

AGA 2010 Compensation Survey Report: The Value of CGFM Certification



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About the Survey

In February 2010, Association of Government Accountants (AGA) conducted its first compensation survey. An e-mail invitation was sent to approximately 14,000 AGA members and Certified Government Financial Managers (CGFMs). In total, 3,537 completed online submissions were received by April, representing a response rate of 25 percent. Industry Insights Inc., an independent professional survey research firm, conducted the survey.

The Certification Difference

The survey highlighted the value of certification. The two most common certifications/licenses held by survey respondents were CGFM (44 percent of respondents) and CPA (38 percent of respondents); one-quarter of the respondents had no certifications or licenses.

Those who had earned a CGFM certification reported a higher average salary than those who do not: \$105,815 compared to \$78,905, a difference of 34 percent. When compared to the average salary of individuals with no designations—\$68,416—the average salary of CGFMs was 55 percent higher.

The difference is not coincidental. While many factors can affect an individual's salary, after examining correlation statistics on numerous variables, the CGFM designation had a statistically significant correlation to compensation—higher than education, age, number of years in current position, number of supervised employees or holding a CPA license. Only the number of years in government financial management field had a higher correlation.

A similar difference in salary was seen in individual titles. The two most common job titles were accountant (14 percent) and auditor (12 percent). The average salary of an accountant was \$71,028. The average salary of an accountant with a CGFM was \$89,769 and without CGFM was \$64,548—a difference of 39 percent. The average salary of an auditor was \$75,348; the average salary of an auditor with a CGFM was \$88,792 and without CGFM was \$68,729—a difference of 29 percent. As with the overall salary numbers, the difference was even greater when the salary of CGFMs was compared to individuals without any designations—47 percent for accountants and 41 percent for auditors.

Salary information by certification

	ALL RESPONDENTS	BASE SALARY				TOTAL COMPENSATION ¹			
		AVERAGE	MEDIAN	25 th PERCENTILE	75 th PERCENTILE	AVERAGE	MEDIAN	25 th PERCENTILE	75 th PERCENTILE
Responses	3,370	\$90,819	\$83,061	\$61,000	\$110,000	\$93,522	\$84,682	\$61,913	\$113,000
CGFM	1,492	\$105,815	\$100,000	\$78,000	\$124,207	\$109,354	\$101,795	\$79,768	\$127,439
CPA	1,300	\$101,806	\$93,000	\$72,029	\$120,000	\$105,171	\$94,909	\$73,372	\$123,000
No CGFM	1,878	\$78,905	\$70,000	\$54,000	\$94,946	\$80,945	\$71,000	\$54,000	\$95,500
None	861	\$68,416	\$60,000	\$48,942	\$80,000	\$69,415	\$61,000	\$49,000	\$80,100

¹ Total compensation is the sum of base salary, bonus and other cash compensation.

Certification—Other Findings

When asked, “How important do you think holding a certification or license has been in helping you get raises or promotions?” 51 percent felt that a certification or license has been very important or somewhat important to obtaining raises or promotions. In looking at specific tangible benefits for CGFMs, 12 percent of respondents indicated that they have received special consideration for hiring as a result of their CGFM credential; 3 percent indicated that they received a promotion as a direct result of their CGFM credential; 4 percent indicated that they received a pay raise as a direct result of their CGFM credential (with 5 percent as the average raise); and 3 percent indicated that they received a bonus as a direct result of their CGFM credential (with 4 percent as the average bonus).

In addition to pay raises and bonuses, employers recognize the CGFM certification in a number of ways. When asked about the benefits that their employer offered to CGFMs in general and for their position, the most common benefits selected were being a preferred credential or reimbursement of fees.

Percent of employers offering the following benefits to individuals with a CGFM (top five benefits):

Responses: 3,537

Preferred credential for certain job titles: 19 percent

Reimbursement of exam cost: 20 percent

Reimbursement of training cost to prepare for certification: 24 percent

Reimbursement of training cost to maintain certification: 30 percent

Reimbursement of renewal fee: 23 percent

Percent receiving the following benefits for holding a CGFM in their current position (top five benefits):

Responses: 1,561

Certification is preferred for my position: 17 percent

Received reimbursement of exam costs: 10 percent

Received reimbursement of training costs to prepare for certification: 13 percent

Receive(d) reimbursement of training costs to maintain the certification: 29 percent

Receive(d) reimbursement of renewal fee: 23 percent

The average salary of survey respondents with a CGFM designation was 34 percent higher than those without CGFM and 55 percent higher than those without any certifications.

When asked about the main reason for earning the CGFM certification, “to enhance my marketability” stood out as the top reason (36 percent).

