

2008 Grantmakers Salary and Benefits Report

Executive Summary

Respondents

- The *2008 Grantmakers Salary and Benefits Report* is based on responses from 850 foundations and giving programs, which reported salaries for a total of 7,686 full-time employees. Of the 850 respondents, 55 are corporate grantmakers (foundations or direct giving programs) and 795 are community, private (family or independent), or public foundations. The participating organizations hold 44.7 percent of all foundation assets and were responsible for 41.3 percent of all grants made in 2006.
- For the second time, we collected data through an online version of the survey. Two-thirds of the respondents (66%, or 561 of 850) took the survey online.
- Thirty-five positions are covered in the salary and benefits report and the body of the report provides details on salaries for those positions. Chief executive officers/chief giving officers (CEO/CGO) and program officers account for 21.3 percent (1,635 of 7,686) of all full-time paid staff.

Salaries

- The median salary for a CEO/CGO was reported as \$134,680 for 2008; the median salary for a program officer was \$76,898. These salaries vary by size and type of grantmaker and by region of the country.
- Overall, median salaries in the Midwest are 8.1 percent lower than the national median for the same positions. Salaries in the Northeast are 13.3 percent higher.
- Years in position is not a strong predictor of salary for CEOs/CGOs, but has a slight effect on salaries for program officers.

Issues Specific to CEOs/CGOs

- Nearly half (46.8%) of noncorporate CEOs and two-thirds (67.3%) of CGOs are permitted to make discretionary grants.
- Ninety-one percent of CEOs have a written position description, but only 44 percent of CEOs have employment contracts.
- Among the 156 CEOs for whom 2007 deferred compensation figures were provided, the median deferred compensation amount was \$15,000. The median bonus was \$9,412 for the 158 CEOs whose bonuses were reported. The median bonus was \$16,000 for the 39 CGOs whose bonuses were reported.

- All 55 of the corporate survey respondents have a staff chief giving officer or grantmaking program director. Of those, 93 percent are full-time employees and 7 percent work part-time. Forty-six percent of all CGOs have duties within the parent corporation other than those related to the foundation/giving program. On average, CGOs spend 30 percent of their time on these additional parent corporation activities and 70 percent on foundation/giving program activities such as grantmaking, matching gifts, and employee volunteer programs.

Longitudinal Salary Analysis

- Between 2004 and 2008, there was an average real decline of -2.8 percent in the panel of program officer salaries at private foundations, -0.70 percent per annum, and their colleagues in the community foundation panel saw their salaries decrease -0.3 percent (-0.07% per annum).
- Between 2004 and 2008, program officer salaries had a nominal increase of 10.5 percent at private foundations (61 analyzed) and 14 percent at community foundations (49 analyzed).
- Between 2004 and 2008, overall CEO salaries increased by 18.7 percent in nominal terms at private foundations (165 were analyzed) and by 31.3 percent at community foundations (126 analyzed).

Staffing¹

- Grantmakers with \$100 million or more in assets (or more than \$5 million in grants for corporate grantmakers) employ 75.8 percent of the total staff reported, although they account for only 38.9 percent of all respondents. In aggregate, independent foundations tend to have larger staffs than any other type of grantmaker. The average staff size for independent foundations is 12.1. In general, staff size increases as assets grow.
- Corporate grantmakers have fewer employees designated full time to grantmaking functions than any other type of organization surveyed.

Gender and Race/Ethnicity of Staff

- Race/ethnicity and gender information was supplied for 6,751 full-time paid staff members, of whom 4,992 are professional-level staff (CEOs, program officers, and various other management positions).
- Women account for 76.6 percent of all full-time paid staff and 71.2 percent of all professional staff (including 55.2 percent of all CEO/CGO positions and 73.4 percent of program officer positions). Women hold 91.9 percent of support staff positions.

¹ The majority of foundations are not staffed: Only 17.4 percent (3,566 of 20,505) of the foundations surveyed by the Foundation Center in 2008 reported having any paid staff.

- One-quarter (24.9%, or 1,682 of 6,751) of the full-time paid staff reported are minorities. Blacks, who make up 11.9 percent (or 802) of staff, are the largest minority group reported by respondents. Hispanics and Asians are the next largest groups, accounting for 6.2 percent (421) and 4.7 percent (314), respectively. Together, Hawaiian/Pacific Islanders (45) and other minorities (100) account for 2.1 percent of reported staff.
- Minorities account for 6.8 percent of full-time paid chief executives and 36.2 percent of program officers reported in the survey.
- Not surprisingly, the more people a grantmaker employs, the higher the proportion of minorities—95.7 percent of the people of color work at a foundation with five or more staff. Nearly 40 percent of the 933 staff working at foundations with 50 or more staff are people of color.

