



2012

Nonprofit Salary Survey

Executive Bundle



OneOC 2012 Nonprofit Salary Survey Orange County

Thank you to All our Contributors

Thank you to the **Orange County Community Foundation** for sponsoring OneOCs 2012 Nonprofit Salary Survey.



OneOC thanks the **94 Orange County nonprofits** who participated in our first ever Nonprofit Salary Survey. Your support, time and patience to get through the comprehensive survey is greatly appreciated. Further we want to acknowledge and thank the **425 organizations** who participated in the Southern California-wide survey. This is the *greatest number of organizations ever included* in the nonprofit survey.

Center for Nonprofit Management

The Orange County survey is part of a larger Southern California-wide effort overseen by the Center for Nonprofit Management (CNM), www.cnmsocal.org. CNM has managed the survey for over 20 years. Thank you to CEO, Regina Birdsell, 2012 Survey Project Leader Emily Eisenberg, and their team.



Sally Angel of ASConsulting provided detailed analysis and interpretation of the Survey results, providing context and meaning to what might otherwise be simply a collection of data.



Employer's Group is the leading source for intelligent business, HR solutions and employer advocacy. They provided research consulting and logistical and technical assistance in gathering and compiling the 2012 survey information.



To purchase the Southern California-wide report visit Center for Nonprofit Management at www.cnmsocal.org.

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Executive Positions

005

Executive Director/Chief Executive Officer

Responsible to the Board of Directors for management of the entire nonprofit organization including fundraising/development, human resources, strategic planning, programs, finance, communications. Represents organization to government agencies, community and the public.

Salary and Incentives - All Organizations	Number of Organizations	Number of Employees	Annual Cash Compensation			
			25th %ile	Median (50%)	75th %ile	Average
Base Salary - All Employees	80	82	\$84,994	\$110,323	\$142,979	\$121,389
# Eligible for Incentive/Bonus	38	39				
Actual Bonus Paid	27	28	\$3,875	\$6,000	\$15,650	\$12,716
Total Cash Compensation (Base + Bonus)	80	82	\$85,010	\$114,226	\$143,879	\$125,731
Budget Size						
to \$499,999 Avg: \$310.72K	10	10		\$62,920		\$62,147
\$500,000 - 999,999 Avg: \$697.27K	13	13	\$76,211	\$83,200	\$124,800	\$92,915
\$1,000,000 - 2,499,999 Avg: \$1.69M	20	20	\$86,772	\$97,926	\$116,922	\$103,172
\$2,500,000 - 4,999,999 Avg: \$3.53M	19	20	\$102,232	\$126,816	\$146,879	\$129,914
\$5,000,000 - 8,999,999 Avg: \$5.89M	6	6		\$153,223		\$179,819
\$9,000,000 - 14,999,999 Avg: \$11.12M	7	8		\$169,094		\$172,557
\$15,000,000 and over Avg: \$26.48M	5	5		\$136,198		\$200,678
Field of Service						
Association Management, Membership, Support Orgs	3	4				
Child Welfare/Child Care	1	1				
Community/Economic Development	5	6		\$101,824		\$94,466
Conservation, Environment, Animal Welfare, Parks	2	2				
Culture, Arts, Museums, Theater	7	7		\$124,800		\$106,502
Education, Schools, Colleges, Research	6	6		\$150,758		\$170,945
Family Counseling/Mental Health Services	2	2				
Foundation, Philanthropy, Fundraising	5	5		\$196,310		\$157,232
Health, Clinics, Hospitals	5	5		\$114,483		\$119,009
Housing, Shelters	11	11	\$81,318	\$89,960	\$113,329	\$112,152
Legal Services, Advocacy, Civil Rights						
Religious, Churches						
Youth/Recreation	7	7		\$94,994		\$91,609
Social Service -- One Major Program	2	2				
Social Service -- Multiple Programs	24	24	\$77,553	\$108,007	\$137,644	\$110,351
Number of Employees						
1 to 9	21	21	\$67,600	\$85,010	\$124,800	\$88,628
10 to 24	23	23	\$78,416	\$96,013	\$124,904	\$103,611
25 to 49	21	22	\$96,205	\$117,320	\$166,925	\$142,455
50 to 99	6	7		\$126,194		\$134,341
100 to 199	5	5		\$185,000		\$193,100
200 and over	4	4				\$167,430
Number of Employees Managed						
1 to 3	9	9		\$78,000		\$82,861
4 to 8	15	15	\$117,874	\$130,000	\$145,298	\$124,704
9 to 14	7	7		\$85,010		\$125,165
15 and over	41	43	\$94,744	\$110,656	\$142,626	\$130,008

Executive Positions

010

Associate Director/Chief Operating Officer

Provides direction and day-to-day management of several key functions other than programs such as finance, administration, human resources, and/or development; assumes responsibility for major projects; assumes responsibility for organization in absence of Executive Director. Participates as a member of the senior management team to formulate and implement policies and plans to meet the organization's short- and long-term objectives.

Salary and Incentives - All Organizations	Number of Organizations	Number of Employees	Annual Cash Compensation			
			25th %ile	Median (50%)	75th %ile	Average
Base Salary - All Employees	24	31	\$72,831	\$101,005	\$143,999	\$105,906
# Eligible for Incentive/Bonus	10	13				
Actual Bonus Paid	6	6		\$3,088		\$8,441
Total Cash Compensation (Base + Bonus)	24	31	\$72,831	\$101,005	\$146,162	\$107,539
Budget Size						
to \$499,999 Avg: \$424.5K	2	2				
\$500,000 - 999,999 Avg: \$604.45K	2	2				
\$1,000,000 - 2,499,999 Avg: \$1.44M	5	6		\$67,683		\$82,323
\$2,500,000 - 4,999,999 Avg: \$3.71M	8	11	\$91,489	\$101,005	\$126,880	\$105,976
\$5,000,000 - 8,999,999 Avg: \$5.85M	3	3				
\$9,000,000 - 14,999,999 Avg: \$10.31M	3	3				
\$15,000,000 and over Avg: \$30M	1	4				
Field of Service						
Association Management, Membership, Support Orgs	2	5				
Child Welfare/Child Care						
Community/Economic Development	2	2				
Conservation, Environment, Animal Welfare, Parks	2	2				
Culture, Arts, Museums, Theater	3	3				
Education, Schools, Colleges, Research	1	4				
Family Counseling/Mental Health Services						
Foundation, Philanthropy, Fundraising	1	1				
Health, Clinics, Hospitals	2	2				
Housing, Shelters	2	2				
Legal Services, Advocacy, Civil Rights						
Religious, Churches						
Youth/Recreation	1	1				
Social Service -- One Major Program						
Social Service -- Multiple Programs	8	9		\$72,800		\$74,550
Number of Employees						
1 to 9	4	4				\$92,425
10 to 24	6	10		\$73,684		\$84,922
25 to 49	8	8		\$100,506		\$108,961
50 to 99	4	4				\$125,388
100 to 199	1	4				
200 and over	1	1				
Number of Employees Managed						
1 to 3	6	9		\$112,320		\$101,541
4 to 8	5	8		\$126,443		\$119,140
9 to 14	1	2				
15 and over	10	10		\$91,489		\$97,891

Executive Positions

015

Director, Program(s)

Directs delivery of programs in accordance with the organization's goals and objectives. May write or participate in writing of grant applications, depending on structure of organization. Ensures program activities comply with contracts. Supervises program staff either directly or through intermediary supervisors. Acts as liaison with government agencies, the community and the public relative to funding, contracts and delivery of services. Participates as a member of the senior management team in the development and implementation of organization-wide policies and programs that will contribute to its overall success. This is a single-incumbent position. Report others in the Program Management section or other sections below (e.g. jobs 805, 810, 853, 856, 421, 430, 431).

Salary and Incentives - All Organizations	Number of Organizations	Number of Employees	Annual Cash Compensation			
			25th %ile	Median (50%)	75th %ile	Average
Base Salary - All Employees	34	53	\$59,904	\$74,922	\$92,144	\$78,057
# Eligible for Incentive/Bonus	10	18				
Actual Bonus Paid	6	14	\$550	\$1,287	\$1,600	\$2,587
Total Cash Compensation (Base + Bonus)	34	53	\$60,008	\$74,922	\$92,144	\$78,740
Budget Size						
to \$499,999 Avg: \$371.23K	5	5		\$62,400		\$54,679
\$500,000 - 999,999 Avg: \$877.35K	1	3				
\$1,000,000 - 2,499,999 Avg: \$1.67M	8	10		\$61,776		\$61,098
\$2,500,000 - 4,999,999 Avg: \$3.73M	10	15	\$65,000	\$75,005	\$89,752	\$82,821
\$5,000,000 - 8,999,999 Avg: \$5.91M	3	8				
\$9,000,000 - 14,999,999 Avg: \$10.46M	3	3				
\$15,000,000 and over Avg: \$23.25M	4	9		\$93,870		\$109,309
Field of Service						
Association Management, Membership, Support Orgs	1	1				
Child Welfare/Child Care	1	1				
Community/Economic Development	2	6				
Conservation, Environment, Animal Welfare, Parks	1	4				
Culture, Arts, Museums, Theater						
Education, Schools, Colleges, Research	3	3				
Family Counseling/Mental Health Services	1	1				
Foundation, Philanthropy, Fundraising	2	2				
Health, Clinics, Hospitals	2	2				
Housing, Shelters	5	8		\$64,002		\$62,483
Legal Services, Advocacy, Civil Rights						
Religious, Churches						
Youth/Recreation	3	5				
Social Service -- One Major Program	1	1				
Social Service -- Multiple Programs	12	19	\$57,720	\$68,474	\$80,319	\$68,953
Number of Employees						
1 to 9	5	5		\$62,400		\$54,679
10 to 24	10	12	\$58,500	\$65,822	\$71,224	\$69,730
25 to 49	8	16	\$55,718	\$73,341	\$89,461	\$76,582
50 to 99	3	5				
100 to 199	4	10		\$93,423		\$92,567
200 and over	4	5		\$83,013		\$94,608
Number of Employees Managed						
1 to 3	3	6				
4 to 8	12	17	\$60,008	\$69,992	\$75,109	\$75,971
9 to 14	5	8		\$82,794		\$86,972
15 and over	8	16	\$68,416	\$85,613	\$93,418	\$80,012

Development Positions

205

Director, Development

Provides leadership to the organization's efforts to obtain financial and other support to sustain its work, including planned, annual and deferred giving; approaches to individuals, foundations and corporations. Manages the overall marketing and promotional functions to construct and market an appropriate image, develop ties with the community, and achieve membership/participation goals. Manages department budgets. Participates as a member of the senior management team to formulate and implement policies and plans to meet the organization's short- and long-term objectives.

