# Passion Won't Pay the Bills

Community Foundation of the Gunnison Valley April 5<sup>th</sup>, 2022

Presenters: David Clayton, Community Foundation of the Gunnison Valley

Holly Conn, Mountain Roots Food Project

Mike Horn, Crested Butte Mountain Heritage Museum

# Non-Profit Statistics (statewide)

From a 2018 Colorado Nonprofit Association study:

Total Nonprofit Employment: 167,663 (8% of private employment)

Total Nonprofits: 25,020 (registered with IRS)

Total Nonprofit Revenue: \$29,574,600,000 (\$29+ Billion)

Total Nonprofit Expenses: \$28,634,800,000

Total Nonprofit Assets: \$58,184,500,000

Numbers seem vary high as this survey includes sectors of the nonprofit community such as hospitals and other health care services plus private educational entities, such as universities.

# Non-Profit Statistics (Gunnison County)

From a 2018-19 CFGV study:

Total Employment: 891 (10% of private wage & salary employment)

Total Nonprofits: 100+

A majority of nonprofit jobs are considered seasonal or contractual in nature and of the respondents. Example, organizations with seasonal activities are heavily in this category. For "salaried", fulltime employees the survey reported 116.

### How do we recruit and retain GREAT employees?

First, let's look at what makes differentiates For Profit and Non-Profit organizations.

Differences between For Profit and Non-Profit organizations:

- For Profit Companies:
  - Works to grow the organization to maximize investment return to the owners
  - The organization is transaction oriented with the customer being the entity paying for service and receiving the service
  - While customer service is a key attribute, sales and profit are the end goal
  - Valued employees are those that enrichen the bottom line while serving the customer efficiently and effectively

### Non-Profit Companies:

- Works to grow the organization to maximize the level and scope of services to the greatest degree
- Organization can still be transaction oriented but may be service oriented with services not having a direct customer
- There are two "customers" one are donors that fund the organization and the other are the recipients of the service.
- Customer service and support are key
- Valued employees are those that enrichen the lives of the recipients of the service or the donors funding the organization

### How do we recruit and retain GREAT employees?

Now, let's look at what makes an employee a great fit for our organizations.

### What drives employees?

- Physical (Food, Clothing, Housing, Healthcare)
- Price (higher wages and benefits)
- Place (community, recreation, cultural, environment, education, many others)
- Purpose (job accomplishment, feeling of doing good)
- Prestige (recognition, working at valued organization)

For Profit organizations want employees that want to maximize Price and Prestige, while Non-Profit organizations look to find employees that value Place, Purpose and Prestige

# Why we need to Compensate Correctly

Non-profits compete with For Profits and other Non-Profits for quality employees.

People need to be valued and feel honored. We need to understand that value and honor are both monetary and non-monetary needs. However, any employee needs to receive compensation that allows them to live in the "community" without having to make sever sacrifices.

Hiring, training and retaining employees can be costly but having high turnover or not being able to get quality employees can cost much more in money, time and effectiveness.

# What is Driving the Pressure on Employee Compensation?

For several decades, inflation has been under control (ranging from 1.5-3.0% per year)

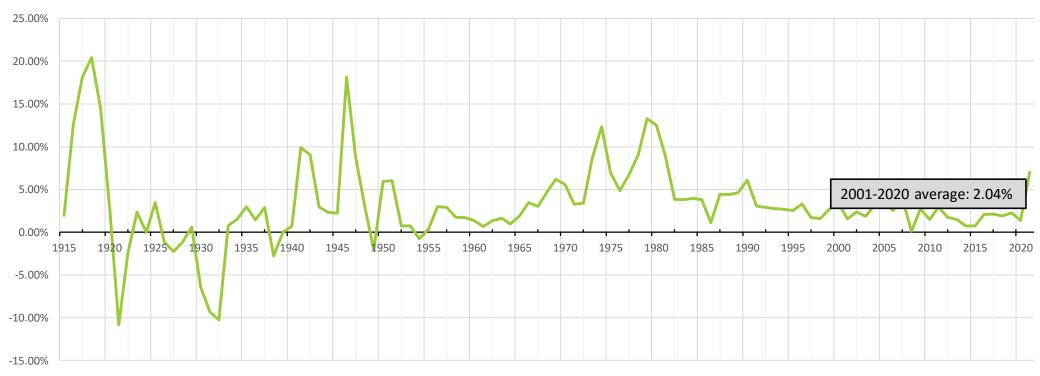
While housing is never cheap in a resort community, we are facing a severe shortage of availability and an extreme increase in property values.

One source for Gunnison County property values shows

- Overall Housing = 25.1% increase (YoY)
- •1 Bedroom = 8.0% increase (YoY)
- •2 Bedroom = 62.5% increase (YoY)
- •3 Bedroom = 2.5% increase (YoY)
- •4 Bedroom = 237.8% increase(YoY)
- •5 Bedroom = 50.0% increase (YoY)

### Inflation is Back





1915-2021 average: 3.26%

## **Erosion of Buying Power**

How Long does it take for inflation to double the cost of goods:

2% inflation rate	35 years	(2001-2020 average % rate)
5% inflation rate	14 years	
7% inflation rate	10 years	(Current CPI % rate)
10% inflation rate	7 years	(Current PPI % rate)
13% inflation rate	6 years	(1979-80 Stagflation Peak)

# How do we Develop Compensation Plan?

Let's look at 3 organizations that have done or are working to get and keep salaries of employees competitive within our communities so that they can attract and keep highly qualified and motivated people.

