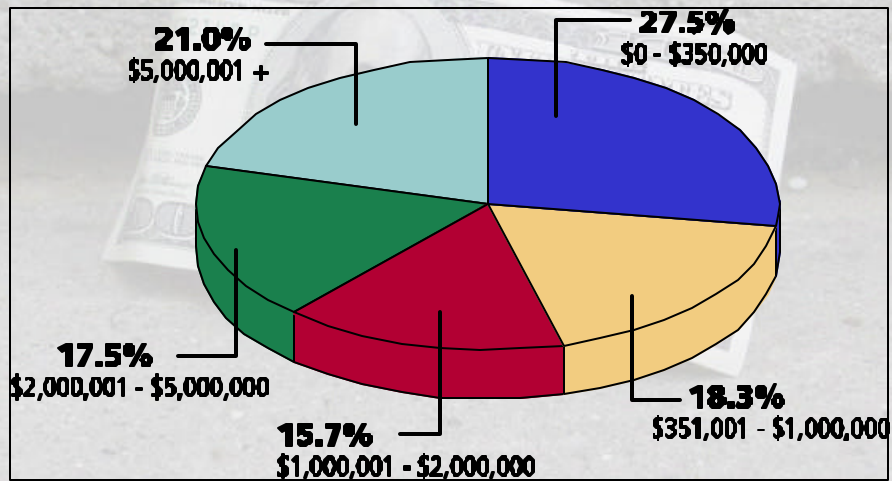
Outline

- Methods & Sample
- Human resource practices
 - Paid time off
 - Retirement
 - Insurance benefits
- Compensation & position holder info
 - Executive Director
 - Development Director
- Implications

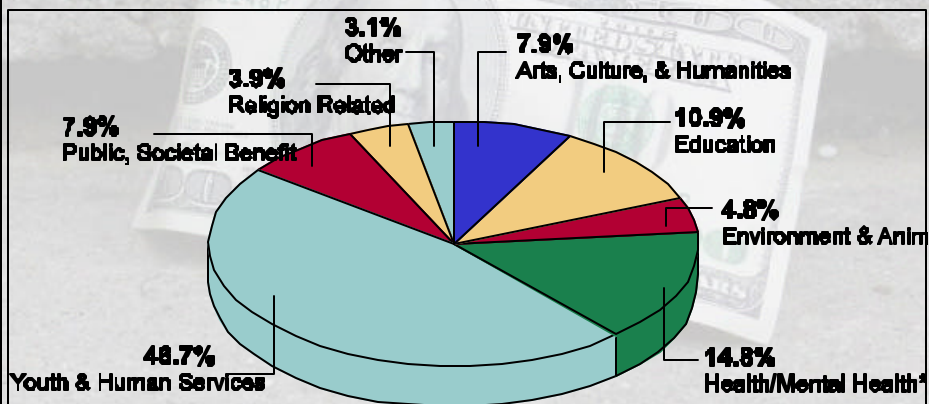
Methods & Sample

- All 501(c)3 organizations in Maricopa County
 - except hospitals, foundations, higher education institutions
- 1,119 organizations were mailed invitation letters
- An online survey developed in partnership with NPower Arizona.
- 229 organizations responded (52 percent increase in response from 2001 study).
- Information on 9,603 employees across 50 job position types.

Participant Organizations by Budget Size



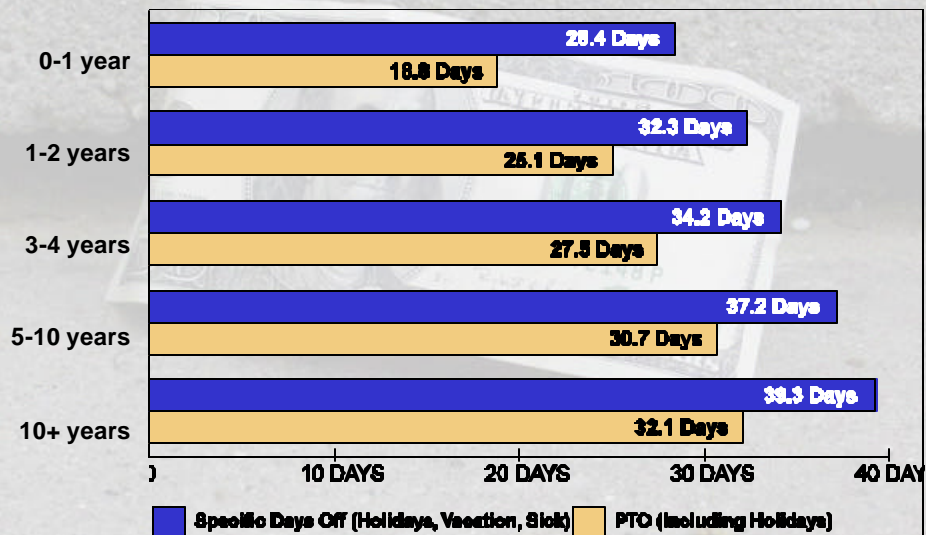
Participant Organizations by Organization Type



Paid Time Off

- Significantly more organizations are utilizing Paid Time Off (PTO) plans
- 52 percent of organizations in 2004 compared with 12 percent in the 2001.
- PTO plans offer fewer total days off but allow the flexibility
- Unknown whether the net result is fewer paid days off.