Salary and Incentives - All Organizations	Number of Organizations	Number of Employees	Annual Cash Compensation			
			25th %ile	Median (50%)	75th %ile	Average
Base Salary - All Employees	33	33	\$71,240	\$84,240	\$101,400	\$93,411
# Eligible for Incentive/Bonus	13	13				
Actual Bonus Paid	6	6		\$1,250		\$10,417
Total Cash Compensation (Base + Bonus)	33	33	\$71,240	\$91,002	\$102,898	\$95,305
Budget Size						
to \$499,999 Avg: \$90K	1	1				
\$500,000 - 999,999 Avg: \$790.23K	3	3				
\$1,000,000 - 2,499,999 Avg: \$1.88M	8	8		\$70,574		\$77,732
\$2,500,000 - 4,999,999 Avg: \$3.63M	12	12	\$75,842	\$84,999	\$98,592	\$91,998
\$5,000,000 - 8,999,999 Avg: \$5.56M	3	3				
\$9,000,000 - 14,999,999 Avg: \$11.06M	5	5		\$100,006		\$121,484
\$15,000,000 and over Avg: \$48.7M	1	1				
Field of Service						
Association Management, Membership, Support Orgs	1	1				
Child Welfare/Child Care						
Community/Economic Development	1	1				
Conservation, Environment, Animal Welfare, Parks	2	2				
Culture, Arts, Museums, Theater	1	1				
Education, Schools, Colleges, Research	5	5		\$79,997		\$119,391
Family Counseling/Mental Health Services						
Foundation, Philanthropy, Fundraising	3	3				
Health, Clinics, Hospitals	3	3				
Housing, Shelters	2	2				
Legal Services, Advocacy, Civil Rights						
Religious, Churches	1	1				
Youth/Recreation	3	3				
Social Service -- One Major Program						
Social Service -- Multiple Programs	11	11	\$63,700	\$78,749	\$90,948	\$77,247
Number of Employees						
1 to 9	5	5		\$65,000		\$80,371
10 to 24	10	10		\$74,724		\$81,399
25 to 49	11	11	\$80,974	\$94,994	\$104,031	\$100,399
50 to 99	4	4				\$99,518
100 to 199	1	1				
200 and over	2	2				
Number of Employees Managed						
1 to 3	17	17	\$76,960	\$84,240	\$97,843	\$92,039
4 to 8	8	8		\$101,452		\$110,806
9 to 14						
15 and over						



Compensation & Benefits Practices Southern California

Compensation and benefits practice data included in the next 35 pages is **not** Orange County-specific. In order to provide you with the most reliable data over the various segments, we share the Compensation and benefits data from the Southern California-wide survey.

To purchase the Southern California-wide report visit Center for Nonprofit Management at www.cnmsocal.org.

Guide to Using the Survey

When using the data in this report, we suggest you consider the following:

- The Survey reports the compensation and benefit practices in effect on January 1, 2012, as reported by 425 nonprofit organizations in Southern and Central California.
- The Survey findings represent the actual practices reported by the participants in the Survey. The Survey, therefore, is not a scientifically selected sample from which conclusions can be drawn about all nonprofits in the area. Furthermore, the results are not intended to represent a model for compensation and benefits.
- One organization often has a different title than another organization for the same job. We recommend using the job description to match jobs rather than the job title alone.
- When developing compensation or benefits programs, a nonprofit organization should consider its compensation philosophy and the internal value of jobs in addition to Survey data.

The following pages provide a Participant Overview and Compensation & Benefits Practices, including:

- **Compensation Practices**
- **Time-off Practices**
- **Employment Practices**
- **Benefits Administration, Other Plans
Retirement Benefits**
- **Executive Director/CEO Practices**
- **Economic Reset**

Positions

This year, we received enough data for 160 job titles and over 20,000 individual salaries.

Data Confidentiality

To ensure the confidentiality of all data, a minimum number of responses is required for each statistic. A minimum of four organizations and four employees is required to report compensation in any data subset. At least four incumbents (employees) in a data subset are required to report the average, and five incumbents are required to report the median. The 25th and 75th percentiles are reported for samples of at least twelve incumbents. When there are insufficient data, cells in the individual reports are left blank.

Job Titles with Insufficient Data

Job titles that were not reported by the minimum of four organizations with five employees have been omitted from the survey due to insufficient data. The job titles that were omitted this year are:

Animal Welfare

Veterinarian
Veterinary Clinic Manager
Humane Officer
Registered Veterinary Technician
Veterinary Technician
Animal Adoption Counselor
Animal Shelter Manager

Cultural, Artistic, Performing Arts

Resident Director
Resident Designer
Stage Manager
Box Office/Sales Manager
Actor
Production Assistant

Development

Development Manager: Capital Campaign

Education & Recreation

Life Guard/Swim Instructor

Government Affairs, Advocacy & Research

Lobbyist

Housing/Community Development

Program Manager: Economic Development

Medical and Clinical Services

Phlebotomist
Physician, Internal Medicine
Physician, Pediatrics
Dental Director
Medical Records Transcriber

Effective Date

Participants provided salary data effective as of January 1, 2012.

Participants

This year, 425 nonprofit organizations in Southern and Central California participated in the Survey. These organizations provided comprehensive information on compensation and benefits for positions common to nonprofits. A list of the participants is included in Appendix A. The tables in this section provide you with an overview of the participants: field of service, budget size, the number of employees and their geographic location.

Field of Service

Table i. We are pleased to provide information for 15 separate fields of service:

2012 Participation by Field of Service	
Field of Service	# Of Orgs
Association Management, Membership, Support Orgs	15
Child Welfare/Child Care	8
Community/Economic Development	13
Conservation, Environment, Animal Welfare, Parks	19
Culture, Arts, Museums, Theater	56
Education, Schools, Colleges, Research	38
Family Counseling/Mental Health Services	14
Foundation, Philanthropy, Fundraising	21
Health, Clinics, Hospitals	31
Housing, Shelters	38
Legal Services, Advocacy, Civil Rights	8
Religious, Churches	5
Youth/Recreation	29
Social Service-One Major Program	35
Social Service-Multiple Programs	95
Total	425

**Note: Individual Social Service Programs represented include, but are not limited to: Adult Day Care; AIDS/HIV Services and Support; Credit/Debt Counseling; Developmentally Disabled Services; Domestic Violence; Employment/Work Training; Residential Care—Adults; Residential Care—Children/Group Homes; Senior Citizens/Aging; Substance Abuse Prevention.*

Budgets

Table ii. Groups identified by budget size have been established where natural breaks occurred in the data, and to ensure a sufficient number of responses in each to provide you with valid information.

Budget Groups	# Of Orgs
to \$499,999	85
\$500,000 - \$999,999	63
\$1,000,000 - \$2,499,999	96
\$2,500,000 - \$4,999,999	59
\$5,000,000 - \$8,999,999	43
\$9,000,000 - \$14,999,999	40
\$15,000,000 and over	39
Total	425

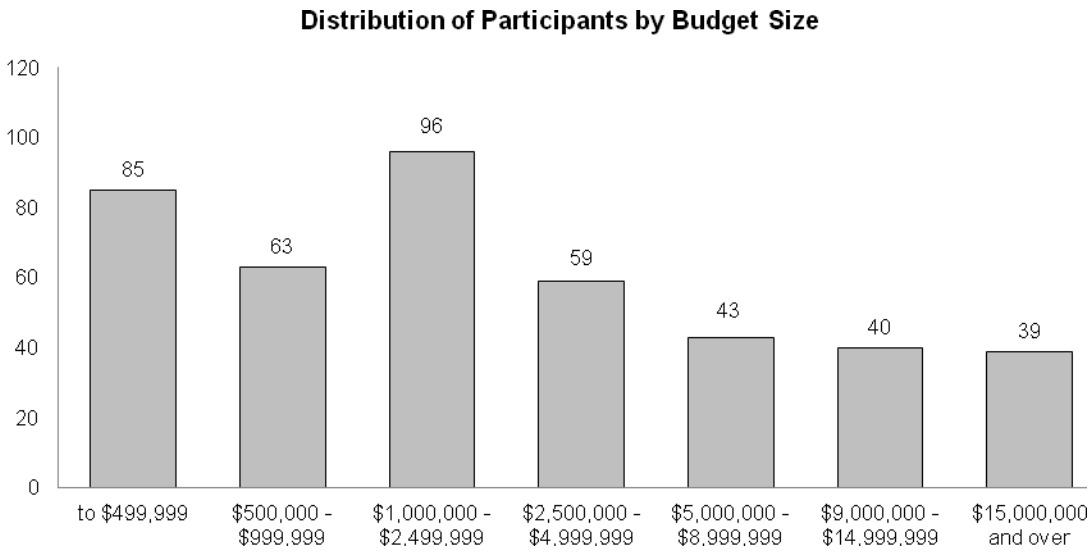


Table iii. This table shows the participants' average budget size across each of the budget groups.