- ❖ Mountain Roots Food Project
- Crested Butte Mountain Heritage Museum
- Community Foundation of the Gunnison Valley



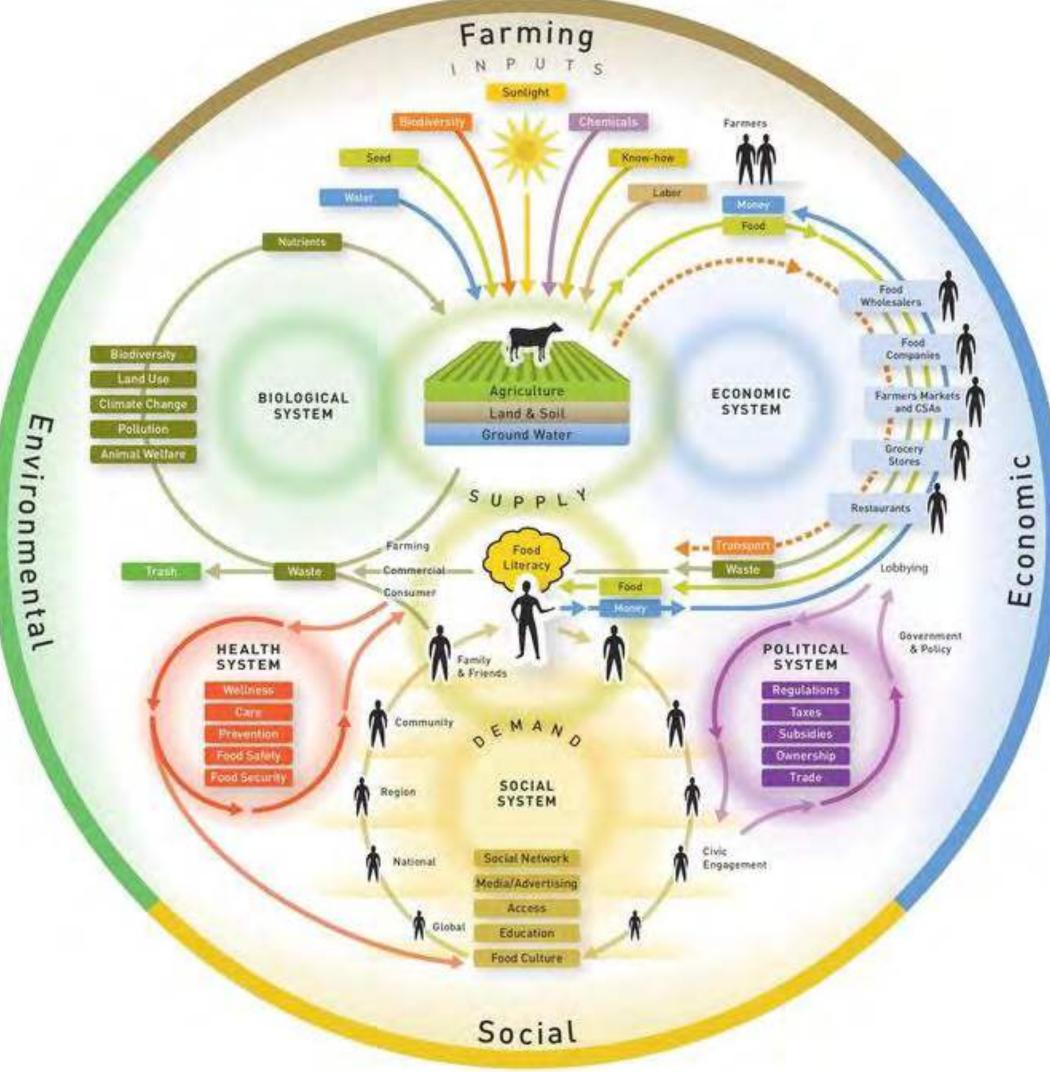














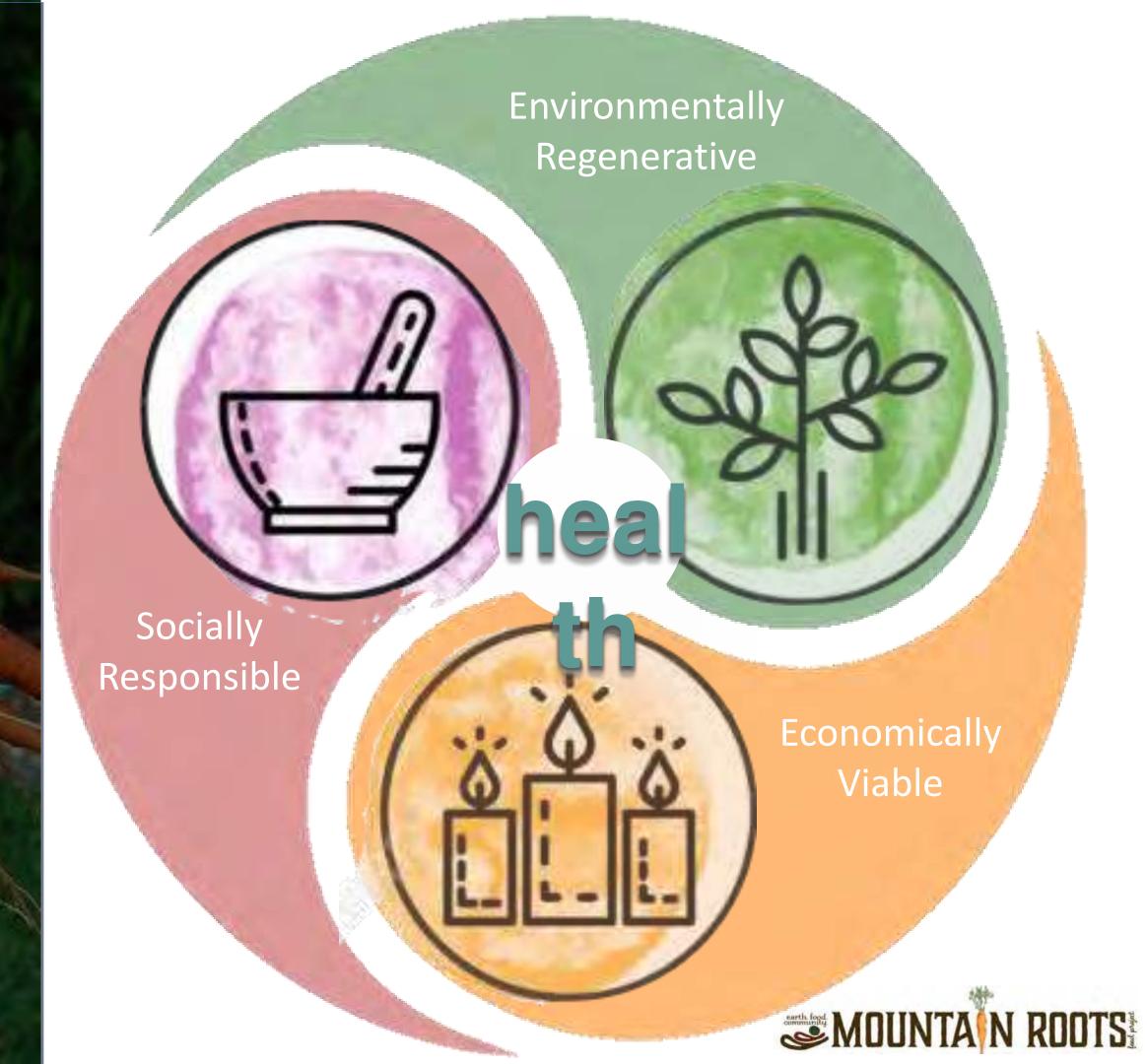


# The Future of Food Is...

# EMPOWERING

rural Colorado communities to take an active role in:

- Building food resources
- Restoring the environment
- Increasing health equity
- Reducing disparities
- Renewing connection to the land
- Prioritizing health of the individual, our communities, & our planet

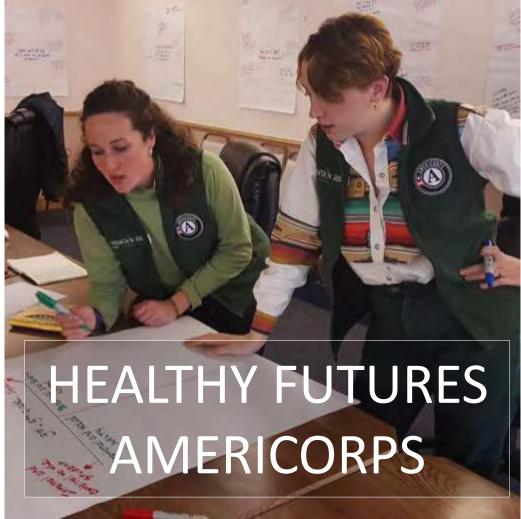












Making it Happen

# People

40
Total Team

 $7_{+1}$ Board of Directors

16
AmeriCorps Members

12
Paid Positions

### **Board Of Directors**

JOHN MEYER, President
BRIAN PUGH, Treasurer
DANA ZOBS, Secretary
CASSIE PENCE, Events Chair
PEGGY SCHRAMMEL, Fundraising Chair
KIM ALLEN
LYNN FROTESCHER
+TRILBY CARRIKER, Finance Committee

• • •

### **Administration**

**HOLLY CONN, Executive Director** 

RACHEL BRANHAM, Development Director ELLIE-PENFIELD CYR, Development & Marketing Associate (VISTA)\*