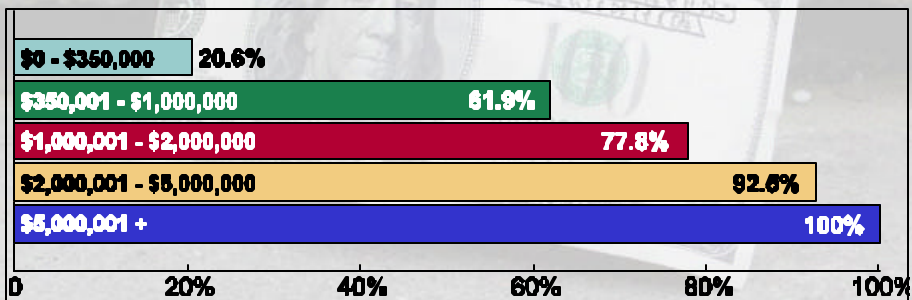
Total Paid Days Off for Full-Time Exempt Staff by Years of Service



Retirement

- 66% of the responding organizations offer plans
- 46% of organizations offer a retirement plan **and** contribute to the plan on behalf of employees.
- The majority of organizations that contribute to plans are larger nonprofits.
- Small nonprofits are significantly less likely to offer a retirement plan or vehicle and contribute to it for employees.

Percent of Organizations Offering a Retirement Plan by Budget Category



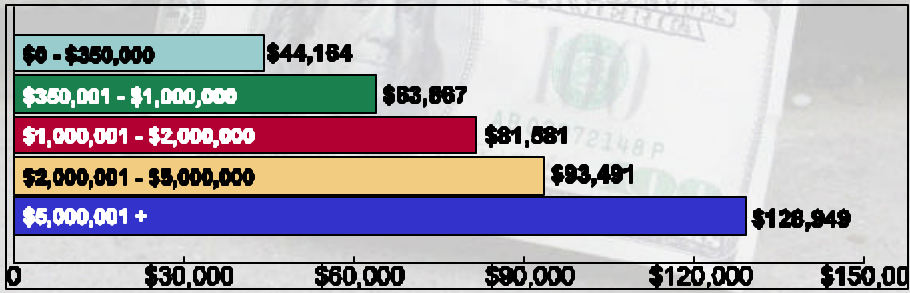
Insurance Coverage

- Offering insurance benefits continues to be a challenge for small nonprofit organizations.
- Suggests the need for pooled insurance options
- The percent of the premiums paid for family, spouse, and partner coverage appears to be decreasing with increased insurance costs.

Percent of Organizations Offering Insurance Benefits by Budget Size

Budget	Medical	Dental	Vision	Life Insurance	Long-Term Disability	Short-Term Disability
\$0-\$350,000	50.8%	17.5%	6.3%	9.5%	11.1%	7.9%
\$351,001-\$1,000,000	88.4%	62.8%	32.6%	55.8%	34.9%	20.9%
\$1,000,001-\$2,000,000	97.2%	83.3%	47.2%	66.7%	55.6%	38.9%
\$2,000,001-\$5,000,000	94.9%	89.7%	51.3%	89.7%	64.1%	48.7%
\$5,000,001+	100%	100%	60.4%	100%	79.2%	66.7%
All Organizations	83.0%	65.9%	36.7%	59.8%	45.9%	34.5%

Average Executive Director Compensation by Organization Budget



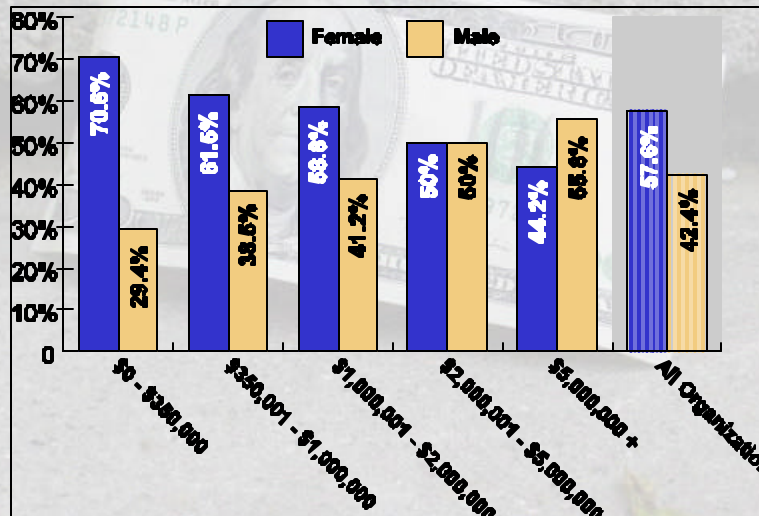
Executive Director Compensation by Organization Budget