Longevity of Service

- Full-time CEOs/CGOs have held their executive positions for an average of 8.3 years. Thirty-four percent have held the top position for ten years or more. Of all CEOs, those at private foundations report the longest average tenure in their positions. One-quarter (24.9%, or 180 of 722) of full-time top grantmaking executives advanced to their jobs from another position within their foundation or giving program.
- The 722 full-time program officers for whom information was provided have held their positions for an average of 3.8 years and have worked at the grantmaking organization for an average of 4.8 years. Only 5.8 percent (42 of 722) of program officers have held their positions for ten years or more.

Turnover

- Overall, the turnover rate was 12.4 percent. Independent foundations had the lowest overall turnover rate. Public foundations had the highest rate of turnover, with community foundations second. In almost all instances, there was greater turnover in the administrative positions than the professional positions.

Salary Administration

- Most respondents—89.6 percent—granted salary increases in 2007, and 95 percent planned to award or had already awarded salary increases for 2008.
- Median salary increases in 2007 were 4 percent or more for all types of foundations except corporate grantmakers: 4.5 percent for community foundations, 5 percent for family foundations, 4.5 percent for independent foundations and 4 percent for public foundations. Corporate grantmakers reported median salary increases of 3.5 percent for 2007.

- Thirty-six percent of noncorporate grantmakers reported that employees were eligible for bonuses in 2007. Employees of family foundations were somewhat more likely than community, independent, and public foundation staff to be eligible for a bonus. Foundations with assets of \$100 million or more (46.1%) are more likely to offer bonuses than foundations with under \$50 million (28.6%).

Benefits

- Almost all of the respondents (98.7%) reported that their foundations offered full-time employees “voluntary” benefits in addition to required benefits such as FICA.
- Sixty-three percent of grantmakers cover 100 percent of the cost of the benefits they offer the employee as an individual; that is, the employee is not required to contribute to the cost of the benefit.
- The median cost of total staff benefits (required and voluntary) as a percentage of total salaries is 26.9 percent.
- Among the grantmakers that offer voluntary benefits, the majority (93.8%, or 651 of 694) offer retirement. The second most widely offered benefit is medical insurance, reported by 89.6 percent of the respondents. Medical and retirement benefits account for the highest percentage of total salary: The median costs for health, dental, vision care, and prescription drug insurance are 9.6 percent and costs for retirement are 8 percent. As a percentage of total voluntary benefits, they account for 48.6 percent and 41.8 percent, respectively.
- Among the grantmakers that offer a retirement plan and indicated the type of plan offered, 6 percent offer both a defined benefit and a defined contribution plan; 92.6 percent offer only a defined contribution plan or plans; and 1.4 percent offer only a defined benefit plan. Among grantmakers that offer defined contribution plans, over half (57.1%) offer a 403(b) plan. When employers offer only a 403(b) plan, their maximum contributions range from 2 percent to 50 percent, with a median of 9 percent.
- More than half of all funders have part-time employees (57.8%). One-quarter (23.4%, or 113 of 482) of grantmakers with part-time staff do not offer those staff any benefits, not even paid leave; and 11.4 percent offer them only paid leave. Sixty-five percent of respondents with part-time employees provide them with benefits other than paid leave.
- More than one in four grantmakers (27.5%, or 196 of 714) has retired employees. Whereas almost two-thirds (65.6%) of the 192 respondents with retirees do not offer them benefits, and about one in three do.

- One in four respondents (25.8%) indicated that their foundation extends benefits to the unmarried domestic partners of employees. The majority (79.7%) offered domestic partner benefits to both same and opposite sex couples, and more than three-fifths (63.5%) of the respondents indicated that they require proof of domestic partnership. Thirty-five respondents that do not currently offer domestic partner benefits are considering adopting such a policy.