### **Consulting**

EMILY SMITH, Pinnacle Books MARGAUX HELVEY, Fundraising

. . .

### **Farm to School**

LILY BRIGGS, Program Director
TRISHA LANGENFELD
THEA BERGEN\*
ELIZA FOLI\*
EMILY GOBEL\*
EMA MUSLIC\*

### **Agriculture**

LEXI HUGHES, Program Director, Jan-June

. .

### Coldharbour Farm Crew:

JENNIFER DEWS, Farm Manager\*
GAVIN SCHMUCKLER\*

JONAS HANDT\*

**EMILY OGDEN\*** 

SARAH LESLIE\*

MALINA GAMBOCARO\*

. .

#### Glacier Farm Crew:

KARA WILLIARD, Farm Manager\*
EMILY TYSINGER
RACHEL DICKSON
JENNA KELMSER
JACOB KRECKMAN
KAYLA HANSON

### **Food Security**

KAELYN SCHULTZ, Program Leader (VISTA)\*
HANNAH RYCKMAN\*
TYLER BLANKSTEIN\*
IZZY ROSENSTEIN\*
EMELY BEIRA, MEM Graduate Student

### **Local Food Distribution**

Molly Mazel, CSA and LFPP Planning Grant

### **Healthy Futures AmeriCorps**

LYNDIE KENLON, Program Director LINDSAY DURANT, Program Assistant

### **Value Added Products & Farmers Markets**

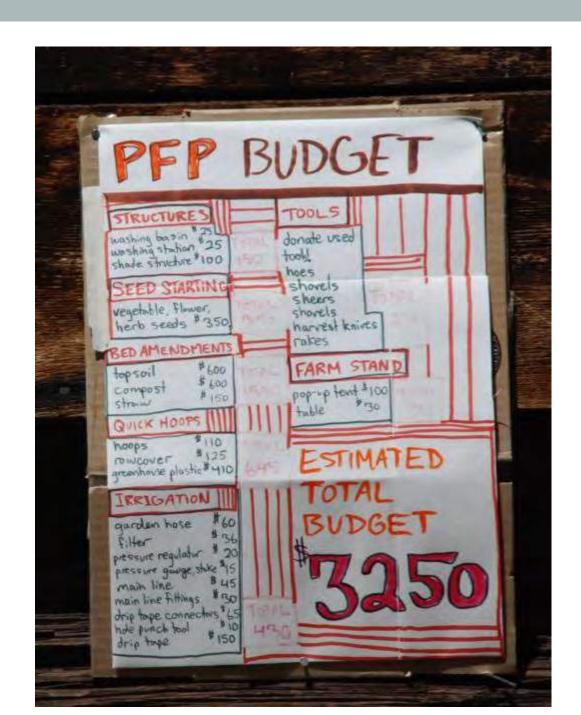
TYLER BLANKSTEIN\*
NICK JORENBY



### THEN 2010- 2014

Org Budget \$3,250 -- \$32,000
Seasonal Operations
All Volunteer
4 Plot Managers w/ stipends \$500
each

