

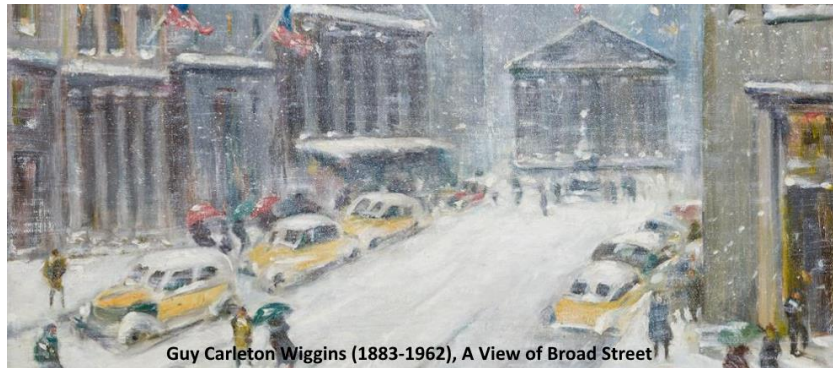
The Skorina Letter

• Retained Executive Search •

Our clients: visionary families, transformative nonprofits, Wall Street trailblazers

Our vision: build investment preeminence, create opportunity, enrich lives

Our work: provide talent, access, relationships, and insights



Chief Investment Officer Pay at Private Foundations

Price is what you pay. Value is what you get. — Warren Buffett

What do chief investment officers earn at nonprofit institutions? We recruit these executives for a living, so we avidly track their pay and performance. In this letter, we highlight the compensation of fifty chief investment officers and investment heads at private US foundations.

Many nonprofits, family offices, and Wall Street firms employ top investment professionals, but it's difficult to extract meaningful data on compensation from opaque sources. Ergo, we go with what we can get.

In this case we're going with a revealing data set from our good friend John Seitz, CEO of FoundationMark. We wrote about Mr. Seitz in last month's newsletter, "Foundation Investment Performance," and we think his research and rankings are useful companions to our endowment studies, of interest to asset owners and all purveyors of investment products and services.

The Bigger the Better

Nonprofit investors wear many hats but have essentially one metric by which they are judged, long-term performance. However, that does not seem to be the metric for how they are paid. When it comes to compensation, size matters.

A few years ago, we ran some correlations using our archival data-sets to see how pay correlated to AUM, tenure, and performance at endowments.

The coefficient for AUM to comp was 0.69, which is moderately high. But tenure and performance did not appear to have much impact on CIO pay. In most cases, size trumps all other metrics.

Our correlations

Comp-vs- AUM: 0.69

Comp-vs-Tenure: 0.31

Comp-vs-5yr Returns: 0.27

Kevin Hallock at Cornell University, an expert in the field of executive compensation and author of “Pay: Why People Earn What They Earn and What You Can Do Now to Make More,” puts it this way:

It doesn't matter whether company size is measured as assets, market value, sales, revenue, or number of employees — bigger firms pay more ... way more.

We can isolate the impact of all kinds of other characteristics (e.g., industry, return on assets, profitability, research and development expense, etc.) and even use complicated statistical techniques to remove the influence of “unmeasurable” characteristics, and the size-to-pay link remains intact.

The bottom line. Be it Wall Street, Main Street or nonprofit institutions – the bigger the assets, the better your chances at making more money.

Dense, Dry, and Detailed

The IRS uses 990 filings for tax computations and foundations must swear to the accuracy of the data “under penalty of perjury.” Fortunately for us, all of the numbers in our table below are publicly available in the filings as long as you are patient and willing to dig for them.

Foundations have a hodgepodge of fiscal year-ends, and many are excruciatingly slow to file the IRS forms no matter what their fiscal year. There can be a long time-lag, often up to a year or more before the data is publicly available.

One last caution. 990s data is generally consistent but not always apples to apples. If you see a figure that you know is off and have an explanation we can publish, let us know. We're happy to revise and send out an update.

Caveats

We like to publish clear tables with easy-to-read data. To spare the eyes and keep tables legible, we've added the compensation, benefits, and expense numbers together for each head of investments and filing year. In all but a few cases the benefits and expenses run ten to twenty percent of listed compensation.