Cost of Medical Coverage

- Most foundations (63.2%) cover 100 percent of the health benefits cost for the employee alone. When they do ask the employee to contribute, the employer covers about 87 percent of the cost. Most respondents ask the employee to contribute something (generally 20%) toward the premium for others covered by the health plan.
- Overall, the annual median deductible is \$500 for single coverage and \$1,250 for family coverage. Before the medical plan covers a portion of the covered expenses, a community foundation employee must meet a deductible of \$1,500 for dependents. By contrast, the family deductible is \$1,000 for staff at public foundations.
- Community, small-staffed foundations, and those with less than \$10 million in assets have medical plans that are significantly higher in costs to the employee for the various plan elements. Conversely, the medical plans favored by family, independent, and public foundations, and foundations with more than \$10 million in assets cost the employee less for the plan features.

Small-staffed Foundations

- For 97 respondents, the CEO is the only full-time staff person. The range of CEO base salaries reported for these single-staffed organizations is \$26,000 to \$160,000, with a median salary of \$68,400 and a mean of \$73,587. Forty-three of the 97 CEOs are employed in community foundations (their median salary is \$55,000).
- One hundred one respondents reported pay for a full-time CEO plus one additional staff person. The range of CEO base salaries at foundations with two full-time staff is \$32,096 to \$369,087 with a median salary of \$95,000 and a mean salary of \$104,790.

Conflict of Interest Policy

- Eighty-two percent of foundations have a written conflict of interest policy for staff members, unchanged from 2007. Private foundations were less likely to have a policy than community or public foundations. Among foundations with a written conflict of interest policy, 88 percent require staff to sign conflict of interest disclosure statements.
- Among those foundations that have a written conflict of interest policy, 79.8 percent (or 486 of 609) either prohibit or require the disclosure of gifts, remunerations, or services from grantees or applicants. Ninety-four percent prohibit or require the disclosure of service on the boards of grantees or applicants. Ninety-five percent of foundations

prohibit or require the disclosure of a staff or family member affiliation with grantees or vendors.

Corporate Grantmakers

- To improve both the response rate and the usefulness of the salary report for corporate foundations and direct giving programs, a separate survey instrument was used for the 13th year—the *2008 Corporate Grantmakers Salary Survey*. We received 55 responses.
- The report analyzes issues specific to managers (CGOs) of corporate giving programs. These include the title of the top staff executive, the person to whom the CGO reports, other giving responsibilities, other corporate responsibilities, bonuses and discretionary grantmaking.

Family Foundations

- Salary reporting for family foundations covers 12 positions—CEO, associate director/executive vice president, chief financial officer/treasurer, controller, program director, senior program officer, program officer, program associate, program assistant, executive assistant, grants manager/administrator, and administrative assistant.

New Features

- For many years, we have provided a table that presents median salaries for all grantmaker types by position for the four U.S. census regions (Northeast, Midwest, South, and West). In 2006, we added four new tables that present the 25th percentile, median, mean, 75th percentile, and range for all positions, for each of the four regions.
- In 2006, we added four new tables related to CEOs/CGOs and program officers. These are the two most frequently reported professional positions and represent the largest percentage of staff employed by grantmakers. Staff in these two positions for 2008 makes up 21.3 percent (1,635 of 7,686) of all full-time paid staff whose salaries were reported. The four new tables both aggregate and expand on data displayed in a more disaggregated fashion in the salary tables in Chapter 6. There is a table each for CEO/CGO salaries and program officer salaries by grantmaker type and asset group, including the 25th and 75th percentiles and a table each for CEO/CGO salaries and program officer salaries, including the 25th and 75th percentiles, by the 13 U.S. census regions.
- In 2007, we added five new tables presenting full-time staff race/ethnicity data—by grantmaker type and asset size, by type of staff (the 26 professional positions and the nine administrative positions), by staff grouping (executive, program, finance, etc.), by region, and by staff size.

- Beginning with the 2007 survey, we have moved our benchmarking surveys to an online (web) platform enabled by Peerfocus. Among other features, our use of Peerfocus allows survey participants to benchmark themselves against their peers, by grantmaker type, asset size, state or region, or other breakdowns of utility to grantmakers in understanding the practices within their world. The benchmarking tool is available exclusively to online survey participants. With this tool, they are able to compare themselves against the richest source of staff compensation data in the field, representing 59 percent of the salaries of all full-time staff in the foundation universe.
- Also beginning with the 2007 survey report, the names of respondent organizations are no longer held in confidence. See Appendix E for a list of the 850 grantmakers providing data used to produce the 2008 report.