Scarcity / shoestring mindset, reactive





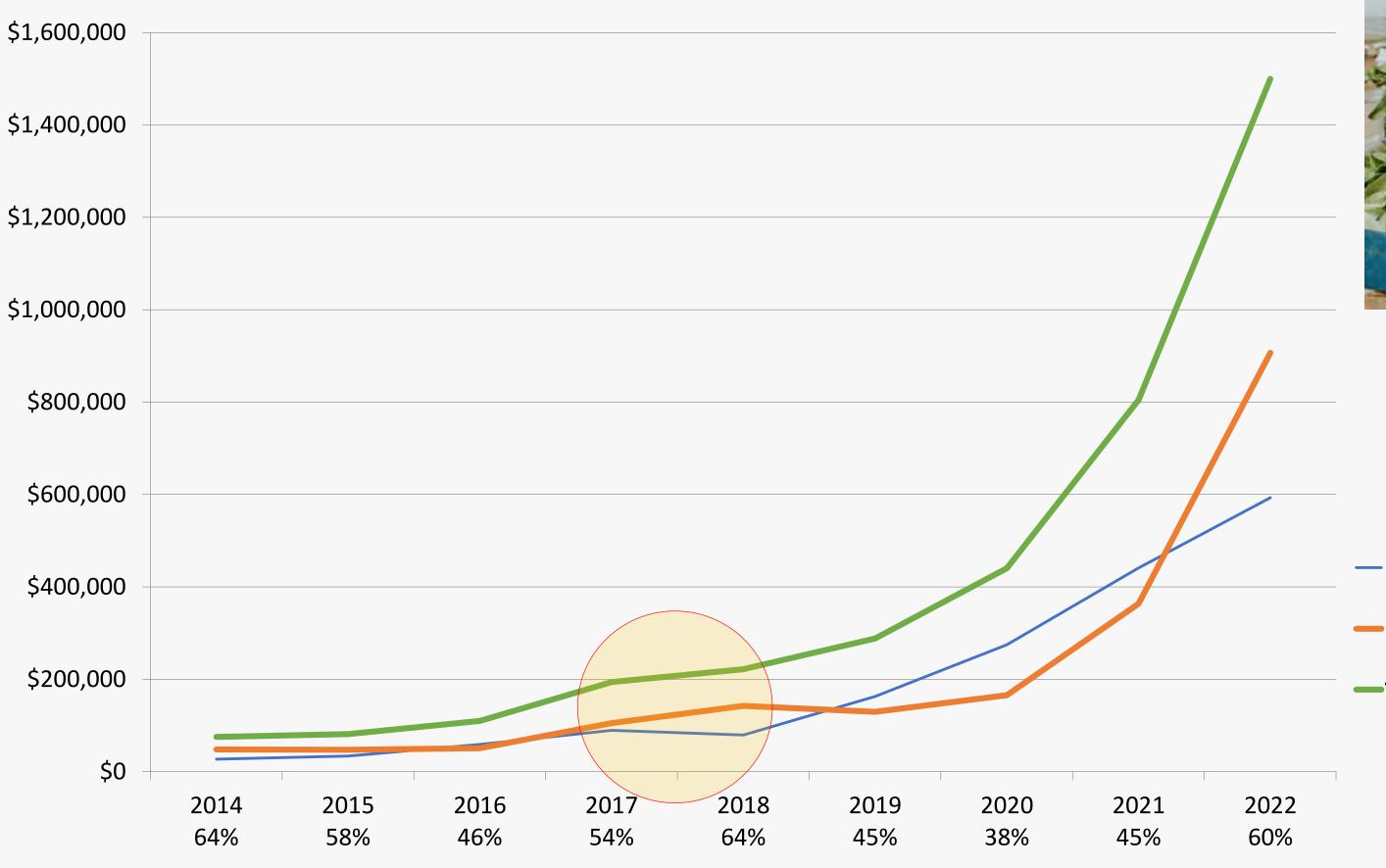
### **NOW** 2022

Org Budget \$1.5M
Year Round Operations
6 Leadership (Salaried) positions
4 Employees at hourly rates \$16-\$19
15-17 AmeriCorps Members
Abundance / value-based / asset /
investment mindset, proactive