Budget Groups	Average Budget Size for 2012
to \$499,999	\$258,079
\$500,000 - \$999,999	\$757,936
\$1,000,000 - \$2,499,999	\$1,657,289
\$2,500,000 - \$4,999,999	\$3,626,279
\$5,000,000 - \$8,999,999	\$6,536,484
\$9,000,000 - \$14,999,999	\$11,490,691
\$15,000,000 and over	\$36,234,200
Average of all participants	\$6,163,979

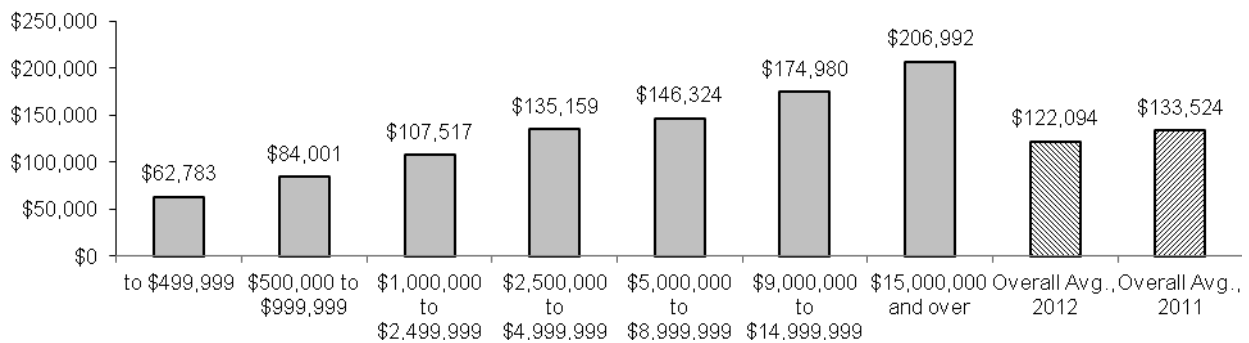
Using Budget Data to Evaluate Pay

Table iv. The size of an organization typically affects pay for management-level staff because of the increased complexity of the organization itself, number of employees supervised and overall financial responsibility; the larger the nonprofit, the higher the compensation for a senior manager. The following table generally demonstrates this pattern.

Budget Groups	Average Base Pay for Executive Director
to \$499,999	\$62,783
\$500,000 - 999,999	\$84,001
\$1,000,000 - 2,499,999	\$107,517
\$2,500,000 - 4,999,999	\$135,159
\$5,000,000 - \$8,999,999	\$146,324
\$9,000,000 - \$14,999,999	\$174,980
\$15,000,000 and over	\$206,992
2012 Average for all	\$122,094
2011 Average for all	\$133,524

In four of the seven size groups, the average budget size went down from 2011. This may have influenced the lower average salary in 2012 for the Executive Director when compared to last year. Another reason could be the enormous increase in the number of participants from 255 to 425, a 67% increase.

Average Executive Director Pay Across Budget Groups



Budget size does not have quite the same impact on pay for professional or support staff, as their jobs are similar whether they are in a large organization or a small one. Instead, the organization's pay philosophy--whether it has a formal salary administration program and its sources of funding--may determine the pay levels of these jobs.

TIP: We recommend you utilize the budget groupings to determine the pay level of a senior manager, and use other criteria such as location, field of service or the data for all organizations when analyzing pay for support and professional positions.

Staff Size

Table v. The average number of employees in each size group is another measure against which to evaluate pay for those individuals with responsibility for the entire organization, or for a substantial part of it.

Budget Groups	Average Number Of Employees*
to \$499,999	4
\$500,000 - \$999,999	8
\$1,000,000 - \$2,499,999	18
\$2,500,000 - \$4,999,999	40
\$5,000,000 - \$8,999,999	82
\$9,000,000 - \$14,999,999	155
\$15,000,000 and over	304
Average of all participants	63

*Staff size is the sum of regular full-time and regular part-time employees.

The following chart illustrates the average number of employees per budget group.

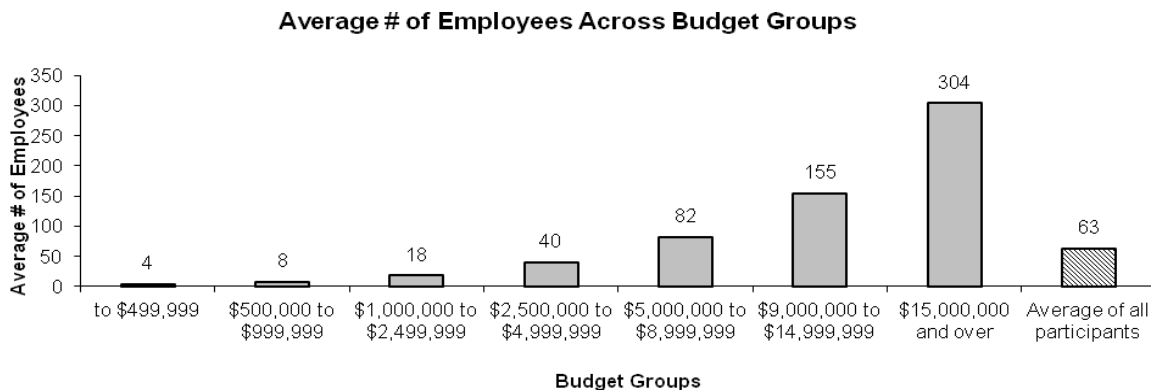


Table vi. Data calculated by employee size groups.

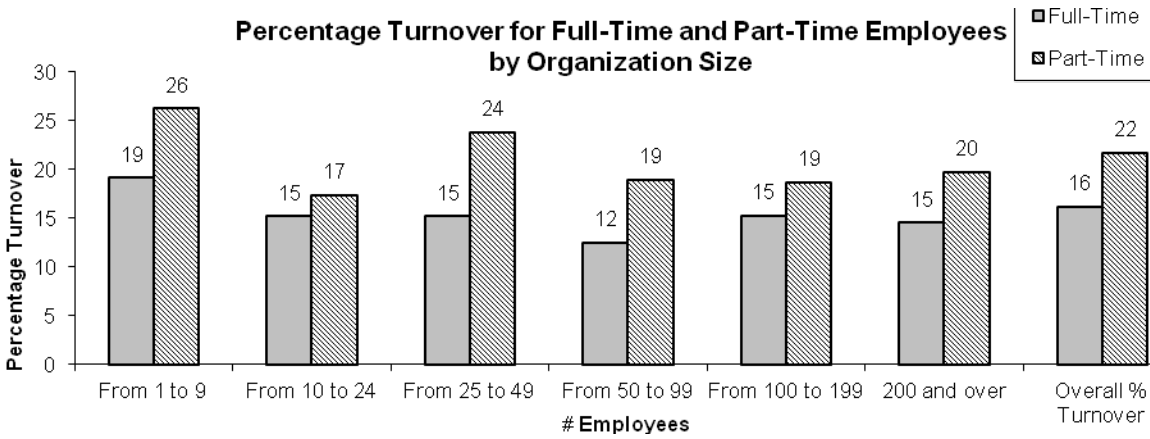
Employee Size Groups	# Of Organizations
From 1 to 9 employees	148
From 10 to 24 employees	90
From 25 to 49 employees	75
From 50 to 99 employees	43
From 100 to 199 employees	30
200 employees and over	39
Total	425

TIP: If your organization has a particularly small budget relative to the number of employees, or vice versa, then compare your data based on both budget and employee size groups.

Turnover Rates

Table vii. We asked respondents for basic information about the number of positions in which an existing employee had left and been replaced by a new employee. The table and chart below show the percentage rate of turnover for full-time and part-time positions, based on the size of the organization.

Employee Size Groups	Full-Time Turnover	Part-Time Turnover
From 1 to 9 employees	19%	26%
From 10 to 24 employees	15%	17%
From 25 to 49 employees	15%	24%
From 50 to 99 employees	12%	19%
From 100 to 199 employees	15%	19%
200 employees and over	15%	20%
Overall Percentage Turnover	16%	22%



Turnover in 2010-11 averaged 15% for full-time staff and 16% for part-time. Thus part-time turnover in 2011-2012 appears to have increased significantly while full-time has remained relatively stable.

Supervisory Responsibility

Table viii. Another measure against which to evaluate your own jobs is the number of staff managed. The table below represents the number of employees directly and indirectly supervised by the incumbent. Typically, the manager has substantial responsibility for hiring, firing and reviewing performance. The Survey provides pay data based upon these groups.

Employee Size Groups
1 to 3
4 to 8
9 to 14
15 and over

This measure is particularly valuable when evaluating supervisory positions. It enables you to determine more precisely the value of your organization's particular job relative to others with similar circumstances. Typically, the more supervisory responsibility held by a manager or supervisor, the higher the salary.

