

## **United Way Responds to Report on \$1.2M Pay**

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The United Way of Central Carolinas has put a statement on its Web site in response to reports by WCNC-TV and our news partners at the Charlotte Observer that its president Gloria Pace King was paid \$1.2 million last year -- primarily in deferred compensation.

The statement calls the payment "reasonable" and "appropriate" considering "comparable market data."

But a salary survey by the Chronicle of Philanthropy shows King is paid considerably more than other United Way CEO's who raise twice as much in contributions.

Even before a payment of more than \$800,000 to her employee benefit plan to "catch up" her retirement package, the United Way board paid King salary and benefits totaling \$365,000 last year.

That makes her salary and bonuses worth more than United Way chief executives in Boston, Los Angeles and Chicago. Her salary and bonuses (not including the deferred compensation) would fall third among 42 United Way executives surveyed by the Chronicle of Philanthropy.

The United Way of the Central Carolinas raised more than \$43 million last year. The United Way of Rochester, N.Y., raised a similar amount, \$45 million. But the Rochester United Way president was paid more than \$100,000 less than King, according to the Chronicle.

The United Way in Seattle brings in more than \$100 million a year, more than twice that of Charlotte. But the Chronicle of Philanthropy reports the chief executive at Seattle's United Way earned \$222,000 last year -- more than \$100,000 less than the Charlotte CEO.

The United Way statement on its Web site says the deferred compensation payment of \$800,000 "allows her (Ms. King) to receive the benefits all other employees are able to receive." That benefit is a pension plan which would pay 60 percent of the salary upon retirement. But no other Charlotte United Way employee comes anywhere close to King's salary. The next highest paid employee, according to the agency's tax filing, is a senior vice president earning \$146,000 a year -- or less than half the salary of the CEO.

The United Way's statement also says its benefits and compensation plan is "necessary to attract and retain top talent."

But Aaron Dorfman of the charity watchdog National Committee for Responsive Philanthropy disagrees, saying, "If you're offering a \$365,000 annual salary you can get a fantastic director, president, CEO without additionally offering an \$800,000 pension contribution. It's just not

necessary. It's excessive. And people's values and priorities are out of whack if they think that's appropriate.

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