# Budget | Personnel | Direct Costs



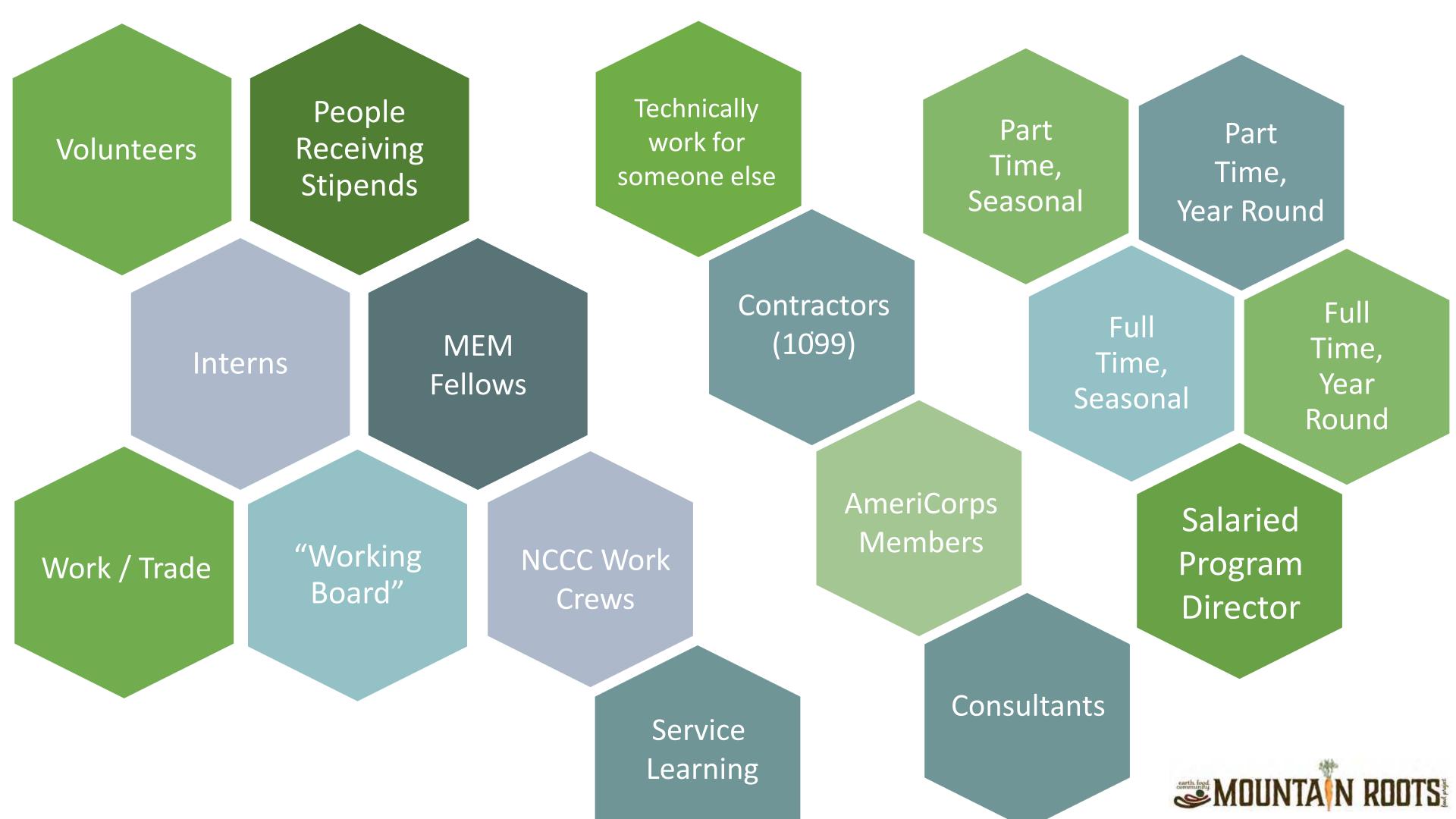


-direct costs

-personnel

—total budget





### 2016 STAFFING

ACTUAL PLAN		low	high
Holly Conn Executive Director 10 of 12 - or - 12 of 12		23400	28000
Jenny Whitacre Farm to School / EE Coordinat \$15 / hr, 16-18h per week, yee		<b>10,096.00</b>	\$ 12,016.00
Sierra Fairfield-Smith CBCS Garden Manager + EE	\$	7,462	\$ 8,050.00
Sasha Legere GCS Garden Manager + EE	\$	5,502	\$ 6,762.00
Natalie Berkman Giving Garden + Summer Expe	\$ erience	<b>2,590</b> es GCS	\$ 2,590
<b>Mel Yemma</b> <i>Elk Avenue Garden + Garden t</i>	<b>\$</b> team le	<b>5,096</b> eader	\$ 5,096
Danielle Petruzzelli VISTA March 1- March 1	\$	8,000	8,000
Urban Ag Intern	\$	2,000	\$ 2,000
CB EE Intern	\$ \$ \$	1,500	1,500
Food Systems Intern		-	\$ -
Luisa Naughton, Kids Cook	\$	2,160	\$ 2,160
	\$	67,806.00	\$ 76,174.00

2017		
Budget: \$121,000 People \$79	9,860 Direct	Costs \$39,930
SCENARIO C	cost	balance
		79,860
PRIMARY	L. C. Control	
ED - Holly	\$ 24,120	
10 months, 30h		\$ 55,740
Events & Development	15,000	
.5 FTE		\$ 40,740
F2S Program Manager	15,000	
.5 FTE		\$ 25,740
Garden Coordinator	11,700	
.5FTE, seasonal May - Oct		\$ 14,040
VISTA (runs farm and CSA)	8,000	
full time		
	leaving this >	\$ 6,040
	for everythin	g else
and we still need to pay		
school garden and EE staff		not enough for paid staff
2 camp counselors		
kids cook instructors		
2-3 interns		

















# Mountain Roots finds fertile ground with national service

Sam Liebl

groups across the Hwy. 50 corridor and created a foundation for more diversity, equity and

at six locations: Delta County Schools, Community alliance for Education and Hunger y, Valley **TOTAL** 

Iontrose,

Gunnisc

Huma

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en pret in Iowa,"

and her

for the growing season have prepared to leave the valley. But already three mem-

several of the members hired

bers have decided to return our with

> ountain rith them

a "multi-

unity ser-

for local

Org cost:

food programs across a swath of rural Colorado.

(Sam Liebl can be contacted at 970.641.1414 or editor@gunnisontimes.com)

LIVING **ALLOWANCE** 

\$16,000

**AWARD** 

\$6,495

**EDUCATION** 

\$22,495

(\$13.23/hr)

### 11 months, full time, 1700 hours

the national service program coordinated by Gunnison's Mountain Roots Food Project.

culture and food justice movements did not provide a clear path to increasing the number

fellow members found themselves in COVID-19 lockdown along with the communities

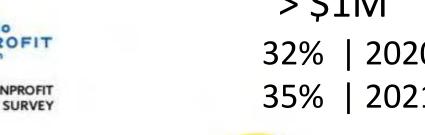








2021 COLORADO NONPROFIT SALARY + BENEFITS SURVEY > \$1M





#### COLORADO OVERTIME & MINIMUM PAY STANDARDS ORDER ("COMPS Order") #37 POSTER Division of Labor Standards & Statistics

Effective January 1, 2021 Must be updated annually; new poster

available 1st week of each December

#### Colorado Minimum Wage: \$12.32 per hour, or \$9.30 for Tipped Employees, effective 1/1/2021.

- . The minimum, wage adjusts amountly by inflation, next year 5 COMPS Order and Poster will grow the fire 2022 minimum wage.
- The minimum wage applies to all adults and immercapted transits, whether yard hourly or any other basis is alary commission. processoria, etc.), unless exempted by COMPS Order Ratio 2. Unermoscipated masors may be pead 15% below the manuscrip-
- The federal minimum wage (\$7.25) and any local minimum mages (including \$14.77 in Deriver in of 1/1/21) may also apply. If work is covered by multiple emission or overtene wage cides, the rate with the higher wage or standard applies

#### Overtime: 11/1 times the regular pay rate for hours over 40 weekly, 12 daily, or 12 consecutive.

- . Hours in two or more works examin be averaged in conguting overtime
- · Employers may not provide time off to flen called "comp term"] usual of time and a half primaint pay for evening bours.