Geographic Location

Table ix. Compensation levels are reported for the following geographic areas:

Area/County	# of Organizations
Los Angeles	213
Orange	94
San Diego	62
Inland Empire	22
Santa Barbara	15
Ventura	17
San Luis Obispo/Kern	2
Total	425

Compensation Practices

Table i. Salary Increase Budgets for Fiscal 2011 - 2012

The median salary increase budget for the current fiscal year is 2.5%, the same as for the previous year. The following table provides the detail.

Salary Increase Budgets for Current Fiscal Year	
# Organizations Responding	373
# Organizations Responding with 0.0%	108
# Organizations Responding With an Increase Budget	265
All Organizations - 25th Percentile	0.0 %
All Organizations - Median	2.5 %
All Organizations - 75th Percentile	3.0 %
Average (Including those reporting 0.00%)	3.12 %
Average (Excluding those reporting 0.00%)	4.39 %

Twenty-nine percent (29%) of participating organizations reported salary increase budgets of 0.0%, down slightly from last year when 32% reported zero. While the median increase remains the same as last year at 2.5%, the averages increased substantially--over 1.0% higher than for fiscal 2010-11.

Table ii. Salary Increase Practices

Asked what method best describes their salary increase practices, 79% of participants in this Survey report that they award salary increases based on *merit or performance*. Note that this question asks about their general policy, so organizations that do not plan to give increases this year may still choose one or more of the methods listed. More than one-third of organizations report more than one answer, as shown below.

Salary Increase Practice	# Of Organizations	% Of Orgs
Merit/Performance	287	79%
Across the Board Increases	93	25%
Cost of Living	105	29%
Length of Service	57	16%
# Organizations Responding*	219	

*128 organizations report more than one practice.

Table iii. Salary Grades and Ranges

Fifty-four percent (54%) of organizations use grades or ranges for their positions, very similar to the 55% reported last year.

Grades & Ranges	# Of Organizations	% Of Orgs
Use grades or ranges	212	54%
Do not use grades or ranges	177	46%
# Organizations Responding	389	

Table iv. Salary Grades Last Updated

Last Updated	# Of Organizations	% Of Orgs
Updated for 2012	43	21%
Updated Last Year	70	34%
Updated 2 Years Ago	34	17%
Updated 3 Years Ago	25	12%
Updated 4 Years Ago	15	7%
Updated 5+ Years Ago	18	9%
Average of 2.0 years	205	

Table v. Incentive Pay or Bonuses

Of the 358 responding to this question, 36% indicate that they provide the Executive Director with some type of incentive or bonus opportunity. Across all levels of job responsibilities, the responses to this question indicated lower numbers than the 2011 results when 32% to 44% were eligible for bonuses, depending upon position.

Employee Group - Bonus Eligible	# Of Organizations	% Of Orgs
Executive Director	128	36%
Management Staff	96	28%
Professional Staff	81	24%
Support and Administrative Staff	73	21%

Note that the existence of incentive or bonus plans does not necessarily mean employees in those plans were paid bonuses. Actual payments are detailed in the individual job title reports.

Table vi. On-Call Practices

About 31% of responding organizations provided information on their on-call practices.

On-Call Pay Practices	# Of Organizations	% Of Orgs
Pay for hours worked (including overtime)	59	49%
Pay flat rate for being on call	17	14%
Provide compensatory time off or flex-time	11	9%
Do not pay or provide time off (exempt staff)	10	8%
Pay show-up rate and hourly pay for time worked	10	8%
Other	13	11%
Total Responses	120	

Table vii. Practices for Dealing with Extensive Overtime by Exempt Staff

When dealing with overtime by exempt staff, 30% of the organizations Surveyed reported the practice of providing compensatory time-off as the most popular way of compensating staff. (The Wage and Hour laws do not mandate overtime pay for exempt staff.) This represents a decrease over last year when 34% provided comp time. While 31% of organizations reported that they have no formal policy, 22% of respondents indicated that they do not compensate exempt staff for overtime. Last year 14% indicated they do not provide any compensation for extensive overtime.

Practice	# Of Responses	% Of Orgs
No formal policy	120	31%
Provide compensatory time off	115	30%
Do not compensate for extensive overtime	84	22%
Pay overtime rates	30	8%
Other	37	10%
Pay straight time	1	<1%
# Organizations Responding	387	

Sub-Topic i. Evening/Night Shift Differentials

Of the 130 nonprofits that indicate they have an evening and/or night shift, 45 organizations (35%) indicate that they pay special rates beyond regular hourly pay and overtime for working those shifts. Among the nonprofits that do pay a premium are the following practices:

- Paying an additional hourly wage, from 25 cents to \$1.00 per hour.
- Paying a percentage of salary: 5% or 6% were both reported
- Paying stipend per overnight shift (e.g., \$50)
- Scheduling alternative work hours

Table viii. Premium for Bilingual Skills

The majority of organizations report that they do not pay a premium for bilingual skills.

Practice/Policy	# Of Organizations	% Of Orgs
Do not pay a premium for bilingual skills	337	87%
Pay a premium for bilingual skills	52	13%

The practices for compensating bilingual skills vary widely with three primary practices. These include:

- Paying an hourly premium, from 25 cents to \$2 per hour, with a median of \$0.50 per hour
- Paying a percentage of salary, from 1% to 15%, median of 5%
- Paying a monthly or annual dollar rate varying from \$600 to \$5,000 per year with a median of \$1,500

Sub-Topic ii. Non-Cash Compensation

Forty-five percent (45%) of Survey participants offer some type of non-cash compensation intended to encourage employee retention and strengthen morale. Following are among the more frequently reported examples of such non-cash compensation:

- Additional days off for birthdays, achieving years of service, completion of major work projects, early closings before holidays, Fridays off as reward for hard work
- Coaching and training
- Organization-wide events, parties, picnics, pot lucks and holiday parties
- Education assistance/tuition reimbursement
- Employee appreciation and employee awards to recognize individuals for service or performance
- Fitness membership, gym membership, personal trainer, horseback riding
- Flexible spending account
- Flexible work schedules, alternative work week (e.g., 9/80 schedule); ability to work from home, casual dress attire
- Gift cards, certificates, vouchers
- Winter Break: the week off between Christmas and New Year
- Laptop, cell phone, office and business travel expenses
- Meals, celebratory lunches
- Transportation: transit passes, special parking spaces
- Tickets to sporting events, entertainment events, theater and restaurants

Employment Practices

Table i. Full-Time Workweek

Most nonprofits have a 40-hour workweek.

Length of Full-Time Workweek	# Of Organizations	% Of Orgs
40 hours	291	75%
38 hours	4	1%
37.5 hours	26	7%
35 hours	21	5%
Other	47	12%
# Organizations responding	389	

Table ii. Introductory Period

The average introductory period for all organizations is 3.1 months, a slight decrease over the 3.34 months reported last year. This includes 46 organizations with no introductory period, calculated as 0 months. For the 337 nonprofits with an introductory period, the average is 3.53 months.

Length of Introductory Period	# Of Organizations	% Of Orgs
None	46	12%
30 – 45 days	9	2%
Two months/60 days	6	2%
Three months/90 days	258	67%
Four months/120 days	4	1%
Six months /180 days	57	15%
Nine months / 270 days	0	0%
Twelve months/365 days	3	1%
# Organizations responding	383	

Forty-five percent (45%) of nonprofits report employees receive paid-time off benefits during the introductory period and 33% report that employees are eligible for insurance benefits during the introductory period.

Table iii. Performance Reviews

The vast majority of nonprofits report reviewing employee performance on an annual basis.

Performance Review Period	# Of Responses	% Of Orgs
Annually	320	82%
No set schedule	24	6%
Every 6 months	25	6%
Other	13	3%
Do not review	7	2%
Total responses	389	

Sub-Topic i. Union Contracts

Just twelve organizations (3%) have union contracts for one or more of their positions. The types of positions are varied and include both professional and non-exempt positions. Examples of the types of jobs represented by unions in this Survey are:

- Medical assistants, case managers, receptionists
- Non-management Head Start staff
- Physicians, dentists and nurse practitioners
- Teachers, teacher assistants, custodians, cooks, eligibility workers, receptionist
- All non-exempt and non-confidential positions
- Non-exempt staff
- Musicians, actors, stage staff, technicians

Sub-Topic ii. Professional Development Classes

The majority of responding organizations, 265 (68%) indicate they pay for professional development classes for their employees when funding allows. Just 33 organizations (8%) do not pay, and 91 (23%) pay some of the time. Of those that pay, the most common requirement is that the course be job-related or necessary to maintain licensure. Other factors include relevance to a particular need in the organization, approval of a higher level of management and whether or not it is budgeted.

Sub-Topic iii. Professional Conferences

Of the organizations polled, 273 (70%) indicate that they pay for attendance at professional conferences when funding allows, and 83 (21%) pay some of the time. Only 33 organizations (8%) indicate that they never pay for conferences. Of those that pay, the most common requirements were that the conference be job-related, beneficial to the organization or serving its mission. Many indicated that attendance at conferences required the approval of a higher level of management. Some organizations indicate that they only pay for attendance at specific conferences.

Sub-Topic iv. Professional Organizations

Of the organizations polled, 207 respondents (53%) indicate that they pay for professional memberships, assuming funds are available, while an additional 71 (18%) report paying under some circumstances. Those circumstances include relevance to the employee's job and benefit to the organization. Several organizations indicate that they pay membership dues for certain jobs, such as executive staff, professionals (e.g., lawyers, physicians, other licensed staff) or managers. One hundred and eleven organizations (29%) do not pay for any professional memberships.

