



## 2016 Report on Nonprofit Wages + Benefits in Maine Executive Summary + Key Findings

The period from 2014 to 2016 was one of declining unemployment, low inflation (excepting medical costs), and low wage growth. The unemployment rate in Maine dropped from 5.8% in April of 2014 to only 3.4% in April of 2016, and has since inched up to 4.0%. This context suggests employers may experience more difficulty in finding qualified applicants and there will be higher salary inflation in the coming years.

Over 90% of respondents to this year's survey expect employment to stay the same or increase in the coming 12 months, which is consistent with a slow-growth economic environment. The number of nonprofits expecting to cut staff remained at 5%, the same as in 2014, but an impressive 37% expect to increase staffing in the coming year.

Notably, while the same percentage of nonprofits in this survey relied on state funding as compared to two years ago (48%), the amount of state funding slipped considerably, a worrisome trend.

While survey participation rates this year dropped significantly as compared to 2014, the demographic distribution of participating organizations was quite similar, with the exception that fewer nonprofits below \$250,000 in revenue participated, pushing the average budget size up by \$1,000,000. In 2014 there was unusually high participation by all-volunteer organizations.

### Key Findings: Wages

#### Selected Gross Annual Wages\* by Budget Size

	Under \$250K	\$250K-\$500K	\$500K-\$1M	\$1M-\$5M	\$5M-\$10M	Over \$10M
Executive Director	\$52,000	\$60,320	\$72,862	\$92,706	\$123,989	\$135,096
Deputy Director	**	\$56,763	\$56,347	\$67,579	\$94,994	\$116,480
Development Director	**	**	\$54,995	\$67,495	\$80,371	\$89,377
Program Director	\$36,088	\$43,805	\$46,675	\$45,780	\$64,064	\$72,800
Office Manager	**	\$37,773	\$44,595	\$52,312	\$46,841	\$39,998
Case Manager	**	**	**	\$35,360	\$36,920	\$34,112
Project Manager	**	**	\$41,600	\$45,781	\$57,200	\$58,344

\*Based on **median** hourly wages  
\*\*Under 4 respondents

The two years since the 2014 survey have been a time of low inflation with the most relevant Consumer Price Increase (CPI) increasing from 255.209 to 260.809 or 2.2% in two years. Wage increases are consistent with a slow growth economy.

- ▶ The Benchmark Hourly Wage advanced by \$.90 or 4% over two years, only 2% a year. This lags behind inflation and behind reported raises, likely the net impact of some raises and some highly paid workers retiring and being replaced by younger, less experienced

employees with lower salaries.

- ▶ Raises were consistent with a recovery from the recession which did not begin until 2012 for some nonprofits. Median raises were 3% for 2013 to 2016 across all three participating states. Averages were significantly above that suggesting some larger raises or salary adjustments. The 3.94% raises in 2015 and 3.41% projected for 2016 are consistent with increases in for profit wages.
- ▶ Eighty-two percent (82%) of the full-time positions included in the Benchmark saw an increased average salary as compared to 2014. In that year's survey 63% of the positions saw increases. Sixty-three percent (63%) of full-time Benchmark jobs increased in excess of inflation.
- ▶ As in the past, women tend to run the smaller organizations, while men are more likely to run the larger ones. Women hold 65% of the full-time Executive Director positions at reporting organizations with budgets under \$5 million, but only 36% at reporting organizations with budgets over \$5 million.
- ▶ Twice as many men as women are running organizations over \$10,000,000, and on average they are paid considerably better. In organizations of this size women are paid 73 cents on the dollar as compared to their male counterparts. In more positive news, for organizations with budgets under \$1 million, the wage gap has closed completely in this year's data.

### Key Findings: Benefits

The percentage of organizations offering many benefits increased, but organizations are increasingly exploring alternative models and shifting the costs of benefits to their employees as they struggle to contend with insurance rate increases.

- ▶ Benefits as a percentage of wages dropped for all budget sizes above \$250,000 demonstrating continuing erosion.
- ▶ Almost three quarters (70%) of organizations that offer health insurance reported an increase in their health care benefits costs during their last renewal period, and data shows that employees are bearing the burden of these rate hikes through increased employee contributions, increased co-pays and increased deductibles.
- ▶ The percent of respondents providing a retirement plan increased to 62% in 2016. Almost half (47%) of responding organizations, however, leave it to their employees to fund their own retirement.
- ▶ We saw an increase in the number of nonprofits offering benefits beyond common health, dental and retirement benefits, likely a reflection of this year's respondent pool tilting toward larger employers who can afford more benefits, though this may also reflect a trend of organizations redirecting a small part of their savings from adopting new health care insurance arrangements to expanding other benefits.
- ▶ Sixty-three percent (63%) of organizations report offering a high deductible health insurance plan with an accompanying Health Savings Account (HSA), Flexible Spending Account (FSA), or Health Reimbursement Account (HRA), up 58% from 2014 when 40% of responding organizations had this type of plan.

### Key Findings: Regional Comparison

The survey this year was conducted in partnership with New Hampshire Council of Nonprofits and Common Good Vermont. The following chart offers a snapshot of some key data points.

- ▶ The Benchmark Hourly Wage is remarkably similar across all three states participating in

the survey, indicating it is valid to use New Hampshire and Vermont data when doing salary evaluations in Maine.

- ▶ Reported average wage increases varied from state to state over the 4 years covered, but for the 4 year period New Hampshire wages increased by 15% while Maine and Vermont were not far behind at 14.2%, supporting the idea that the wages in all three states move in lockstep.

### Maine/New Hampshire/Vermont

		Maine	New Hampshire	Vermont
	Per Capita Income Rank Among States (2014)	32	6	19
	Unemployment Rate (August 2016)	4%	3%	3.3%
Population	# Respondents to 2016 Wages + Benefits Survey	278	204	122
	Median Budget Size of Responding Nonprofit	\$701,848.50	\$635,448	\$677,500
	Median Board Size	13	12	11
	Median # of (Non-Board Member) Volunteers	32.5	29	31
	Median # Years Current Executive Director in Job	5	6	5.5
Wages	# of Employees for Whom Wages Were Reported	7,929	4,839	1,001
	Median Full-time Executive Director Wage	\$85,009.60	\$78,104.00	\$76,960.00
	Average Full-time Executive Directory Wage	\$94,928.08	\$88,584.29	\$83,154.03
	Benchmark Hourly Wage for 27 Jobs	\$23.58	\$23.97	\$23.83
	Median Projected Raise for 2016	3.71%	3.85%	3.06%
	Percentage of Agencies Expecting a Layoff	5.0%	2.5%	3.3%
Benefits	Benefits as a Percentage of Salary	16.4%	15.3%	16.1%
	Percentage of Nonprofits Offering a Health Plan	72.6%	76.3%	76.3%
	Employers Offering Health Insurance Paying 100% of Employee Coverage	38.3%	29.7%	40.0%
	Percentage of Nonprofits that Experienced Higher Health Insurance Renewal Costs	69.6%	49.3%	84.4%

## Order the Full Report

The full report includes more than 40 pages of details on nonprofit wages and benefits, including analysis by budget size, region and mission. To order the report, visit [www.NonprofitMaine.org/2016CompensationReport](http://www.NonprofitMaine.org/2016CompensationReport). Survey participants should first contact MANP at 207-871-1885 to get the code necessary to receive their earned discount.

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