#### Meal Periods: 30 minutes uninterrupted and duty-free, for shifts over 5 hours.

- \* Employee must be completely relieved of all threes, and allowed to pursue personal activities, for must pursuel to be unpaid
- . If work makes amorest opted must person impractical, catego on on-day must be permitted, and the time must be good.
- . To the extent practical, must provide most be at least 1 hour after starting and 1 hore before ending shifts

#### Rest Periods: 10 minutes, paid, every 4 hours.

Work Hours:	Up to 2	>2, up to 6	>6. up to 10	>10, up to 14	>14, up to 18	>15, up to 22	>22
#Rest Periods:	0	1	1	1	4	5	0

- . Rest persons would not be affected but must not include work and should be in the middle of the A bours to the extent practical
- Two 5-minute cert percels, instead of one 10-instale, are permitted if employees and employees agree voluntarity and without some tim, and it'd trimites is enough to go back and forth to a batteriorn or other place where a gomeine breid, would be taken. Additional fle vibility with 5-minute periods applies to agriculture, Medicaid home care, and collectively fargained work.
- Employers that do not authorize and permit out periods must pay extra for the work time that mould have been out periods.

#### Deductions, Credits, & Charges from Wages: Subject to limits in C.R.S. 8-4-105 and below.

- . To credit of up to \$3.02 per hour illustring minimum wages to \$7.10) are allowed for those regularly, customarily experience over \$30 per month in tips. If lengthy pay plus legs is below (lie full minimum wage, the employer must pay the difficience
- · Must credit are allowed for the cost or value (without employed profit) of a voluntarily accepted meal
- . Lodging didactions are allowed unto if bousing is voluntarily accepted by the employee, grimarily for the employee's most employer is bount's, recorded in writing, and limited to \$25 or \$100 per work (depending on the housing type).
- Uniforms that are ordinary clother, without uporial material or design, accel and he provided, offer uniforms must be provided as to one Employers man pay his are epocial charters counted, and cannot require deposits or deduct for ordinary most and u.m.

#### Exemptions from the COMPS Order: All listed in Rule 2; key exemptions listed below.

Executives supervisors, docision ending administrative employees, and professionals (Rule 2.2.1-7) paid the empty salary;

2021	2022	2023	2024	Each Vear After 2024
\$40,500	\$45,900	\$50,000	355,000	Prior year's salary, inflation-adjusted

- 20% owners, or at a comprofit the highest-goal highest-maked employee. If actively engaged in management (2.2.5).
- Highly technical congenies related imphases of fixed in 2.2.10. (Paid at least \$25.34 per four
- Virtous in-residence workers, including property managers, range consists, and compoundous education field staff (2.2.7).
- Viennes, but not till, types til salespersons (2.2.4.2.4.1.2.4.2) end text drivers (2.2.6)
- Certain medical transportation and horistal oursing home employees have predified overtime rules (2.4.4.2.4.5).
- Downhill skit survibourd employees including on recounting Food but not ledging, are execute from 40-bour overtime (2.4.3).
- Agrandian: (2.3) and none inauportation (2.8.6) tobs are exempt from accretions and must periods, and have truste Thorible real parioda (agricultura) or no (transportation) rost parioda

#### Complaint & Anti-Retaliation Rights.

. The Division of Labor Standards and Standards fromted info at the bottom of this Poster accepts correlated and ten or be

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888-390-7936.

### Exemptions from the COMPS Order: All listed in Rule 2; key exemptions listed below.

Executives/supervisors, decision-making administrative employees, and professionals (Rule 2.2.1-3) paid the exempt salary:

Salary through 6/20	7/20-12/20	2021	2022	2023	2024	Each Year After 2024
Equal to at least minimum wage for all hours	\$35,568	\$40,500	\$45,000	\$50,000	\$55,000	Prior year's salary, inflation-adjusted

- 20% owners, or at a nonprofit the highest-paid/highest-ranked employee, if actively engaged in management (2.2.5).
- Highly technical computer-related employees (defined in 2.2.10), if paid at least \$27.63 per hour.
- Various in-residence workers, including property managers, range workers, and camp/outdoor education field staff (2.2.7).
- Various, but not all, types of salespersons (2.2.4, 2.4.1, 2.4.2) and transportation workers (2.2.6).
- Certain medical transportation and hospital/nursing home employees have modified overtime rules (2.4.4, 2.4.5).
- Downhill ski/snowboard employees, including on-mountain food but not lodging, are exempt from 40-hour overtime (2.4.3).
- Agriculture jobs are exempt from overtime and meal periods, and have more flexibility as to rest periods (2.3).



\$85



### **SALARIES**

Larimer & Weld

Animal related

Arts/Culture

Education

Other

**Environmental** 

**Human Services** 

Health/Mental Health

Youth Development

Less than \$250,000

\$250k-499k

\$500k-999k

\$1M-2,49M

\$2.5M-4.99M \$5M-9.99M \$10M+

Rural Communities

BY FOCUS OF SERVICE

Civic Improvement/Philanthro

Legal/Advocacy/Civil Rights

BY ORGANIZATION BUDGET

Resort Town

#### EXECUTIVE

**Executive Director, CEO, President** 

Provides overall management, planning and leadership of the organization. Reports directly to the board of directors.

OVERALL	25th %ile	50th %ile	75th %ile	Avg
Executive Director, CEO, President	\$84,500	\$112,892	\$147,270	\$126,377
BY REGION	25th %ile	50th %ile	75th %ile	Avg.
Denver Metro	\$96,113	\$120,000	\$150,000	\$132,245
El Paso	602.211	4110766	\$140.225	\$172.244

OVERALL

### SALARIES

50th %ile

#### **FUNDRAISING & DEVELOPMENT**

#### Development Director

Works with management to develop and implement fundraising activities within any or all of the following areas: annual giving, grantwriting, major gifts and fundraising events. May manage (directly or indirectly) staff members of the development department.

OVERALL	25th %ile	50th %ile	75th %ile	Avg.
Development Director	\$66,500	\$76,320	\$85,056	\$76,567

Awg.