Sub-Topic v. Employee Assistance Program (EAP)

An Employee Assistance Program (EAP) is a confidential service paid for by the employer to provide counseling for a variety of problems that may impact job performance, such as substance abuse, family conflicts, health issues, finances, and legal concerns. Of the 389 organizations responding, 30% offer this type of benefit to employees, down from 36% last year, while 70% do not offer an EAP benefit.

Time-Off Practices

Table i. Time Off Practices

The primary methods reported for providing time-off benefits to employees.

Time Off Practices Include:	# Of Responses	% Of Orgs
Separate vacation, sick leave & holiday accrual – same for all employees, both exempt & nonexempt	223	57%
Separate vacation, sick leave & holiday accrual – different accruals for exempt & nonexempt staff	61	16%
Paid Time Off (PTO) – same accruals for all employees	50	13%
Paid Time Off (PTO) different accruals for exempt & nonexempt employees	18	5%
Other	37	10%
Total responses	389	

Of the respondents employing part-time staff:

- 90% indicate that their part-time employees are eligible for paid time-off benefits. These benefits are virtually always pro-rated according to employees' work schedules.
- 84% require the part-time employee to work a minimum number of hours per week to be eligible. On average, this minimum is 26.3 hours per week.
- Another 7% offer paid time-off benefits to part-time employees regardless of the number of hours they work each week.

Ten percent (10%) of nonprofits report that their part-time employees are not eligible for paid time off benefits.

Table ii. Separate Vacation, Sick Leave & Holidays—All Employees Receiving the Same Benefit

The Survey results show that 223 Survey participants (57%) provide the same benefit to both exempt and non-exempt staff, AND vacation, holiday and sick leave are accrued separately.

All Staff Years of Service	Vacation Days	Sick Leave	Holiday	Personal Days	Total Days
First Year	9.6	8.7	9.9	1.2	29.4
Second Year	10.8	8.7	9.8	1.2	30.6
Third Year	12.1	8.8	9.9	1.2	32.1
Fourth Year	13.1	8.8	9.8	1.2	33.1
Fifth Year	14.8	8.9	9.8	1.2	34.9
Sixth to Ninth Years	16.5	9.1	9.8	1.2	36.7
Tenth Year	18.1	9.0	9.8	1.2	38.4
Eleventh Year +	18.7	9.0	9.8	1.2	39.1

Tables iii & iv. Separate Vacation, Sick Leave & Holidays—Exempt & Non-Exempt Staff Receiving Different Benefits

The Survey results show that 61 Survey participants (16%) provide different benefits to exempt and non-exempt staff AND vacation, holiday and sick leave are accrued separately, as detailed in the following two tables.

Exempt Staff Years of Service	Vacation Days	Sick Leave	Holiday	Personal Days	Total Days
First Year	11.3	7.5	9.6	1.2	30.2
Second Year	12.3	7.7	9.6	1.2	31.8
Third Year	13.5	7.7	9.6	1.2	32.6
Fourth Year	14.2	7.7	9.6	1.2	33.3
Fifth Year	15.2	7.9	9.6	1.2	34.5
Sixth to Ninth Years	16.1	7.9	9.6	1.2	35.4
Tenth Year	16.8	8.2	9.6	1.2	36.3
Eleventh Year +	17.5	8.2	9.6	1.2	37.0

Non-Exempt Staff Years of Service	Vacation Days	Sick Leave	Holiday	Personal Days	Total Days
First Year	9.4	7.5	9.6	1.2	28.4
Second Year	10.1	7.7	9.6	1.2	29.3
Third Year	11.0	7.7	9.6	1.2	30.2
Fourth Year	11.8	7.7	9.6	1.2	31.0
Fifth Year	13.5	7.9	9.6	1.2	32.9
Sixth to Ninth Years	14.8	7.9	9.6	1.2	34.3
Tenth Year	15.8	8.2	9.6	1.2	35.5
Eleventh Year +	16.6	8.2	9.6	1.2	36.3

Table v. Paid Time-Off (PTO) Policies—All Employees Receiving the Same Benefit

Fifty Survey respondents (13%) provide PTO benefits that combine at least some portion of vacation, holidays and sick leave, with all employees receiving the same benefits.

All Staff - Years of Service	Paid Time Off	Holidays	Total Days
First Year	14.6	9.0	23.3
Second Year	15.6	9.0	24.5
Third Year	17.3	9.0	26.3
Fourth Year	18.3	9.0	27.2
Fifth Year	19.6	9.1	28.5
Sixth to Ninth Years	21.3	9.1	30.2
Tenth Year	22.5	9.1	31.1
Eleventh Year +	23.3	9.1	32.1

Tables vi & vii. Paid Time-Off (PTO) Policies—Exempt & Non-Exempt Staff Receiving Different Benefits

Eighteen Survey respondents (5%) provide PTO benefits that combine at least some portion of vacation, holidays and sick leave, with exempt and non-exempt staff receiving different benefits:

Exempt Staff - Years of Service	Paid Time Off	Holidays	Total Days
First Year	20.3	8.0	26.2
Second Year	21.9	8.0	27.7
Third Year	21.9	8.0	27.7
Fourth Year	22.4	8.0	28.3
Fifth Year	24.1	8.0	29.9
Sixth to Ninth Years	24.7	8.0	30.5
Tenth Year	26.9	8.0	32.7
Eleventh Year +	27.7	8.0	33.5

Non-Exempt Staff - Years of Service	Paid Time Off	Holidays	Total Days
First Year	14.3	8.0	22.1
Second Year	16.0	8.0	23.9
Third Year	17.5	8.0	25.4
Fourth Year	17.9	8.0	25.8
Fifth Year	21.3	8.0	29.2
Sixth to Ninth Years	21.3	8.0	29.2
Tenth Year	23.3	8.0	31.2
Eleventh Year +	23.3	8.0	31.2

Insurance Benefits

The majority of Survey participants (88%) offer some type of insurance to employees. This is 8% lower than last year when 96% offered the benefit. Some of this change may result from the increased number of participants.

Table i. Cost Increase

The following table details the substantial increase in these costs over the past three years.

Year	Average Monthly Cost Per Employee	% Increase Over Previous Year
2012	\$ 907	16%
2011	\$ 783	10%
2010	\$ 710	67%
2009	\$ 426	--%

Tables ii & iii. Types of Insurance Offered

Many respondents offer more than one type of medical insurance and a variety of other insurance benefits, as detailed below. Note that these tables include organizations that offer insurance through a flexible benefit plan, as well as through a traditional insurance plan.

*Types of Medical Insurance Offered	# Of Organizations	% Of Orgs
Health Maintenance Organization (HMO)	270	69%
Point of Service Plan (PPO)	151	39%
Preferred Provider Organization (POS)	35	9%
Do not provide insurance	47	12%
**Total Organizations Responding	389	

**These numbers include organizations offering flexible benefit plans as well as traditional plans.*

***Many organizations offer more than one type of plan.*

*Other Types of Insurance Offered	# Of Organizations	% Of Orgs
Dental Care Insurance	234	60%
Vision Care Insurance	159	41%
Life Insurance	196	50%
Long-Term Disability Insurance	100	26%
Long-Term Care Insurance	21	5%
Do not provide other types of insurance	115	30%
**Total Organizations Responding	389	

**These numbers include organizations offering flexible benefit plans as well as traditional plans.*

***Many organizations offer more than one type of plan.*

The percentages for provision of other types of insurance have all fallen significantly when compared to the previous year. In addition, there was an increase from 24% to 30% in the numbers of organizations that do not provide other types of insurance except medical coverage.

Table iv. Waiting Periods

Survey participants were asked to specify the waiting period for new employees' medical benefits.

Waiting Period Before Coverage Begins	# Of Organizations	% Of Orgs
No waiting period (coverage begins immediately)	34	10%
up to 1 month	82	25%
up to 2 months	16	5%
up to 3 months	184	56%
up to 4 months	3	1%
6 months	9	3%
9 months	1	<1%
12 months	2	1%
Total Organizations Responding	328	

TIP: The Employer Contribution tables detail the percentage of health care premiums paid by employers who offer traditional plans rather than flexible benefit programs. Use these tables as a guide for setting your health care costs if you offer your employees a designated set of group health care benefits.

Tables v & vi. Employer Contribution—HMO Insurance (Traditional Plans)

The following tables show the average payment of premiums by employers for both employees and their dependents for medical insurance through a **Health Maintenance Organization (HMO)** plan. Results show 99% of respondents who offer HMO coverage pay at least half of the premium cost for the employee, and 58% pay the entire premium cost for the employee. Note that the information in these tables does not include organizations that offer **HMO** coverage through a flexible benefit plan.

HMO—Employee Health Insurance Employer Contribution	# Of Organizations	% Of Orgs
Pay 100% of premium	157	58%
Pay 90 to 99% of premium	30	11%
Pay 80 to 89% of premium	34	13%
Pay 70 to 79% of premium	21	8%
Pay 60 to 69% of premium	8	3%
Pay 50 to 59% of premium	17	6%
Pay from 1 to 49% of premium	3	1%
Do not pay any of the premium	0	0%
Total Offering HMO	270	

Just 21% of respondents pay at least 50% of the cost of HMO coverage for the employee's dependents.

