



2018 Report on Nonprofit Wages + Benefits in Maine Executive Summary + Key Findings

The national economy continued its slow, steady growth in early 2018. By April, when this survey was put into the field, the expansion was into its 8th year and 10th month. This makes it the second longest expansion since WWII; it is likely to eclipse the more recent expansion from 1991 to 2001.

Key indicators of the economy here in Maine have also been strong and labor conditions continue to tighten. Inflation in New England ran ahead of the national figures with an increase of 6.2% from March of 2016 to March of 2018. The unemployment rate dropped to a low of 2.8% in August to October of 2017 before inching up slightly to 3.0% in September of 2018. This compares to a national unemployment rate of 3.7%. The labor participation rate in Maine inched up from 63% in 2016 to 63.4% in 2018, again ahead of national data (62.9%). The Federal Reserve noted spot shortages of workers in Northern New England.

Despite the competitive hiring environment, however, survey data suggest Maine nonprofit employees are worse off than in 2016. Salaries did not keep up with inflation, which ran ahead of national figures. Benefits calculated as a percentage of salary remained steady, and therefore also behind inflation. Healthcare costs for employers increased significantly, and employees bore the brunt of those increases in rising employee contributions, co-pays, and deductibles.

This report paints a concerning picture for nonprofits as well as their employees. An impressive 39% reported they expect to increase staffing this year, but if nonprofits are unable to offer competitive wages will they be able to hire qualified employees to advance their missions? Will the sector's top talent seek employment elsewhere? As senior leaders retire, will younger leaders be willing to step into their shoes? How will the effects of tax reform in late 2017 affect nonprofits?

Nonprofits employ almost 20% of workers in Maine, and are critically important to Maine's economy and quality of life. This report suggests that nonprofits—and the funders and donors that care about their missions—must give higher priority to sustaining their most important resource: human capital.

Key Findings: Wages

- ▶ Thirty-nine percent (39%) of survey respondents expect to increase staffing this year, up from 37% in 2016.
- ▶ The Benchmark Hourly Wage advanced by \$0.66, or 2.8%, over two years. This lags significantly behind inflation of 6.2%. Only one-third (34%) of the full-time positions included in the benchmark saw an increased average salary as compared to 2016. Just 13% of full-time benchmark jobs increased in excess of inflation.
- ▶ As in the past, female-identified individuals tend to run the smaller organizations, while male-identified are more likely to run the larger ones. Women hold 68% of the full-time Executive Director positions at reporting organizations with budgets under \$1 million, but just 36% at reporting organizations with budgets over \$10 million.

- ▶ Overall, female-identified executive directors are paid 81 cents on the dollar as compared to their male-identified counterparts. This gap closes almost completely, however, for organizations with budgets under \$1 million.

Selected Gross Annual Wages* by Budget Size

Chart E-1

	Under \$250K	\$250K-\$500K	\$500K-\$1M	\$1M-\$5M	\$5M-\$10M	Over \$10M
Executive Director	\$52,811	\$68,578	\$75,566	\$104,853	\$141,024	\$164,611
Deputy Director	**	**	\$61,381	\$71,614	\$103,064	\$110,843
Development Director	**	\$48,797	\$55,869	\$68,453	\$83,200	\$87,443
Program Director	\$40,248	\$47,112	\$49,213	\$63,918	\$66,061	\$82,285
Office Manager	**	\$38,376	\$37,856	\$47,778	\$45,760	\$42,141
Case Manager	**	**	\$34,070	\$41,246	\$39,354	\$35,963
Project Manager	**	\$39,562	\$45,448	\$54,350	\$63,315	\$70,242

*Based on **average** hourly wages. **Under 4 respondents

Key Findings: Benefits

- ▶ Benefits as a percentage of wages averaged 16.7%, very similar to 16.4% in 2016.
- ▶ Overall, the percentage of respondents offering medical, dental, life, disability, and long-term care insurances inched up, but so did the percentage of nonprofits where the employee pays for 100% of these benefits.
- ▶ Employer-sponsored health insurance programs are still less common than prior to the recession, but there are some gains. More than three-quarters of respondents (78%) offer group health insurance as compared to 73% in 2016.
- ▶ Of those offering health insurance coverage, the vast majority (88%) pay at least 51% of costs, up from 77% in 2016. The percentage of nonprofits in the \$500K to \$5M range paying for 100% of group health insurance for employees rose, while for the two largest budget categories the percentages paying 100% fell and remained at less than half of the \$500K to \$5M categories.
- ▶ More than three quarters (77%) of organizations that offer health insurance reported they experienced an increase in their health care benefits costs during their last renewal period, up from 70% in 2016. Employees are feeling the weight of these rate hikes in higher premiums, co-pays, and deductibles.
- ▶ The prevalence of retirement plans stayed level at 62%, but more than half of responding organizations now leave it to their employees to fund their own retirement: 38% of organizations offer no plan and 13% offer a plan with no employer contribution.

Key Findings: Regional Comparison

The 2018 survey 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 has historically tracked closely for the three states participating in the survey. Data from New Hampshire and Vermont can be another useful data point when doing salary planning in Maine.

Maine/New Hampshire/Vermont

Chart E-2

		Maine	New Hampshire	Vermont
	Per Capita Income Rank Among States (2017)	30	5	20
	Unemployment Rate (September 2018)	3.0	2.7	2.9
Population	# Respondents to 2018 Wages + Benefits Survey	310	206	131
	Average Budget Size of Responding Nonprofit	\$3,309,143	\$4,961,864	\$1,792,499
	Average Board Size	14	13	13
	Average # of (Non-Board Member) Volunteers	217	120	156
	Average # Years Current Executive Director in Job	7.6	8.8	8.1
Wages	# of Employees for Whom Wages Were Reported	7,016	4,526	1,138
	Average Full-time Executive Director Wage	\$97,240	\$97,906	\$85,010
	Median Full-time Executive Directory Wage	\$85,010	\$83,200	\$72,800
	Benchmark Hourly Wage for 27 Jobs	\$24.24	\$25.67	\$24.44
	Percentage of Agencies Expecting a Layoff	3.0%	1.5%	0.8%
Benefits	Benefits as a Percentage of Salary	16.7%	16.5%	17.2%
	Percentage of Nonprofits Offering a Health Plan	77.8%	74.6%	69.9%
	Employers Offering Health Insurance Paying 100% of Employee Coverage	41.5%	26.8%	24.4%
	Percentage of Nonprofits that Experienced Higher Health Insurance Renewal Costs	76.8%	78.7%	89.0%

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/2018CompensationReport. Survey participants should first contact MANP at 207-871-1885 to get the code necessary to receive their earned discount.

Report Sponsors



565 Congress Street, #301
Portland, Maine 04101
tel: 207-871-1885
fax: 207-780-0346

www.NonprofitMaine.org