

# Nonprofit Research Abridged



*Connecting nonprofit sector research and leadership*

## Executive Compensation in Nonprofit Organizations within Maricopa County

*Selected Highlights from the 2001-2002 Maricopa County Nonprofit Wage and Salary Report*

This issue highlights findings on executive compensation from the *2001-2002 Maricopa County Nonprofit Wage and Salary Report*, published by the ASU Center for Nonprofit Leadership and Management. One hundred twenty Maricopa County nonprofit organizations completed the salary survey. The original mailing list was derived from the National Center for Charitable Statistics core data file for 1999 and was supplemented with additional organizations from the ASU Center for Nonprofit Leadership and Management database. The study focused on selected sub-sectors within the National Taxonomy of Exempt Entities classification, predominately youth, human service, and arts organizations.

### Executive Director Compensation

Executive director compensation rises with organization budget size. The table below depicts executive director compensation across five organization budget categories.

*Executive Director Compensation by Organization Budget\**

ORGANIZATION BUDGET	NUMBER OF RESPONSES	MEDIAN	MEAN	75% EARN MORE THAN	25% EARN MORE THAN
\$0-\$350,000	28	\$41,000	\$45,478	\$31,250	\$53,000
\$350,001-\$1,000,000	27	\$53,077	\$51,486	\$38,400	\$60,000
\$1,000,001-\$2,000,000	21	\$72,000	\$79,509	\$61,000	\$86,180
\$2,000,001-\$5,000,000	24	\$78,400	\$87,468	\$70,750	\$92,700
\$5,000,001+	14	\$106,987	\$123,380	\$88,694	\$152,750

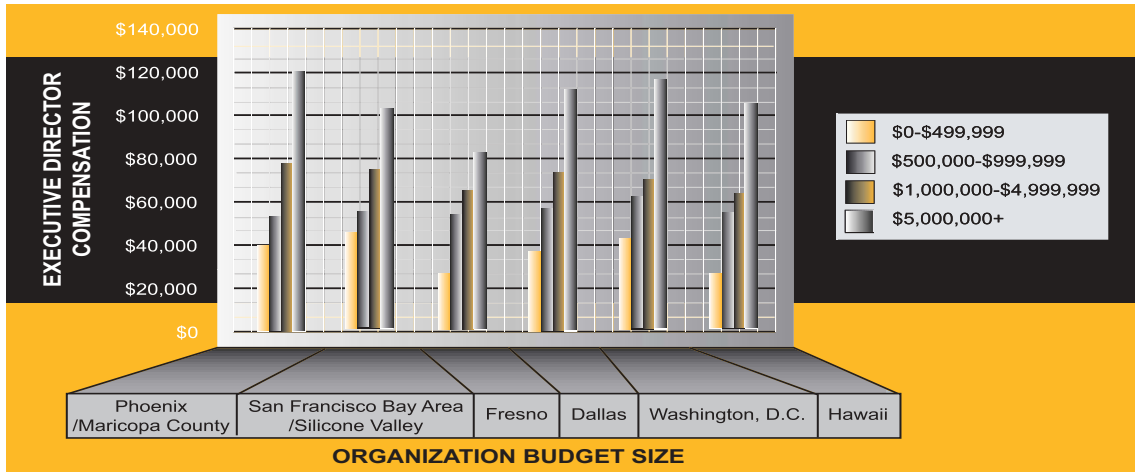
\*Executive Director includes all reported titles for the top position in the organization (CEO, President, etc.).

The *2001-2002 Maricopa County Nonprofit Wage and Salary Report*, published by the ASU Center for Nonprofit Leadership and Management, contains compensation data on 45 nonprofit positions and detailed salary and demographic information on executive directors. The report is available for purchase; organizations that completed the survey will receive a complimentary copy. To order the full report, please visit [www.asu.edu/copp/nonprofit](http://www.asu.edu/copp/nonprofit) or call (480) 965-0607.

### Regional Comparison of Executive Director Compensation

Salaries paid to Maricopa County executive directors compare favorably with those paid to their counterparts in other regions of the country. For example, Maricopa County executive directors of organizations with budgets of \$5 million and above earn larger salaries on average than executive directors in five other US regions, including regions with higher costs of living. Some explanations for the regional differences in executive director compensation include the types of organizations in each regional sample, the variance in cost of living, and each region's nonprofit executive director labor market.

Compensation Levels by Region



Regional comparison data provided by CompassPoint Nonprofit Services, *Daring to Lead: Nonprofit Executive Directors and Their Work Experience*, San Francisco, 2001. [www.compasspoint.org](http://www.compasspoint.org). Used by permission.

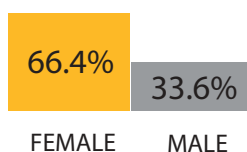
### Maricopa County Executive Directors: Race and Gender

The vast majority of the 113 Maricopa County executive directors in the sample are white/Caucasian-90.4 percent. Hispanic/Latino executive directors comprised 5.3 percent of the sample, African American-2.6 percent, Asian/Pacific Islander-0.9 percent, and Multiracial- 0.9 percent. Female executive directors outnumber males nearly 2-to-1, 66.4 percent female to 33.6 percent male.