	# Rep. Emp's	Median Salary	Average Salary	75% earn more than	25% earn more than	Median Base Salary
\$0-\$350,000	51	\$43,200	\$44,164	\$36,000	\$50,000	\$40,000
\$350,001-1,000,000	39	\$60,000	\$63,867	\$52,000	\$75,000	\$52,000
\$1,000,001-\$2,000,000	34	\$71,250	\$81,581	\$60,000	\$100,372	\$65,000
\$2,000,001-\$5,000,000	36	\$85,000	\$93,491	\$79,000	\$106,500	\$75,000
\$5,000,001+	43	\$120,000	\$128,949	\$97,500	\$135,590	\$93,600
All Employees	203	\$72,000	\$80,923	\$50,000	\$100,000	\$60,000

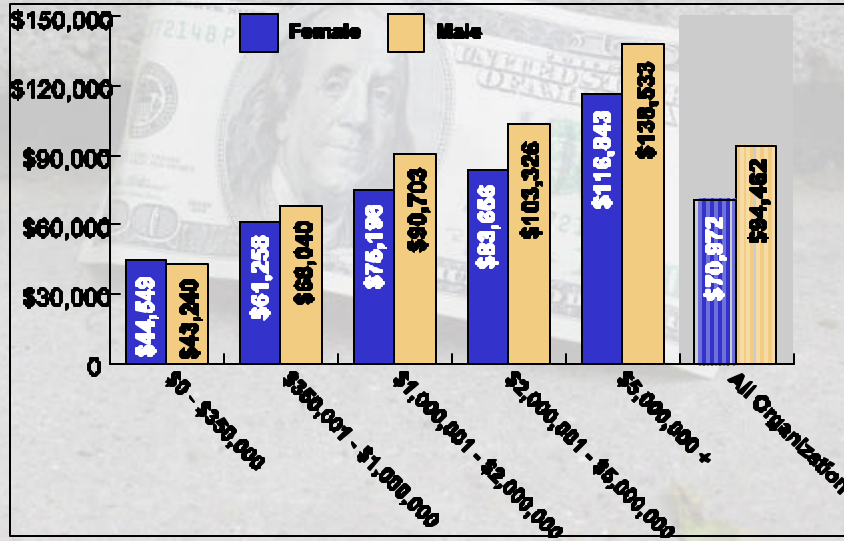
Executive Director Compensation by Organization Type

	# Rep Emp's	Median Salary	Average Salary	75% Earn more	25% Earn more	Median Base Salary
Arts, Culture, & Humanities	14	\$53,425	\$63,818	\$31,000	\$82,500	\$45,000
Education	22	\$66,500	\$89,468	\$52,000	\$123,168	\$60,000
Environment & Animals	9	\$69,000	\$87,666	\$41,500	\$146,338	\$53,500
Health/Mental Health	31	\$75,000	\$78,500	\$54,000	\$100,000	\$60,000
Youth & Human Services	98	\$75,000	\$82,818	\$51,500	\$101,000	\$65,000
Public, Societal Benefit	16	\$73,800	\$87,591	\$54,375	\$98,616	\$60,000
Religion Related	8	\$50,000	\$55,800	\$38,100	\$69,000	\$50,000
Other	5	\$60,000	\$75,832	\$52,080	\$107,500	\$55,000

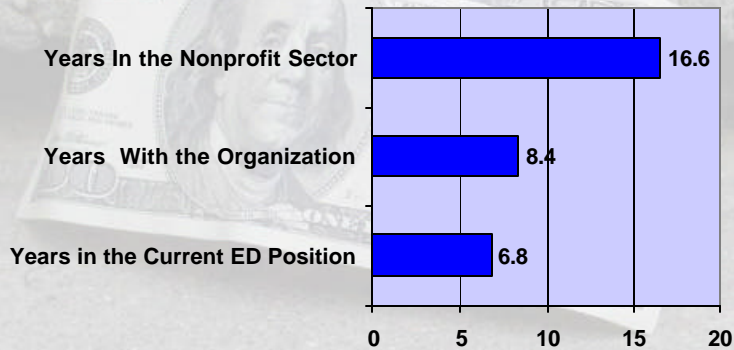
EDs' Gender Representation by Organization Budget



