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2002 Executive Compensation in Nonprofit Organizations of West Michigan

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This report highlights selected findings on executive compensation from the *2002 West Michigan Nonprofit Compensation and Benefit Survey*. The survey was conducted by the Dorothy A. Johnson Center for Philanthropy and Nonprofit Leadership at Grand Valley State University from February – June of 2002 as part of a statewide study of compensation and benefits paid to nonprofit personnel. Over one hundred West Michigan nonprofit organizations participated in the survey.

The *2002 West Michigan Nonprofit Compensation and Benefit Survey* contains information on salaries for 39 job titles, education and experience required, medical and insurance benefits, vacation/holiday/sick time off, and executive demographics and compensation. Survey respondents reported the low and high ends of the salary range along with the average. The complete report is available for purchase; organizations that completed the survey received a complimentary copy. To order the complete report, contact the Dorothy A. Johnson Center for Philanthropy and Nonprofit Leadership at (616) 336-7585 or visit our website at www.gvsu.edu/philanthropy.

Executive Compensation in Nonprofit Organizations of West Michigan

Kent, Ottawa, Muskegon, and Allegan Counties

*Selected Highlights from the
2002 West Michigan Nonprofit Compensation and Benefit Survey*

Executive Director/CEO/President

Salaries for the top positions in West Michigan

nonprofit organizations vary based on

organizational size and type as well as

personal factors, such as experience,

education, or length of time on the job.

Average salaries range from \$30,967 to

\$120,961, depending on budget size.

Regional Comparison of CEO/Executive Director Compensation

Statewide compensation data suggest that

nonprofit executives in West Michigan are

generally paid less than their counterparts in

Southeast Michigan and Calhoun/Kalamazoo

where average salaries are \$73,347 and

\$72,490. West Michigan nonprofit executives,

paid on average \$65,530, are paid more than

their counterparts in Eastern Michigan, Mid-

Michigan and Washtenaw population centers

where average salaries range from \$59,812

to \$63,014.

Executive Director Compensation by Organization Budget and Type

	Number of Responses	Average	25% Earn Less Than	25% Earn More Than
ORGANIZATION BUDGET				
Under \$100,000	3	\$ 30,967	\$ 29,000	\$ 32,500
\$100,001 - \$250,000	19	39,318	31,350	46,800
\$250,001 - \$500,000	22	46,334	39,625	53,510
\$500,001 - \$1,000,000	14	56,397	46,160	65,550
\$1,000,001 - \$5,000,000	27	71,604	53,000	76,769
\$5,000,001 - \$10,000,000	7	92,757	88,825	100,000
More than \$10,000,000	13	120,961	85,245	155,156
ORGANIZATION TYPE				
Arts/Culture	8	\$ 56,858	\$ 45,000	\$ 73,625
Environment/Wildlife	1	38,000	38,000	38,000
Education	7	99,506	75,000	115,300
Foundations	5	78,730	50,700	115,625
Health/Human Service	65	62,809	42,500	74,940
Public/Societal Benefit	10	64,769	38,375	79,046
Recreation	2	60,600	58,000	63,200
Religious/Faith-based	6	53,521	34,250	70,924
Other	3	85,370	32,500	134,784

Executive Director Compensation by Region

	Number of Responses	Average	25% Earn Less Than	25% Earn More Than
POPULATION CENTERS				
West Michigan ¹	107	\$ 65,530	\$ 42,000	\$ 76,769
Washtenaw	44	62,082	46,096	69,875
Calhoun & Kalamazoo	52	72,490	42,551	78,613
Mid Michigan ²	60	59,812	45,000	67,250
Southeast Michigan ³	104	73,347	43,961	91,807
Eastern Michigan ⁴	38	63,014	39,500	67,500

¹West Michigan - Kent, Ottawa, Muskegon, and Allegan counties

²Mid Michigan - Clinton, Eaton, Ingham, and Jackson counties

³Southeast Michigan - Macomb, Oakland, and Wayne counties

⁴Eastern Michigan - Bay, Genessee, Lapeer, Midland, and Saginaw counties

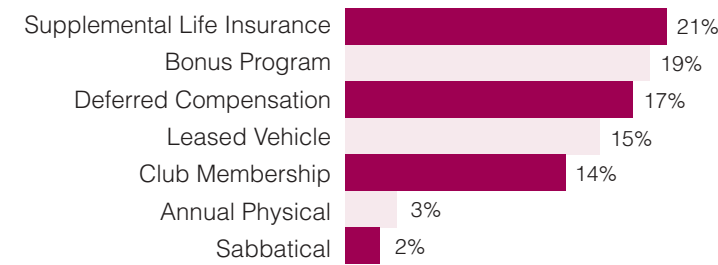


Bonus Programs, Perquisites, and Pay Increases

Few nonprofit organizations offer bonus programs and/or perquisites to their top executives. One in five organizations offer supplemental

life insurance and 19% have a bonus program. For those with a bonus program, the average award is \$9,000.