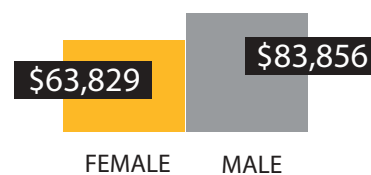
Although female executive directors outnumber male executive directors overall, gender composition varies by organization budget size. Consistent with national and regional findings, the larger the budget of the organization, the more likely it is to have a male executive director. In Maricopa County, there is one interesting exception: female executive directors lead nearly 80 percent of organizations with budgets between \$2 million and \$5 million. In organizations with budgets higher than \$5 million, however, there are more male executive directors.

Also similar to national and regional findings, female executive directors of Maricopa County nonprofit organizations earn less on average than their male counterparts. Gender and salary are significantly associated; the overall mean salary for male executive directors is \$83,856; for females it is \$63,829. This difference is partially explained by the larger percentage of male executive directors at higher organization budget levels.

Maricopa County Executive Directors Gender Representation



Maricopa County Executive Directors Average Salary by Gender



## Maricopa County Nonprofit Executive Compensation for Selected Positions

### Director of Development Compensation by Organization Budget

ORGANIZATION BUDGET	NUMBER OF RESPONSES	MEDIAN	MEAN	75% EARN MORE THAN	25% EARN MORE THAN
\$0-\$350,000	*	-	-	-	-
\$350,001-\$1,000,000	5	\$39,000	\$39,183	\$30,708	\$47,750
\$1,000,001-\$2,000,000	7	\$55,000	\$52,920	\$39,000	\$60,440
\$2,000,001-\$5,000,000	19	\$52,500	\$56,426	\$46,500	\$68,000
\$5,000,001+	7	\$72,816	\$81,937	\$69,138	\$99,650

\*Insufficient number of responses to generate valid information

### Director of Program Services Compensation by Organization Budget

ORGANIZATION BUDGET	NUMBER OF RESPONSES	MEDIAN	MEAN	75% EARN MORE THAN	25% EARN MORE THAN
\$0-\$350,000	6	\$30,500	\$30,550	\$25,325	\$35,750
\$350,001-\$1,000,000	16	\$35,000	\$38,084	\$31,000	\$42,500
\$1,000,001-\$2,000,000	16	\$37,433	\$40,610	\$30,550	\$51,350
\$2,000,001-\$5,000,000	61	\$40,200	\$43,099	\$35,000	\$52,238
\$5,000,001+	54	\$47,059	\$52,789	\$44,397	\$62,017

### Chief Financial Officer Compensation by Organization Budget

ORGANIZATION BUDGET	NUMBER OF RESPONSES	MEDIAN	MEAN	75% EARN MORE THAN	25% EARN MORE THAN
\$0-\$350,000	*	-	-	-	-
\$350,001-\$1,000,000	4	\$40,583	\$40,042	\$36,792	\$42,750
\$1,000,001-\$2,000,000	7	\$47,000	\$42,774	\$32,000	\$50,000
\$2,000,001-\$5,000,000	13	\$57,500	\$57,722	\$48,990	\$70,000
\$5,000,001+	10	\$76,163	\$79,906	\$60,549	\$80,594

\*Insufficient number of responses to generate valid information

## Statistical Measures Explained

The **mean** is the arithmetic average, calculated by adding the dollar amount of all the responses (salaries) and dividing the sum by the number of responses. The **median** is the mid-point at which half the reported salaries fall below and half fall above. The mean and median are both measures of average, with the median less influenced by unusually high or low salaries.

To indicate salary variance we report the interquartile range, expressed as **25% earn more than** and **75% earn more than**. Together with the mean, these two figures present an overall picture of the range of salaries within a job position.

*Connecting nonprofit sector research and leadership*

**Center for Nonprofit Leadership and Management**

Improving the quality of life in communities by enhancing the performance of nonprofit organizations through:

*Research That Matters  
Nonprofit Leadership Education*

*Assistance to Nonprofits  
Conferences and Convenings*

*Nonprofit Research Abridged* is published by the Arizona State University Center for Nonprofit Leadership and Management as a service to the nonprofit community and contains summaries of commissioned nonprofit research studies. To receive the full research report, obtain relevant citations, or for further questions, please contact Stephanie Hiatt, *Abridged* Editor, at [hiatt@asu.edu](mailto:hiatt@asu.edu).

**Center for Nonprofit Leadership and Management**  
College of Public Programs  
Arizona State University  
PO Box 874905  
Tempe, AZ 85287-4905  
Phone: (480) 965-0607  
Fax: (480) 727-8878  
[Nonprofit@asu.edu](mailto:Nonprofit@asu.edu)  
<http://www.asu.edu/copp/nonprofit>