HMO—Dependent Health Insurance Employer Contribution	# Of Organizations	% Of Orgs
Pay 100% of premium	11	4%
Pay 90 to 99% of premium	7	3%
Pay 80 to 89% of premium	4	1%
Pay 70 to 79% of premium	8	3%
Pay 60 to 69% of premium	6	2%
Pay 50 to 59% of premium	21	8%
Pay from 1 to 49% of premium	11	4%
Do not pay any of the premium	202	75%
Total Offering HMO	270	

Table vii. Co-Payment Increase

For HMO plans, the average office co-payment was \$22.04. The following table details the continuing increases in these costs over the past three years.

Year	Average Co-Payment	% Increase Over Previous Year
2012	\$ 22.04	12%
2011	\$ 19.74	4%
2010	\$ 18.91	5%
2009	\$ 18.00	--%

Tables viii & ix. Employer Contribution—PPO Insurance (Traditional Plans)

The following tables show the average payment of premiums by employers for both employees and their dependents for medical insurance through a **Preferred Provider (PPO)** plan. 142 respondents (94%) offering PPO coverage pay at least half of the premium for the employee; 41% pay the entire premium cost for the employee. These tables do not include organizations that offer **PPO's** through flexible benefit plans.

PPO—Employee Health Insurance Employer Contribution	# Of Organizations	% Of Orgs
Pay 100% of premium	62	41%
Pay 90 to 99% of premium	13	9%
Pay 80 to 89% of premium	19	13%
Pay 70 to 79% of premium	16	11%
Pay 60 to 69% of premium	15	10%
Pay 50 to 59% of premium	17	11%
Pay from 1 to 49% of premium	9	6%
Do not pay any of the premium	0	0%
Total Offering PPO	151	

Thirty percent (30%) of respondents pay at least 50% of the cost of PPO coverage for the employee's dependents.

PPO—Dependent Health Insurance Employer Contribution	# Of Organizations	% Of Orgs
Pay 100% of premium	9	6%
Pay 90 to 99% of premium	4	3%
Pay 80 to 89% of premium	1	1%
Pay 70 to 79% of premium	3	2%
Pay 60 to 69% of premium	4	3%
Pay 50 to 59% of premium	15	10%
Pay from 1 to 49% of premium	8	5%
Do not pay any of the premium	107	71%
Total Offering PPO	151	

We asked respondents to list a typical or average office co-payment for the types of insurance they offer. For PPO plans, the average co-payment was \$27.37, up from the \$24.55 reported in 2011.

Table x. Co-Payment Increase

The following table details the changes in these costs over the past three years.

Year	Average Co-Payment	% Increase Over Previous Year
2012	\$ 27.37	11%
2011	\$ 24.55	22%
2010	\$ 20.20	(14%)
2009	\$ 23.00	--%

Tables xi & xii. Employer Contribution—POS Insurance (Traditional Plans)

This year, just 35 nonprofits reported offering a Point of Service Plan. While this is up slightly over last year's 30, this may be due to the larger numbers participating in the Survey this year. In 2010, 60 reported offering the benefit. The following tables show the average payment of premiums by employers for both employees and their dependents for medical insurance through a **Point of Service (POS)** plan. Results show that 94% of respondents who offer POS coverage pay at least half of the premium cost for the employee, and 31% pay the entire premium cost for the employee. Note that the information in these tables does not include organizations that offer **POS** coverage through a flexible benefit plan.

POS—Employee Health Insurance Employer Contribution	# Of Organizations	% Of Orgs
Pay 100% of premium	11	31%
Pay 90 to 99% of premium	4	11%
Pay 80 to 89% of premium	6	17%
Pay 70 to 79% of premium	5	14%
Pay 60 to 69% of premium	1	3%
Pay 50 to 59% of premium	6	17%
Pay from 1 to 49% of premium	2	6%
Do not pay any of the premium	0	0%
Total Offering POS	35	

Eighteen percent (18%) of respondents pay at least 50% of the cost of POS coverage for the employee's dependents.

POS—Dependent Health Insurance Employer Contribution	# Of Organizations	% Of Orgs
Pay 100% of premium	2	6%
Pay 90 to 99% of premium	0	0%
Pay 80 to 89% of premium	0	0%
Pay 70 to 79% of premium	1	3%
Pay 60 to 69% of premium	0	0%
Pay 50 to 59% of premium	3	9%
Pay from 1 to 49% of premium	2	6%
Do not pay any of the premium	27	77%
Total Offering POS	35	

We asked respondents to list a typical or average office co-payment for the types of insurance they offer. For POS plans, the average co-payment was \$24.81, an increase of 18% over last year's \$20.96.

Table xiii. Co-Payment Increase

The following table details the changes in these costs over the past three years.

Year	Average Co-Payment	% Increase Over Previous Year
2012	\$ 24.81	18%
2011	\$ 20.96	71%
2010	\$ 12.24	(44%)
2009	\$ 21.75	--%

Tables xiv & xv. Employer Contribution—Dental Care (Traditional Plans)

The following tables show the average payment of premiums by employers for both employees and their dependents for dental insurance. Ninety-eight percent of Survey participants that offer dental insurance pay at least half of the premium cost for the employee, and of those, 73% pay the entire premium cost for the employee. Note that the information in these tables does not include organizations that offer dental coverage through a flexible benefit plan.

Employee Dental Care Employer	# Of Organizations	% Of Orgs
Pay 100% of premium	171	73%
Pay 90 to 99% of premium	13	6%
Pay 80 to 89% of premium	15	6%
Pay 70 to 79% of premium	12	5%
Pay 60 to 69% of premium	5	2%
Pay 50 to 59% of premium	13	6%
Pay from 1 to 49% of premium	5	2%
Do not pay any of the premium	0	0%
Total Offering Dental Care	234	

Just 24% of respondents pay at least 50% of the cost of dental care for the employee's dependents.

Dependent Dental Care Employer	# Of Organizations	% Of Orgs
Pay 100% of premium	17	7%
Pay 90 to 99% of premium	5	2%
Pay 80 to 89% of premium	2	1%
Pay 70 to 79% of premium	8	3%
Pay 60 to 69% of premium	2	1%
Pay 50 to 59% of premium	23	10%
Pay from 1 to 49% of premium	5	2%
Do not pay any of the premium	172	74%
Total Offering Dental Care	234	

Tables xvi & xvii. Employer Contribution—Vision Care (Traditional Plans)

The following tables show the average payment of premiums by employers for both employees and their dependents for vision insurance. Ninety-eight percent (98%) of Survey participants that offer vision insurance pay at least half of the premium cost for the employee, and 76% pay the entire premium cost for the employee, down from 81% last year. Note that the information in these tables does not include vision coverage offered through a flexible benefit plan.

Employee Vision Care Employer Contribution	# Of Organizations	% Of Orgs
Pay 100% of premium	121	76%
Pay 90 to 99% of premium	8	5%
Pay 80 to 89% of premium	9	6%
Pay 70 to 79% of premium	6	4%
Pay 60 to 69% of premium	5	3%
Pay 50 to 59% of premium	7	4%
Pay from 1 to 49% of premium	3	2%
Do not pay any of the premium	0	0%
Total Offering Vision Care	159	

Twenty-eight percent (28%) of respondents pay at least 50% of the cost of vision care for the employee's dependents.

Dependent Vision Care Employer Contribution	# Of Organizations	% Of Orgs
Pay 100% of premium	18	11%
Pay 90 to 99% of premium	4	3%
Pay 80 to 89% of premium	1	1%
Pay 70 to 79% of premium	4	3%
Pay 60 to 69% of premium	3	2%
Pay 50 to 59% of premium	13	8%
Pay from 1 to 49% of premium	4	3%
Do not pay any of the premium	112	70%
Total Offering Vision Care	159	

Table xviii. Employer Contribution—Life Insurance Benefits (Traditional Plans)

Ninety-six percent (96%) of respondents that provide life insurance for their staff pay the entire premium for their employees. Note that the information in this table does not include organizations that offer life insurance through a flexible benefit plan.

Employee Life Insurance Employer Contribution	# Of Organizations	% Of Orgs
Pay 100% of premium	189	96%
Pay 50 to 99% of premium	4	2%
Pay from 1 to 49% of premium	3	2%
Do not pay any of the premium	0	0%
Total Offering Life Insurance	196	

Table xiv. Employer Contribution—Long-Term Disability (LTD) (Traditional Plans)

Ninety-seven percent (97%) of respondents that provide long-term disability insurance for their staff pay the entire premium for their employees. Note that the information in this table does not include organizations that offer long-term disability coverage through a flexible benefit plan.

Employee Long-Term Disability Employer Contribution	# Of Organizations	% Of Orgs
Pay 100% of premium	97	97%
Pay 50 to 99% of premium	2	2%
Pay from 1 to 49% of premium	1	1%
Do not pay any of the premium	0	0%
Total Offering Long Term Disability	100	

Table xx. Employer Contribution—Long-Term Care (Traditional Plans)

Ninety-five percent (95%) of respondents that provide long-term care insurance for their staff pay the entire premium for their employees. However, note that just 21 organizations offer the benefit. Note that the information in this table does not include organizations that offer long-term disability coverage through a flexible benefit plan.

Employee Long-Term Care Employer Contribution	# Of Organizations	% Of Orgs
Pay 100% of premium	20	95%
Pay 50 to 99% of premium	1	5%
Pay from 1 to 49% of premium	0	0%
Do not pay any of the premium	0	0%
Total Offering Long Term Care	21	

Benefits Administration, Other Plans

Sub-Topic i. Special Insurance Accounts

Section 125 plans use pre-tax dollars to pay for employee benefits. The most comprehensive type of Section 125 plans reported in this Survey is the **cafeteria plan**, in which employers provide a certain dollar allotment per employee and employees choose their benefits from a list, paying the difference if their chosen benefits cost more than the allotment. Overall, 53% of participants indicated they offer employees a choice of benefits through a cafeteria plan. This is down from 63% last year.

