

KACA

SALARY SURVEY

2002-2003

**Prepared for Kentucky's
Community Action Agencies
January 2003**

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Executive Summary

Background: The Kentucky Association for Community Action (KACA) last completed a salary survey in December 2000. Many agencies used that report to update their wage practices and policies in the human resource development area. That certainly was one of the goals of both the previous survey and the current one. I hope that this report is broad enough in scope to be of use because it looks not just at salaries, but also a host of benefit and personnel issues as well.

Importance of a Salary Survey: This is an important issue for Community Action Agencies as any organization is only as good as the people it employs. Therefore, Community Action Agencies need to know that their salary and benefit structures are competitive and that they are not a hindrance in attracting and retaining the best employees. If an agency is dramatically underpaying its best employees, it may not be able to retain them. The other benefit of this tool is that it allows local agencies the opportunity to look around and see what their counterparts are doing for comparable positions in other areas of the state.

Response Rate: Another goal was to have as high a response rate as possible to increase the statistical reliability of the survey and to paint a true picture when it comes to salaries and benefits in Community Action in Kentucky. I believe that we succeeded in that goal. It took us a few mailings, several phone calls and a few months, but we did receive completed surveys from 20 of 23 agencies, which is a response rate of 87%. The response rate was down slightly from the last time KACA undertook the process when we had a 91% response rate. Special thanks go out to all of the agencies who took the time and participated in this process.

Comprehensive Nature- The survey asks for data for over 50 different positions in 10 program areas (Administration, CSBG, LIHEAP, Head Start, Weatherization, Transportation, Child Care, Senior Services, Work Force Investment, and Family Preservation). We were not able to include every position that individual agencies listed and there was the challenge in that some agencies have different names for the same job. But I have tried to account for and factor those areas in to the survey. One of the other ways that this is comprehensive is that it examines both the median and average salaries for those positions. There is a brief explanation in the results section about the difference between the

median and the average. The best thing to remember about median and averages is that one very low or very high number can dramatically skew an average, but will not affect a median. Beyond salaries, the survey also examined holidays, vacation time, benefit packages, and personnel related issues such as the work week, job structure, job sharing, flex time and more.

Privacy: One of the reasons KACA has been able to get such a high response rate is that we have worked very hard to protect the privacy of each agency's survey responses. To that end there was a separate PO Box to mail the surveys to, the survey never asked for the agency name, and the return address and postage meter had KACA's information on it.

Growth of Community Action- Community Action in Kentucky has grown markedly in the last two years. In 2000 the average agency budget was \$6.4 million, the median budget was \$6 million and the collective budget of the 21 responding agencies was \$135 million. In this survey the average agency budget was \$8.65 million, the median budget was \$ 9 million and the collective budgets of the 20 respondent agencies was \$173 million. That is 30% increase in the average budget, and a 50% increase in the median budget. Assuming that the agencies who did not respond had budgets in the median range, one can extrapolate that Community Action Agencies in Kentucky have collective budgets approaching \$200 million annually.

Growth in Services, Not Administration- The survey also showed that while there has been explosive growth in average and median budgets of local CAAs, the increase in the size of staffs of agencies has not grown that dramatically. Agencies had approximately a 15% average growth in staff size over the last two years. This means that while agencies are growing rapidly they are working to put the money into services and not into building payroll for the sake of building payroll.

More Agencies Giving Raises- In this survey 90% of responding agencies said that they were giving COLA raises this year, compared to 76% in 2000. The size of that average raise was down slightly to 3.66% compared to 3.9% in 2000. There was also an increase in the number of agencies that were giving merit raises than in the past. This year 70% of agencies said that were giving merit raises and that the highest average merit raise they gave this year was 7.1%. This compares with 61% of agencies giving merit raises with an average highest merit raise of 7.65% in 2000.

More Agencies offering a variety of benefits- One of the other interesting trends in this survey was the number of agencies that were offering a wide arrange of employee benefits including job sharing, additional retirement plans, flex time, paid maternity leave, tuition assistance, and profit sharing. Two years ago no agency in the state offered paid maternity leave, this year 10% of agencies did. In the last survey, 14% of the agencies said that they had additional retirement plans, in 2002, 25% said they offered such plans. The percentages of agencies granting flex time and job sharing also increase markedly to 50% and 35% respectively.

Excellent Benefit Packages- This continues to be a real strength of the network that helps in the attraction and retention of Community Action staff. 100% of responding agencies said that they provide health insurance and pay an average of 96% of the cost of a single plan. In addition, 60% of the agencies pay a percentage of dependent care coverage. The average amount was 60.83%. There were 90% of agencies that offered dental and life insurance and paid almost all the cost of the single policy. In regards to dental insurance, 15% of agencies said they pay a percentage of dependent care coverage on dental insurance. Agencies also offered disability insurance with 45% of the agencies providing that benefit. Many of the agencies (85%) showed that they invested in their people by allowing for educational assistance in varying amounts.