### PROGRAMS, GENERAL

75th %ile

\$76,396 \$72,763 Avg. \$73,617 \$104,516

Avg.

\$78,530

\$80,351

\$58,958

\$104,516 \$73,599 \$74,720 \$81,000

\$70,900 \$74,499 \$79,629

Avg. \$61,966 \$64,936 \$78,429 \$89,418

### **SALARIES**

#### Program Director

Manages one or more mission-related programs and program staff. Oversees all program related tasks and strategies. Evaluates the performance of programs and services. Develops and manages program budget. Supervises program staff.

25th %ile

<u> </u>				
Program Director	\$66,238	\$80,000	\$94,392	\$82,472
BY REGION	25th %ile	50th %ile	75th %ile	Avg.
Denver Metro	\$66,238	\$74,230	\$93,026	\$84,148
El Paso	\$94,392	\$94,392	\$94,392	\$91,248
Larimer & Weld	\$54,250	\$66,788	\$72,644	\$65,721
Resort Town	\$57,563	\$60,799	\$70,625	\$63,511
Rural Communities	\$56,580	\$61,429	\$73,788	\$64,006

BY FOCUS OF SERVICE	25th %ile	50th %ile	75th %ile	Avg.
Arts/Culture				\$96,813
Civic Improvement/Philanthropy				\$86,400
Education	\$57,575	\$70,000	\$70,000	\$67,398

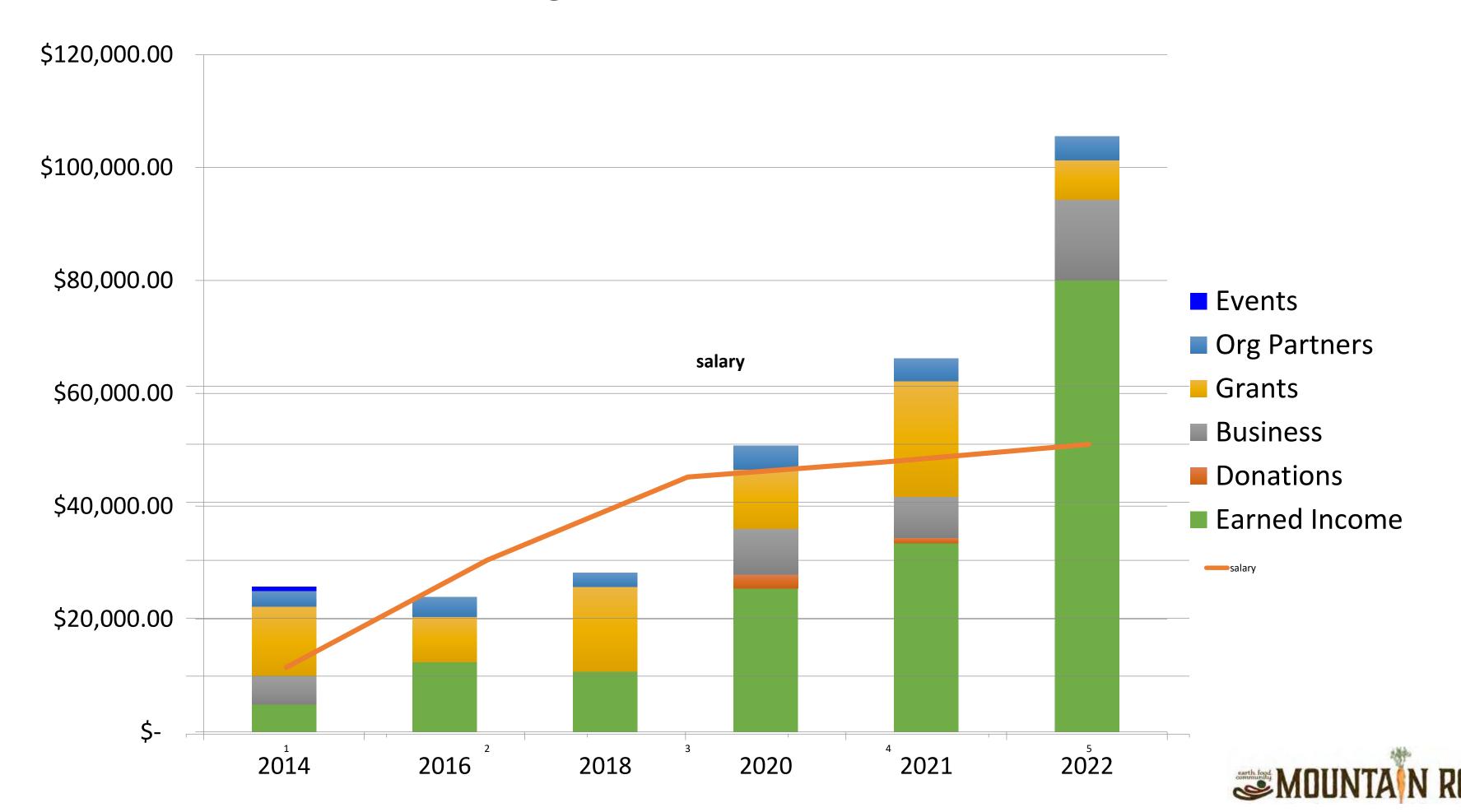
- ✓ Insurance
- ✓ Retirement
- ✓ Leave time
- ✓ Bonus/incen tive
- ✓ Annual increases



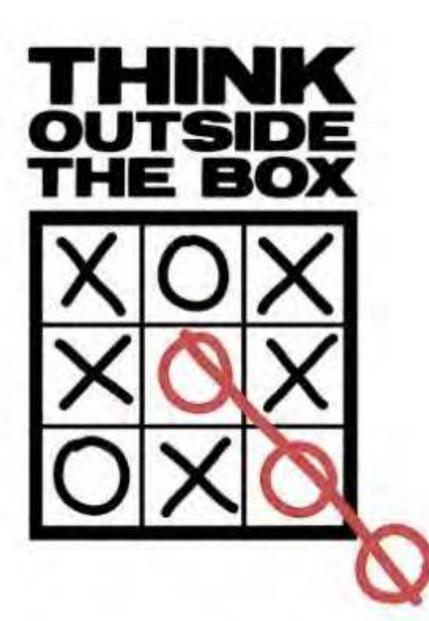
## Case Study: Farm to School Program Personnel