Flexible Spending Accounts (FSA), in which pre-tax dollars are set aside by employees for their health care (**Health Care Spending Account** or HSA) or dependent care (**Dependent Care Spending Account** or DCSA) are a fairly common employee benefit. Forty-three organizations (24%) specifically mentioned providing an FSA. These accounts are usually funded by employee contributions.

Survey participants were asked about two other insurance-related programs:

HRA (Health Reimbursement Arrangement): The employer contributes a certain amount per employee per year for health care expenses. This money may be rolled from one year to the next but may not be portable if an employee leaves his or her job. An HRA is often used in conjunction with traditional insurance coverage, but in some cases an HRA replaces traditional coverage and reimburses employees for coverage that they purchase as individuals. Twelve organizations in this Survey's sample (4%) offer an HRA to employees.

HSA (Health Savings Account): The employee and/or employer make pre-tax contributions that are used by the employee for future medical or long-term care premium expenses. These accounts are used in conjunction with a high-deductible health insurance policy. The funds can roll over from year to year and the account is portable. Sixty-five organizations (20%) offer HSA-compatible health insurance policies.

Sub-Topic ii. Domestic Partner Benefits

Eighty-six percent (86%) of respondents offer medical insurance coverage to domestic partners of employees. This group includes 31% that pay all or some of the premium cost for domestic partners, and 55% that do not pay any of the premium cost. The remaining employers do not offer any medical coverage to domestic partners.

Note: The Domestic Partner Rights and Responsibilities Act of 2003 extended many of the rights and responsibilities of married couples in California to domestic partnerships registered with the Secretary of State. Under this Act, any right or benefit provided to employees with spouses must be afforded to employees with domestic partners. Thus, if an employer provides health care coverage for spouses of employees, that coverage must also be available to an employee's registered domestic partner. Note that employers are not required to make coverage available to spouses.

Sub-Topic iii. Part-Time Employee Benefits

Of the respondents who have part-time employees, 89% indicate that their part-time employees are eligible for medical insurance coverage as long as they maintain a minimum number of hours per week (on average, 29 hours per week), while no organizations make benefits available to employees regardless of the number of hours worked. The remaining 11% cover only full-time employees.

Forty-nine percent (49%) of respondents offer full benefits to qualifying part-time employees while 51% pro-rate those benefits based on the hours worked, provided the employee maintains the minimum requirement.

Retirement Benefits

Sixty-three percent (63%) of Survey participants indicate they offer some type of retirement benefit to their employees. Of the respondents who have part-time employees, 92% indicate that their part-time employees are eligible for retirement benefits as long as they maintain a minimum number of hours per week (on average, 25 hours per week), while 5% make benefits available to employees regardless of the number of hours worked. The remaining 3% cover only full-time employees.

Sixty-five percent (65%) of organizations have a vesting period of time after which the benefits fully belong to the employee. The average vesting period is 3.3 years (down from last year when it was 4.1), and the median is 3.0 years, down from 2011 when it was 5.0 years. Thirty-one percent (31%) of respondents indicate no vesting period.

Among organizations that offer benefits through a cafeteria plan, 34% allow employees to allot some portion of their benefit dollars toward an organization-sponsored retirement plan.

Table i. Retirement Benefits Offered to Regular Full-Time Staff

Type of Plan Offered	# Of Responses	% Of Orgs
Tax Sheltered Annuity: 401(k), 403(b)	199	51%
IRA/SEP-IRA	25	6%
Defined Benefit Plan	15	4%
Defined Contribution Plan	15	4%
Other	14	4%
No Retirement Benefit	142	37%
*Total Organizations Responding	389	

**Some organizations offer more than one type of program.*

Table ii. Retirement Benefits—Funding

Around two-thirds of organizations (66%) offering a retirement plan or plans share responsibility for funding with their staff. Twenty-five percent (25%) offer plans that are funded solely by the employee.

Funding of Retirement Plans	# Of Responses	% Of Orgs
Employee contribution only	60	25%
Organization contribution only	17	7%
Organization contributes/employee may contribute	59	24%
If employee contributes, organization contributes	96	39%
Other	12	5%
Total Organizations Responding	244	

Table iii. Retirement Benefits—Contributions

Of the organizations that contribute to the funding of the retirement benefit, 61% base their contribution on a percentage of the employee’s salary and 8% use a flat dollar amount:

Type of Cap on Contribution	# of Responses	% Orgs	Average Cap
% of salary	132	61%	4.50%
Flat dollar amount	18	8%	\$3,768
Other	65	30%	--
*Total Organizations Responding	215		

**If organization has more than one type of plan, response is based on plan with higher level of contribution from the organization.*

Executive Director/CEO Practices

EXECUTIVE SUMMARY

SALARY BUDGETS FOR 2011-12:

- ✓ 68% percent of nonprofits have budgeted a median 2.5%
- ✓ 32% of nonprofits have budgeted zero

TREND IN INCREASE BUDGETS FROM 2006-2012

2012	2.5%	29%
2011	2.5%	32%
2010	3.0%	29%
2009	2.5%	36%
2008	3.0%	7%
2007	3.0%	11%
2006	3.0%	13%

TRENDS IN PAY – WAGE FREEZES

- ✓ Wage freezes will continue to affect 29% nonprofits in 2012-13
- ✓ Percent of nonprofits freezing pay for the 7 years prior to 2009: 16% on average
- ✓ Southern California general industry: About 13% planned freezes for 2012 compared with 18% in 2011 and close to a third the previous year

TRENDS IN INCREASES & OTHER AWARDS

- ✓ More attention being paid to performance when giving increases
- ✓ Looking at the revenue producers to bring in more funds (incentives)
- ✓ 35% offer non-cash programs that include: additional days off, organization-wide events/parties, education assistance/tuition reimbursement, employee appreciation and employee awards, fitness/gym membership

INSURANCE BENEFITS: Employee insurance costs continue to rise.

YEAR	COST TO ORG PER EMPLOYEE
2012	\$907
2011	\$783
2010	\$710
2009	\$426
2008	\$412
2007	\$375

CONTINUED EROSION OF HEALTH BENEFITS OVER THE PAST SIX YEARS

In 2006:

- ✓ 87% offered dental coverage vs. 60% today benefit
- ✓ 69% offered vision care vs. 41% today
- ✓ 62% paid full premium for employee vs. 58% today

RETIREMENT BENEFITS

In 2003, 83% offered some type of retirement benefit. Today it is 63%.

Funding of Retirement Plans	# Responses	% of Orgs in 2012	% of Orgs in 2006
Employee contribution only	60	25%	20%
Organization contribution only	17	7%	9%
Organization contributes/employee may contribute	59	24%	21%
If employee contributes, organization contributes	96	39%	30%
Other	12	5%	1%
Total Responses	244		

COST REDUCING ACTIONS INCLUDE (TOP FOUR)

- ✓ Base salary freeze - 15% (of total respondents in the Survey)
- ✓ Hiring Freeze – 10% (of total respondents)
- ✓ Increased travel restrictions – 10% (of total Survey respondents)
- ✓ Raise employee contributions for health benefits – 8% (of total Survey respondents)

LAYOFFS & EXPANSION IN 2011 & 2012

- ✓ Last year 22% reported layoffs vs. 23% this year
- ✓ Considering a future layoff: 11%
- ✓ Considering an increase in staff: 38%

Table i. Employment Contract

Twenty-nine percent (29%) of the Executive Directors in the Survey have employment contracts:

Employment Contract	# of Organizations	% of Orgs
Executive Director has contract	110	29%
Executive Director does not have contract	273	71%

Table ii. Gender

Executive Director Gender	# of Organizations	% of Orgs
Male Executive Director/CEO	142	37%
Female Executive Director/CEO	237	63%

Tables iii and iv. Gender and Compensation

Based on this year's data, male Executive Directors earn on average 19% more than female Executive Directors.

Average Pay by Gender	Average Salary
Male Executive Director/CEO	\$135,285
Female Executive Director/CEO	\$113,505

We have seen this average fluctuate over the last several years. The following chart shows the difference in male versus female Executive Director pay over the last six years:

Year	Male Executive	Female Executive	Male % Higher
2012	\$135,285	\$113,505	19%
2011	\$141,319	\$131,208	8%
2010	\$123,760	\$121,386	2%
2009	\$145,073	\$120,342	21%
2008	\$141,170	\$115,296	22%
2007	\$121,589	\$105,091	16%

Gender-based differences in pay for similar work are well documented in the overall labor market, and the nonprofit sector is no exception. The Center for Nonprofit Management has seen this consistently over the 22 years we have conducted the Survey.

A multiple regression analysis of our 2004 compensation data showed that male CEOs are paid more than similarly situated female CEOs, and that this gap could not be explained by any non-discriminatory factors in our Survey: budget size, number of employees, service field, or longevity in the position. In other words, even accounting for differences in budget size, number of employees, service field or years of experience, female executive directors are paid less than similar male executive directors. We've also seen over the years of conducting this Survey that the executive directors of smaller-budget organizations are disproportionately women, and that as budget size increases, so does the likelihood that an organization will be run by a man.