The Cost of Services is going Up & Agencies are using more specialized services- In the 2000 survey, only about 15% of respondents reported to using management or program consultants. In 2002 that number more than doubled to 35%. This is a strong sign that agencies are increasingly reaching out to contract for services that they need. Also more agencies used attorney services during the year as well. The cost of procuring an audit has gone up considerably in the last two years. In 2000 the median cost was approximately \$20,000. That has increase 60% and the median is now \$32,000. I think that the increasing complexity and size of the agencies is a factor that may be fueling the increase.

Challenges- a majority of the agencies (60%) said that had difficulty filling at least one position with in the agency in the last 12 months and that low salaries and a lack of qualified applicants were the frequent culprits.

Kip Bowmar, Executive Director

1/21/03

KACA SALARY SURVEY RESULTS & FINDINGS

January, 2003

Data used from the Fiscal Year that ended June 30, 2002

These results were compiled from 20 of Kentucky's 23 Community Action Agencies (or 87%) who completed the salary and benefit survey that was mailed out in October, November, and December. I thank all agencies who took the time to complete the detailed survey and share the information with their colleagues. The survey allowed us to look at the average and median salaries for over 50 positions in 10 different program areas as well as a variety of benefits and policies in place at local CAAs.

Median vs. Average- Many responses will give both the median and average salary for a position or a median and average cost for a benefit. Average is a term that we hear all the time and most people know what it means. Median is also a term that people frequently hear, but are probably not as familiar with it. The median is the point where half of the numbers are at or above that point and half of the numbers are at or below that point. According to researchers, a median is considered more accurate and tells a more complete story than an average because it will not be skewed or altered by either one very high or one very low response. If you have five test scores of 13, 14, 15, 16, and 100, the median is 15 because half of the scores are at or above that point and half of the scores are at or below that point. But the average is 31.6. Which number is more accurate reflection of the test scores? Clearly the median is the more informative gauge. Many government programs, particularly in the housing area want to know the area median income, not the area average income. The reason that they seek that is that if poor people happened to live in the same county as Bill Gates, the founder of Microsoft, they would likely never be eligible because he would raise the average area income too high. Here's another example to illustrate the point. If you have 10 homes on a street and nine of them sell for \$100,000 and the tenth one sells for \$1 million, the average is \$190,000, but the median is \$100,000 because that is the value where half of the homes are at or below and half are at or above. The median gives you a better picture of what houses on the street are worth. In most positions, the median and average were within a couple of thousand dollars. But in those areas where there is a big discrepancy between the average and median, the average was likely skewed by either a very high or very low number.

Section A. About Local Agencies

1. Service delivery areas: **5% Urban 65% Rural 30% Mixed, Part Urban/Part Rural**

2. Agencies are: **90% private non-profit 10% a public (non-profit) agency**

3. Local agency's average total budget this year from all funding sources: **\$8.65 million**

Local agency's median total budget this year from all funding sources: **\$9 million**

4. Number of Full Time Equivalent employees, latest payroll: **Avg. 188; median 200 FTEs**

5. Average number of FTEs in the following categories, latest payroll:

Clerical Staff 15.8 FTEs (Typists, Clerks, Data Entry Operators, etc.)

Program Specialists 14.7 FTEs (Program Coordinators, etc.)

Management 16.2 FTEs (Executive Director, Department Directors, etc.)

6. E&O Coverage

100% of local agencies have professional liability ("errors and omissions" or "E&O") insurance covering your Board and/or senior staff, but not everyone covered both groups.

Average Coverage \$2.48 million

Median Coverage \$3 million

Average Cost \$5,008

Median Cost \$3,945

7. Mileage Reimbursement

Kentucky's Community Action Agencies reimburse at an average of 29.6 cents per mile and a median of 32 cents per mile when using their personal vehicle for agency business.

Average: 29.6 cents per mile

Median: 32 cents per mile

8. Exempt Versus Non Exempt.

80% of Kentucky's Community Action Agencies have personnel policies that divide employees into "exempt" and "non-exempt" categories. Those agencies have a range of 5% of employees who are exempt to 82% of employees who are exempt.

For those agencies who made the distinction:

Exempt: 37.6% Non-Exempt: 62.4%

Section B. Average Salaries in Local Agencies

Position/Job Title	Average Salary	Median Salary	Average Years in Position
ADMINISTRATION			
Executive Director	\$74,566	\$76,500	10.1
Deputy Director	\$56,062	\$57,700	8.83
Finance/Fiscal Director	\$45,106	\$40,000	7.88
Human Resources/Personnel Director	\$37,211	\$31,100	4.24
Information Systems/Technology Manager	\$42,420	\$31,000	1.72
Grant Writer/Development Specialist	\$31,466	\$32,600	2.0
Administration Assistant	\$27,410	\$27,000	8.39
Administration Secretary	\$23,032	\$19,800	6.17
Bookkeeper	\$26,476	\$28,700	6.85
Accounts Payable/Receivable Clerk	\$25,881	\$29,148	11.5
Payroll Clerk	\$24,750	\$25,600	3.78
Public Relations/Communication Director	\$ 35,106	\$38,095	2.7
CSBG			
CSBG Coordinator/Director	33,906	\$29,306	7.41
Local Coordinator	\$21,250	\$19,800	15.7
Local Secretary	\$17,900	\$18,100	3.73
Outreach/Case Manager	\$21,207	\$18,749	9.83

