



Memorandum

To: Robert LeFevre, Michigan Independent Colleges & Universities
 From: Jodi Schafer, HRM Services
 Date: February 8, 2018

HRM Services, LLC was asked to collect and analyze current compensation data for the President/CEO position at MICU. This information was last collected in 2014 using four salary survey sources. This year, two of those same sources were utilized and the results are listed below. The third source (ASAE) was replaced with a more current and comprehensive survey from Willis Towers Watson. The fourth source (NSBA) was no longer available and was replaced with the most recent NAICUSE survey. A fifth source (ONET) was also included to give another Michigan-specific data set.

Position Title:										
Executive Director										
Source	Descriptor	Job Title	Annually	Hourly	Annually	Hourly	Annually	Hourly	Annually	Hourly
			25%		50%		75%		90%	
Willis Towers Watson (National) 2016	Associations & Education	Chief Executive Officer	\$ 225,700	\$ 108.51	\$ 469,800	\$ 225.87	\$ 685,500	\$ 329.57		
MSAE Survey 2017	Statewide Association	Executive Director	\$ 84,000	\$ 40.38	\$ 120,000	\$ 57.69	\$ 171,600	\$ 82.50	\$ -	\$ -
NAICUSE Salary Survey 2017	Statewide Association	Chief Executive	\$ 220,400	\$ 105.96	\$ 269,679	\$ 129.65	\$ -	\$ 395,000	\$ 189.90	
WageAccess Survey 2017	National	Executive Director	\$ 111,857	\$ 53.78	\$ 173,924	\$ 83.62	\$ 242,576	\$ 116.62	\$ 286,055	\$ 137.53
ONET 2016	Michigan	Chief Executive Officer	\$ 77,100	\$ 37.07	\$ 160,160	\$ 77.00	\$ 208,000	\$ 100.00	\$ -	\$ -
OVERALL AVERAGE:			\$ 143,811	\$ 69.14	\$ 238,713	\$ 114.77	\$ 355,033	\$ 170.69	\$ 340,528	\$ 163.72

Based upon the current compensation numbers for MICU’s President/CEO, an increase could be justified. MICU’s compensation philosophy targets average salaries in the 60th percentile. Depending upon the data sets utilized, a salary in the \$275,000-285,000 is reasonable and could be defended. This represents an increase of 10-14% to the President/CEO’s current base salary of \$250,000.

WAGE INFORMATION:

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60th Percentile Calculation: ((Salary difference between 50th and 75th /25)*10) + 50th Percentile

	\$	116,321	Salary difference between 50th and 75th percentile
	\$	4,652.83	Cost of each percentile (the difference shown above/25)
	\$	46,528.29	Cost of 10 percentile points (the cost of each percentile *10)
60th Percentile Amount (based on overall average):	\$	285,240.89	60th percentile calculation (cost of 10 percentile points shown above + 50th percentile amount)