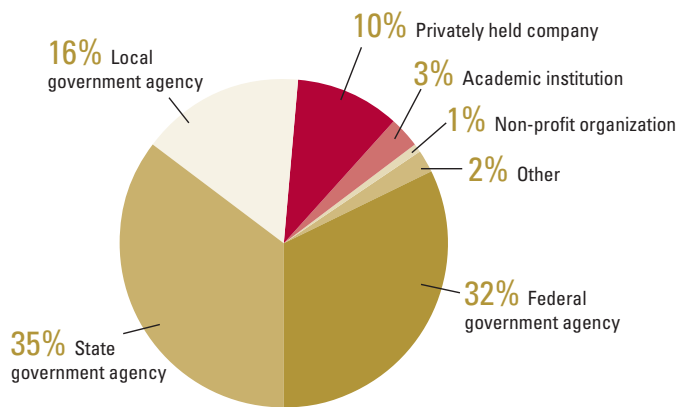
If you are a CGFM, what was the main reason you earned the designation? (top five reasons):

- Responses: 1,534
- Potential advancement: 18 percent
- Employer encouragement: 13 percent
- To increase my knowledge of the field: 17 percent
- To enhance my marketability: 36 percent
- To enhance my job performance: 6 percent

Respondent Profile

The respondents were 55 percent female and 45 percent male. The typical respondent was 48 years old. Nearly every respondent had a college degree (96 percent), with 39 percent having a master's or doctorate degree. Half of the respondents were employed by a state or a local government agency, and about one-third by a federal agency. More than half of the respondents (61 percent) worked at organizations with 1,000 or more employees worldwide.

What Type of Organization Do You Work For?



Years of service in government financial management field ranged from less than six years (19 percent) to more than 30 (11 percent), with the typical respondent having 15 years of government financial management experience. More than half of the respondents (61 percent) have been with their current employer for 10 years or less. Nearly two-thirds of the respondents (65 percent) have been in their current position for five years or less. Overall, 50 percent of the respondents reported being middle level in terms of responsibility, 35 percent at the senior level, 7 percent at the top level and 6 percent at the entry level.

Tough Economic Times

The severe economic downturn had a major impact on the compensation and benefits offered to employees. More than half of the respondents (60 percent) to this year's survey indicated that vacant positions have been left unfilled. In addition, 43 percent reported a moratorium on new hires; 42 percent reported salary freezes. The average salary increase in the last 12 months reported by survey respondents was 2 percent, but 46 percent of respondents indicated that they received no salary increase and 5 percent have seen a salary decrease.

These factors only underscore the importance of certification. The CGFM designation can help individuals entering a field of government financial management for the first time, re-entering it after time away, changing to a different branch, agency or level of government, or looking to enhance their professional development and career growth.

Conclusions

Many factors affect compensation, and the environment of each organization is unique. As this survey reveals, certification—and CGFM in particular—is a significant factor. The CGFM designation can offer additional benefits such as potential advancement and holding a credential that is preferred for certain job titles. Individuals seeking a career in government financial management or desiring to advance in the field should explore the CGFM certification to enhance their marketability and potentially increase their compensation. More information on the CGFM Program can be found at www.agacgfm.org/cgfm or by calling 800.AGA.7211.

Accountant

	ALL RESPONDENTS	BASE SALARY				TOTAL COMPENSATION ¹			
		AVERAGE	MEDIAN	25 th PERCENTILE	75 th PERCENTILE	AVERAGE	MEDIAN	25 th PERCENTILE	75 th PERCENTILE
Responses	432	\$71,028	\$65,000	\$50,231	\$89,150	\$71,764	\$65,811	\$50,816	\$90,000
CGFM	111	\$89,769	\$90,000	\$69,350	\$109,000	\$90,861	\$90,000	\$70,000	\$110,000
CPA	133	\$78,253	\$74,000	\$58,333	\$93,600	\$79,281	\$74,000	\$59,200	\$93,600
No CGFM	321	\$64,548	\$60,000	\$48,000	\$75,000	\$65,160	\$60,000	\$48,000	\$75,000
None	174	\$60,920	\$57,408	\$44,625	\$70,515	\$61,484	\$57,539	\$44,625	\$70,515

Auditor

	ALL RESPONDENTS	BASE SALARY				TOTAL COMPENSATION ¹			
		AVERAGE	MEDIAN	25 th PERCENTILE	75 th PERCENTILE	AVERAGE	MEDIAN	25 th PERCENTILE	75 th PERCENTILE
Responses	388	\$75,348	\$67,000	\$54,000	\$89,450	\$76,796	\$68,920	\$54,000	\$91,125
CGFM	128	\$88,792	\$86,155	\$61,963	\$105,036	\$90,972	\$89,600	\$62,186	\$106,210
CPA	120	\$85,451	\$74,363	\$62,425	\$100,935	\$88,012	\$75,292	\$62,619	\$103,731
No CGFM	260	\$68,729	\$62,484	\$50,000	\$75,588	\$69,818	\$62,613	\$50,000	\$76,077
None	135	\$62,887	\$57,000	\$46,750	\$72,343	\$63,255	\$57,491	\$46,750	\$73,243

¹ Total compensation is the sum of base salary, bonus and other cash compensation.

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Visit our website at
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the pathway to CGFM
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