Position/Job Title	Average Salary	Median Salary	Average Years in Position
LIHEAP			
LIHEAP Coordinator/Director	\$28,100	\$25,800	5.79
HEAD START			
Director	\$52,553	\$57,700	14.01
Secretary	\$22,200	\$21,000	8.46
Computer Specialist	\$22,425	\$23,100	9
Speech/Language SLPA/Disabilities Coord.	\$32,922	\$31,200	6.45
Social Services/Parent Involvement Coord.	\$30,725	\$31,400	10.19
Area Education Coordinator	\$33,866	\$32,700	11.26
Mental Health Coordinator	\$25,020	\$24,107	5.11
Nutritionist	\$33,401	\$29,405	10
RN/Health Coordinator	\$32,866	\$35,401	8.64
Full Time Teacher	\$13,922	\$14,400	3.88
CHILD CARE ASSISTANCE			
Director	\$36,200	\$31,100	9.15
Secretary	\$21,400	\$20,800	5.5
Intake Worker	\$18,607	\$18,200	2.6
Resource & Referral Specialist	\$21,658	\$22,900	3.75

Position/Job Title	Average Salary	Median Salary	Average Years in Position
FAMILY PRESERVATION PROGRAM & FAMILY REUNIFICATION PROGRAM			
Director	\$41,257	\$37,700	5.35
Secretary	\$22,650	\$20,500	6.11
Therapist	\$26,466	\$26,200	4.23
Assistant Supervisor/Supervisor	\$26,905	\$26,512	3.3
WEATHERIZATION			
Director	\$32,251	\$31,950	9.89
Field Supervisor	\$24,212	\$23,725	11.64
Crew Supervisor	\$22,650	\$22,000	4.70
Laborer	\$16,940	\$14,300	6.23
WORK FORCE INVESTMENT ACT			
Director	\$30,866	\$28,107	6.08
Secretary	\$18,333	\$17,906	4.55
Intake Worker	\$16,412	\$16,500	1.5
Case Manager	\$19,690	\$19,705	3.55
Instructor	\$21,750	\$20,507	2.12
Program Specialist	\$25,200	\$20,700	2.5
Area Coordinator	\$24,322	\$22,907	1.71

AGING SERVICES/RSVP			
Director	\$31,361	\$30,000	12.33
Case Manager	\$21,400	\$21,800	4.92
Home Health Worker	\$13,921	\$13,405	2.25
TRANSPORTATION			
Director	\$36,912	\$36,350	8.42
Dispatcher	\$19,120	\$18,647	5.5
Driver	\$18,075	\$20,000	7.79
Mechanic	\$18,275	\$16,705	6

Section C. Salary Increases

10. Cost of Living Allowance (COLAs) Raises

90% of agencies awarded COLAs in 2002.

10% Did not award COLA

Average Increase 3.66 %

Median Increase 4%

11. Merit Increases

70% of agencies awarded Merit raises in 2002.

30% Did not award Merit Raises

Highest Average Merit Increase 7.10 %

Median Merit Increase 4%

12. Profit Sharing

5 % of Local Community Action Agencies reported having a 4% profit sharing plan with employees.

13. Average and median expenses for auditors, attorneys, and management consultants and the percentage of agencies who reported expenses in these categories:

	% Using Services	Avg. expense	Median Expense
Auditors	100%	\$32,822	\$32,000
Attorneys	70%	\$5,607	\$4,000
Management Consult.	35%	\$22,957	\$10,100

These figures represent substantial increased use of attorneys and management consultants over the 2000 salary survey.

Section D. Fringe Benefit Package

14. Employee eligibility for fringe benefits.

20% of local CAAs allow employees to eligible upon employment.

80% require them to complete an introductory period ranging from 30 to 180 days.

15. Insurance Coverage for employees

Health Insurance

100% of local CAAs offer health insurance to their employees

Agencies pay 96% on average of the cost of the single plan

60% of local CAAs pay a percentage of dependent care coverage for health insurance

Agencies pay 60.83% on average for dependent care coverage

Dental Insurance

90% of local CAAs offer dental insurance to their employees

Agencies pay 97% on average of the cost of the single plan

15% of local CAAs pay a percentage of dependent care coverage for dental insurance

Agencies pay 40% on average for dependent care coverage

Life Insurance

90% of local CAAs offer health insurance to their employees

Agencies pay 100% on average of the cost of the single plan

Disability Insurance

45% of local CAAs offer health insurance to their employees

Agencies pay 90% on average of the cost of the single plan

16. Paid Holidays

Average: 11.75

Median 12