	2012 \$7,660	2016 \$26,720 \$10,000	2018 \$39,000 \$10,600	2020 \$54,000 \$10,600	2022 \$76,366 \$17,500
Leader	10 hrs wk x 44 wks \$14	16-18 hrs/ wk x \$15/hr	"Contracted program manager" \$15,000	Employee, 0.75FTE At \$32,000 rate \$28,000	Program Director \$45,000 salary \$4,500 payroll exp \$2,250 benefits
Support Staff 1	Plot Manager 1 \$750 stipend	CBCS Garden + Env Ed, Seasonal \$7,462	CBCS Garden + Env Ed, Seasonal \$9,500	½ as AC \$1,040 ½ as employee \$8,040	2 FT AmeriCorps \$20,000
Support Staff 2	Plot Manager 2 \$750 stipend	GCS garden + Env Ed, Seasonal \$5,502	GCS garden + Env Ed, Seasonal \$9,500	2 FT AC 2 QT AC \$5,000	2 Summer AmeriCorps \$5,000
Interns		1 @ \$1,500	2 @ \$1,500 each	1 @ \$1,500	1 @ \$1,500
Kids Cook Instructor		1 @ \$14/hr (by the class) \$2,160			
Personnel Support Costs				Uniforms \$300 Gas \$250 Prof. Dev. \$350	Housing \$14,400 Uniforms \$400 Prof. Dev. \$1,000

### Farm to School Program Revenue



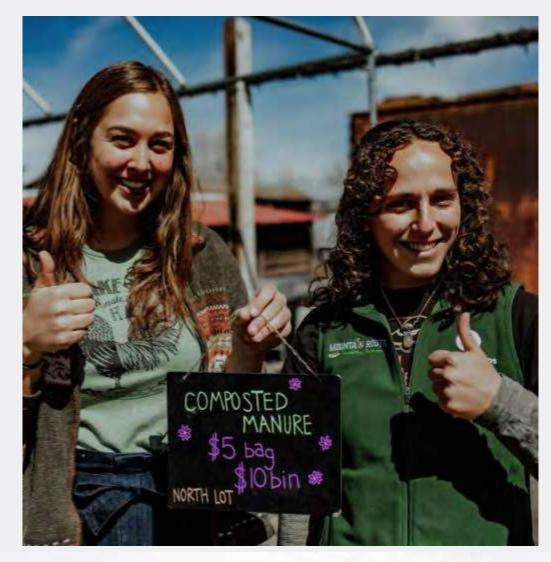


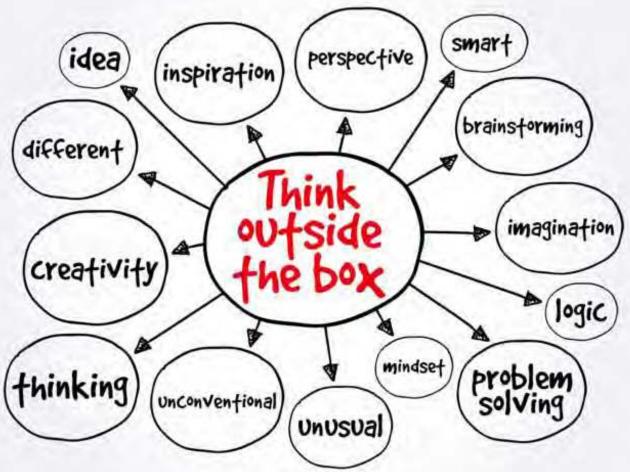


# Investing in Leadership

- People not positions v. positions not people
- Start with the WHY
- "Rising Stars" ... grow with you
- Invest in Relationships productivity increases with camaraderie
- Sequence: Elevate Key Positions First
- Mix it up Lead w/ strengths Aces in their places
- Add Value w/ Professional Development formal, informal
- Expect them to add value, too, and deliver excellence
- Find out what is meaningful to them
- Go to bat for the staff, involve them in difficult either/or decisions
- Link staffing plan to strategic plan







### **Funding Staff Positions**

### At first...

- Consider contracts vs. employee
- Consider AmeriCorps and Fellowships
- Consider sharing employees to provide FT work

### Then...

- Expand earned income models
- Include program staff in grant budgets, well in advance of hiring or growing the position
- Put staff in charge of their budgets and grant writing
- Hire "low" with a transparent trajectory, then work toward this together (long game)
- Raise \$ the year before (or more)
- Money isn't the only compensation. Creative benefits
   & perks flex time, trust, food, yoga passes, birthday cakes. Certifications.
- Creative bonuses gift cards, "points"
- Recover Indirect Costs in larger grants
- Build indirect costs into direct costs



### Challenges, Logistics, Considerations

- Bookkeeping and bank fees
- Labor Laws, COMPS act, timesheets, sick leave rules, etc.
- Unemployment (UEI)
- Benefits: Health Insurance, HSAs, Retirement
- Training & Onboarding, organizational culture
- Managing expectations after raising the bar annual increases, equity
- Career growth might mean outgrowing you
- More desks, more computers, more coffee, granola bars





"I find immense gratification in these... opportunities to meet people whose intentions and heart are in the right place. There is no complaining or resistance to the hard work, but a willingness to jump in and help achieve something that would otherwise be a huge lift for just a couple people. I [am] feeling accomplished, inspired, and happy to be a part of the Gunnison Valley community.

- Kara Williard,
MEM Graduate Fellow
Glacier Farm Manager

### Results

Happy people doing meaningful work
Work life balance / lower stress
Feel valued
Increased camaderie, peer support, morale, motivation
Increased engagement, investment

- = more productive
- = higher quality service
- = seek positive challenges
- = growth mindset
- = creative problem solving
- = loyalty
- = attract more talent



"I enjoyed doing something different every day and getting to help kids relate to and experience nature."

- Eliza Foli, Farm to School Summer Educator