ED Pay by Gender and Organization Budget Category



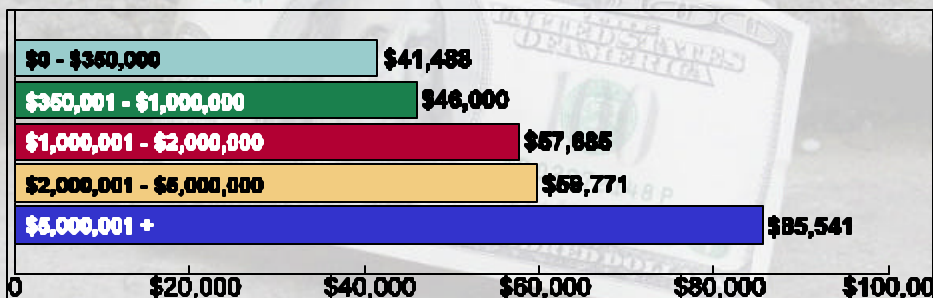
Executive Director Experience



Executive Director Experience

- Two-thirds of executive directors were recruited from outside their organizations, compared with one-third that were working previously for their organization.
- 81 percent of EDs were working in the nonprofit sector prior to their current position; 19 percent were working outside the sector.

Average Development Director Compensation by Organization Budget



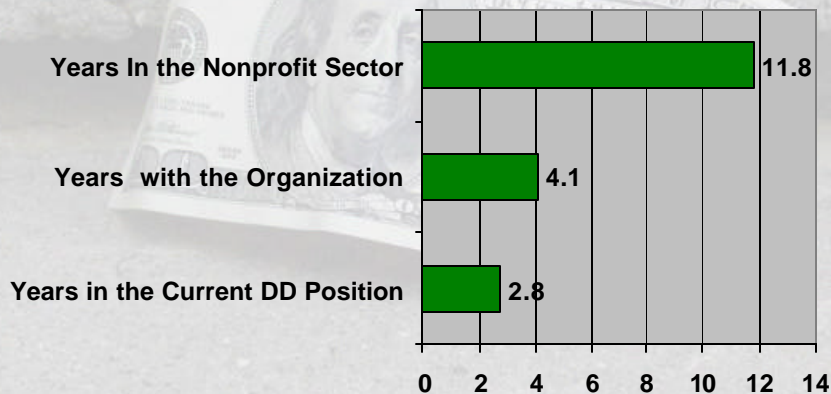
Development Director Compensation by Organization Budget

	# Rep. Emp's	Median Salary	Average Salary	75% earn more than	25% earn more than	Median Base Salary
\$0-\$350,000	8	\$40,800	\$41,488	\$25,200	\$49,875	\$40,000
\$350,001-1,000,000	14	\$44,750	\$46,000	\$35,750	\$50,000	\$36,500
\$1,000,001-2,000,000	10	\$56,800	\$57,685	\$49,050	\$65,325	\$50,000
\$2,000,001-5,000,000	22	\$59,000	\$59,771	\$50,450	\$70,000	\$52,437
\$5,000,001-highest	30	\$80,831	\$85,541	\$57,842	\$96,250	\$61,785
All Employees	84	\$57,685	\$64,690	\$49,625	\$75,750	\$50,000

Development Director Compensation by Organization Type

	# Rep. Emp's	Median Salary	Average Salary	75% Earn More Than	25% Earn More Than	Median Base Salary
Arts, Culture, & Humanities	4	\$74,946	\$75,873	\$60,825	\$91,848	\$65,000
Education	7	\$66,300	\$69,218	\$40,000	\$100,000	\$50,000
Environment & Animals	5	\$73,200	\$72,726	\$46,000	\$99,215	\$63,000
Health/Mental Health	12	\$51,794	\$53,256	\$42,450	\$65,025	\$47,500
Youth & Human Services	46	\$57,685	\$65,632	\$50,000	\$75,250	\$50,000
Public, Societal Benefit	7	\$52,500	\$68,179	\$49,500	\$85,000	\$71,000
Other	3	\$52,000	\$48,973	\$39,000	-	\$42,000

Development Director Experience



Development Directors

- Eighty-one percent of development directors were recruited from outside their organizations, compared with 19 percent that were working previously for their organization.
- Most development directors (75 percent) were working in the nonprofit sector prior to their current position; 25 percent were recruited from outside of the nonprofit sector.

Evaluating Compensation: Ideas and Suggestions

- Consider the sample (how many organizations, what kind, how many responses within positions).
- Consider when the data was collected.
- Use multiple sources of information if possible; there are strengths and limitations to all data sources.
- Define your market: is it bigger nonprofits, other types of organizations, affiliates of your nonprofit? Consider this when looking at compensation information.