CEO/Executive Director Perquisites



Executive Director Profile: Age, Gender, and Tenure

The majority of CEO/Executive Directors in West Michigan are

at least 40 years old; 44% have been in their positions for five

years or less.

Unlike other regional and national findings, male executives

outnumber female directors slightly. Men are also more likely

to head the largest nonprofits; four-fifths of all nonprofits with

operational budgets over \$5 million are headed by male CEOs.

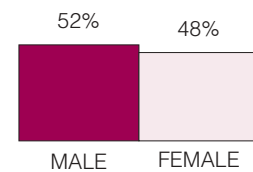
Salaries vary significantly by gender - the average salary for

male executives is \$76,429 and for females \$53,563. This

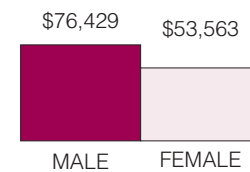
difference is partially explained by the larger percentage of

male executives in larger organizations.

Gender Representation



Average Salary by Gender



The average pay increase for CEOs in 2001 was 4.6%. Pay

raises increased with size of organization, from a low of 2.0%

for very small organizations to 6.6% for very large organizations.

CEO Gender by Budget Size

2002 Operational Budget	% Male CEOs	% Female CEOs
\$100,001 - \$250,000	21	79
\$250,001 - \$500,000	36	64
\$500,001 - \$1,000,000	36	64
\$1,000,001 - \$5,000,000	70	30
\$5,000,001 - \$10,000,000	86	14
More than \$10,000,000	77	23

CEO Tenure

Length of Time as Current CEO	Male	Female	Total
0-2 years	13	13	26
3-5 years	8	14	22
6-10 years	18	11	29
10+ years	17	11	28
Not Reported	0	2	2

CEO Ages

Age of Current CEO	Male	Female	Total
29 years or less	2	0	2
30-39 years	7	10	17
40-49 years	19	18	37
50-59 years	23	19	42
60-69 years	4	4	8
Not Reported	1	0	1
Total	56	51	107

Compensation Of Other Executive Positions Among West Michigan Nonprofits

Program Director/Supervisor/Project Manager

	Number of Responses	Average	25% Earn Less Than	25% Earn More Than
ALL RESPONSES	61	\$ 39,730	\$ 31,810	\$ 45,650
ORGANIZATION BUDGET				
\$100,001 - \$250,000	5	\$ 35,852	\$ 28,205	\$ 45,615
\$250,001 - \$500,000	13	28,320	25,480	32,120
\$500,001 - \$1,000,000	9	40,697	32,900	44,840
\$1,000,001 - \$5,000,000	18	41,193	34,475	45,575
\$5,000,001 - \$10,000,000	5	47,626	40,529	54,038
More than \$10,000,000	9	50,868	35,623	58,701

Financial Officer

	Number of Responses	Average	25% Earn Less Than	25% Earn More Than
ALL RESPONSES	47	\$ 53,790	\$ 40,170	\$ 65,000
ORGANIZATION BUDGET				
\$100,001 - \$250,000	--	--	--	--
\$250,001 - \$500,000	--	--	--	--
\$500,001 - \$1,000,000	6	\$ 42,288	\$ 34,707	\$ 51,000
\$1,000,001 - \$5,000,000	16	46,149	37,365	57,500
\$5,000,001 - \$10,000,000	7	60,966	53,676	73,150
More than \$10,000,000	14	66,863	59,978	70,324

Development Director

	Number of Responses	Average	25% Earn Less Than	25% Earn More Than
ALL RESPONSES	36	\$ 48,536	\$ 33,375	\$ 59,688
ORGANIZATION BUDGET				
\$100,001 - \$250,000	--	--	--	--
\$250,001 - \$500,000	5	\$ 38,656	\$ 26,440	\$ 47,700
\$500,001 - \$1,000,000	6	40,662	25,875	55,000
\$1,000,001 - \$5,000,000	14	49,814	40,461	60,563
\$5,000,001 - \$10,000,000	3	53,117	40,000	66,000
More than \$10,000,000	7	61,400	45,000	86,000