The possible causes for these patterns are varied, such as breaks or gaps in women's work histories or lower starting salaries at the start of their careers (since salaries are often keyed to the specific

applicant's prior salary history), reluctance to bargain for higher salaries in the hiring process, and other factors.

While the causes may be uncertain, fairness may indicate that nonprofit boards should be aware of these dynamics when hiring and when setting salaries for female executives. When negotiating the salary of a current female chief executive, for example, a board of directors should consider carefully whether her salary is in line with that of similarly situated male executives. When negotiating with a new female chief executive, nonprofit boards should consider relying more on a valid compensation Survey than past salary history, for example, if that would indicate the female candidate's salary should be adjusted upward to be more in line with similarly qualified male counterparts.

Table v. Education and Compensation

Sixty-two percent (62%) of the Executive Directors in the Survey hold Master's Degrees or Doctorates. As indicated below, salaries generally increase with the level of education.

Level of Education	# of Incumbents	Average Salary
High School	2	\$53,726
Some College	19	\$105,037
Bachelor's Degree	117	\$108,420
Master's Degree	189	\$128,930
Doctorate	39	\$135,359
Total Responding	366	

Table vi. Time in Position and Compensation

The table below illustrates the average salaries of Executive Directors/CEOs in terms of how long they have been in their current position.

Years in Current Job	# of Incumbents	Average Salary
Less than one year	27	\$127,503
1.0 to 1.9 years	21	\$113,548
2.0 to 2.9 years	22	\$103,372
3.0 to 4.9 years	57	\$106,694
5.0 to 6.9 years	58	\$114,566
7.0 to 9.9 years	51	\$133,427
10.0 years and over	129	\$128,172
Average of 8.9 years	365	\$121,005

Table vii. Previous Executive/CEO in Other Organizations

Twenty-nine percent (29%) of the current Executives/CEOs previously worked under the same title at another nonprofit organization. The average length in their previous organization was 9.9 years.

Previous Non-Profit Executive/CEO	# Of Organizations	% Of Orgs
Yes	112	29%
No	277	71%
Total Responding	389	

Table viii. Additional Perquisites and Benefits Provided to the Executive Director

Typically, these additional benefits are provided only to the Executive Director. Cell phones remain the most common benefit, at 66%, followed by travel and conferences at 45% and a computer for home use at 44%.

Benefit or Perquisite	# Reported	% Of Organizations
Additional Vacation	81	28%
Car Or Car Allowance	84	29%
Cell Phone	191	66%
Laptop Computer For Home Use	129	44%
Additional Health Insurance	47	16%
Additional Life Insurance	26	9%
Additional Retirement Plan	21	7%
Club Memberships	24	8%
Housing Or Housing Allowance	8	3%
Travel/Conferences	130	45%
Other	50	17%
# Organizations Responding	290	

"Other" includes items such as bonuses, additional vacation, study leaves/sabbaticals and flexible schedules.

Table ix. Annual Performance Evaluation of the Executive Director by the Board

The majority (82%) of Executive Directors is reviewed annually, most through a partnership of the Executive and a Board Committee.

Executive Director Annual Performance Evaluation	# Of Orgs	% Of Orgs
Yes	319	82%
No	66	17%
# Organizations Responding	385	

Table x. Conducting the Review for the Executive Director

Executive Director Performance Review Conducted By:	# Of Orgs	% Of Orgs
Board Committee	84	22%
Executive Director/Board Committee	205	53%
Executive Director only	61	16%
Other	38	10%
# Organizations Responding	388	

Table xi. Plans in Place for Staff Leadership Succession

Succession Plans in Place	# Of Orgs	% Of Orgs
Yes	146	38%
No	238	61%
# Organizations Responding	384	

Table xii. Who Determines Staff Compensation & Benefits

Staff Determining Comp & Benefits	# Of Orgs	% Of Orgs
Board Committee	84	22%
Executive Director and Board Committee	205	53%
Executive Director only	61	16%
Other	38	10%
# Organizations Responding	388	

Economic Reset

In response to the challenges brought forth by the recession that began in 2008, nonprofit organizations have taken steps to reduce operating budgets.

Of the organizations surveyed, 23% reported a Reduction-In-Force (RIF) or layoff in fiscal 2011-12 compared to 22% reported in the previous year. However, 66% of responding organizations reported that their RIF/layoff affected less than 10% of their organization.

Table i. Reduction-In-Force, 2011-12, Prevalence

Reduction-In-Force (RIF) Or Layoff	# Reported	% of Organizations	Previous Year
Yes	90	23%	22%
No	263	68%	66%
No reduction in workforce, actually increased	36	9%	12%
# Organizations Responding	389		

Table ii. Reduction-In-Force, Magnitude, 2011-12

% Affected By RIF or Layoff	# Reported	% of Organizations	
Less than 2%	25	28%	47%
2% to less than 5%	19	21%	20%
5% to less than 10%	15	17%	9%
10% to less than 15%	12	13%	9%
15% to less than 25%	13	14%	4%
25% or more	6	7%	11%
# Organizations Responding	90		

When the same organizations were asked if they were still considering a future RIF or layoff, 11% responded yes. Of these organizations, 77% of those considering a future RIF expected a future RIF/layoff to affect only 10% or less of their workforce.

Table iii. Reduction-In-Force, Continuity of, 2012

Considering Future RIF Or Layoff	# Reported	% Of Organizations
Yes	43	11%
No	342	89%
# Organizations Responding	385	

Table iv. Reduction-In-Force, Magnitude, 2012

% Will Be Affected By RIF or Layoff	# Reported	% Of Organizations
Less than 2%	12	28%
2% to less than 5%	11	26%
5% to less than 10%	10	23%
10% to less than 15%	4	9%
15% to less than 25%	1	2%
25% or more	5	12%
# Organizations Responding	43	

Furthermore, responding nonprofit organizations are likely to implement additional cost-reducing actions over the next few months. The most common action was freezing salaries among the 143 nonprofits reporting on this issue. Bear in mind that 143 represents just one-third of all nonprofits in the Survey. The other two-thirds may or may not be planning any particular action.

- 45% of reporting nonprofits are planning wage freezes for **nonexempt** employees, up from last year's 2%
- 48% of reporting nonprofits are planning wage freezes for **exempt** employees, up from last year's 3%
- 49% of reporting nonprofits are planning wage freezes for **management** employees, up from last year's 4%
- Last year the most common action being considered was furloughs for all groups.

Table v. Cost-Reducing Actions considered for Non-Exempt Staff

Cost Reductions	# Of Orgs	% Of Orgs
Base salary freeze	64	45%
Hiring Freeze	45	31%
Increased travel restrictions	44	31%
Health Benefits: Raised employee contributions	36	25%
Mandatory reduced hours	19	13%
Reduced employer match to 401k or similar plans	11	8%
Furlough (work a day or more without pay)	10	7%
Voluntary reduced hours	10	7%
Base salary reduction	8	6%
Reduced non-health employee benefits, tuition reimbursement, etc.	7	5%
Mandatory vacation, paid time off	3	2%
# Organizations Responding	143	

Table vi. Cost-Reducing Actions considered for Exempt Staff

Cost Reductions	# Of Orgs	% Of Orgs
Base salary freeze	68	48%
Increased travel restrictions	46	32%
Hiring Freeze	45	31%
Health Benefits: Raised employee contributions	39	27%
Furlough (Work a day or more without pay)	14	10%
Mandatory reduced hours	14	10%
Base salary reduction	13	9%
Reduced employer match to 401k or similar plans	11	8%
Voluntary reduced hours	8	6%
Reduced non-health employee benefits, tuition reimbursement, etc.	7	5%
Mandatory vacation, paid time off	4	3%
# Organizations Responding	143	

Table vii. Cost-Reducing Actions considered for Management

Cost Reductions	# Of Orgs	% Of Orgs
Base salary freeze	70	49%
Increased travel restrictions	40	28%
Hiring Freeze	34	24%
Health Benefits: Raised employee contributions	33	23%
Base salary reduction	15	10%
Furlough (Work a day or more without pay)	13	9%
Mandatory reduced hours	12	8%
Reduced employer match to 401k or similar plans	10	7%
Voluntary reduced hours	7	5%
Reduced non-health employee benefits, tuition reimbursement, etc.	6	4%
Mandatory vacation, paid time off	4	3%
# Organizations Responding	143	

The following tables indicate that a substantial number of nonprofits (20%) increased or reinstated hours for employees and/or their benefits, in the last nine months.

Table viii. Increase or Reinstate Staff Hours or Benefits

Increase or Reinstate in Last 9 Months	# Reported	% Of Organizations
Yes	74	20%
No	299	80%
# Organizations Responding	373	

Table ix. Increase or Reinstate Staff Hours or Benefits, Magnitude

% Will Be Affected by Increase or Reinstatement	# Reported	% Of Organizations
Less than 2%	19	21%
2% to less than 5%	11	12%
5% to less than 10%	10	11%
10% to less than 15%	9	10%
15% to less than 25%	4	4%
25% or more	21	23%
# Organizations Responding	74	

A very healthy 38% of respondents are considering adding to their current staffing levels with most of that growth (77%) being at the non-exempt level.

Table x. Actively Expanding Staff, Next 12 Months

Considering Expanding	# Reported	% Of Organizations
Yes	146	38%
No	235	62%
# Organizations Responding	381	

Table xi. Actively Expanding Positions Staff

Positions	# Reported	% Of Organizations
Non-Exempt Staff	112	77%
Exempt Staff & Managers	75	51%
VP, COO, CEO, etc.	8	5%
# Organizations Responding	146	