There are exceptions. For Jim Williams at the Getty, Scott Taylor at the Mellon, and Robert Manilla at Kresge, their benefits plus expenses were more than half their listed compensation for the most recent filing year. And for Jay Flaherty at the Mott, about one third of his compensation.

As for any breakout reveals of base and bonus – and insights as to how bonuses and performance relate – they just aren't there folks. Most foundations don't reveal detailed comp breakdowns and they don't have to. And, of course, we can only publish pay and performance from public sources, not what we might have been told in private.

And now, our feature presentation.

-- Charles Skorina

Foundation Investment Compensation

CIO, Head of Investments

Charles Skorina & Company: <http://www.charlesskorina.com>

Source: John Seitz, CEO, FoundationMark

(Latest available)

–	Foundation (Fdn)	CIO, Head of Investment at time of 990s filing	TOTAL Comp, Bonus, Expenses (prior year)	TOTAL Comp, Bonus, Expenses (latest filing)	% +/-	AUM (\$bn)	990PF Filing Date
–	–	–	–	–	–	–	–
1	William & Flora Hewlett Fdn	Ana Marshall	3,777,527	5,242,870	+38.8	14.9	12/31/2021
2	Gordon E And Betty I Moore Fdn	Denise Strack	3,376,591	4,792,436	+41.9	9.62	12/31/2021
3	Ford Fdn	Eric Doppstadt	2,728,990	3,813,327	+39.7	20.1	12/31/2021
4	J Paul Getty Trust	James M Williams	2,774,432	3,721,681	+34.1	16.3	06/30/2022
5	John D & Catherine T MacArthur Fdn	Susan E. Manske	2,554,917	2,768,520	+8.4	9.46	12/31/2021
6	Andrew W Mellon Fdn	Scott Taylor	2,218,451	2,744,513	+23.7	9.55	12/31/2021
7	David And Lucile Packard Fdn	Kimberly Sargent	2,381,808	2,659,045	+11.6	10.0	12/31/2021
8	Robert Wood Johnson Fdn	Brian O'Neil	2,503,679	2,387,559	(4.6)	14.8	12/31/2021
9	Charles Stewart Mott Fdn	Jay C. Flaherty	1,704,776	2,243,333	+31.6	4.38	12/31/2021
10	The Wallace Fdn	Rob D Nagel	1,148,052	2,127,745	+85.3	2.04	12/31/2021
11	Carnegie Corp. NY	Mark Baumgartner	1,142,753	2,078,540	+81.9	4.07	09/30/2022
12	Kresge Fdn	Robert J. Manilla	1,837,059	1,996,583	+8.7	4.66	12/31/2021
13	Conrad N Hilton Fdn	Michael Buchman	1,993,238	1,921,553	(3.6)	8.72	12/31/2021
14	The Helmsley Charitable Trust	Rosalind M Hewsenian	1,852,665	1,875,882	+1.3	8.22	03/31/2022
15	The JPB Fdn	Gerald McNamara	1,574,445	1,774,000	+12.7	5.04	12/31/2021
16	Harry & Jeanette Weinberg Fdn	David Gilmore, CIO	632,644	881,531	+39.3	3.37	12/31/2021
–	Harry & Jeanette Weinberg Fdn	Jonathan Hook, CIO ret.	1,287,107	1,754,411	+36.3	–	–
17	Rockefeller Fdn	Chun Lai	1,318,984	1,717,402	+30.2	7.47	12/31/2021
18	Margaret A Cargill Fdn	Shawn Wischmeier	1,746,770	1,673,003	(4.2)	3.79	12/31/2021

19	James Irvine Fdn	Tim Recker	1,339,846	1,660,803	+24.0	4.09	12/31/2021
20	Mother Cabrini Health Fdn	Colin Ambrose	833,504	1,490,336	+78.8	4.42	12/31/2021
21	Alfred P Sloan Fdn	Elizabeth M. Hewitt	1,079,346	1,415,256	+31.1	2.39	12/31/2021
22	Casey Family Programs	Joseph Boateng	1,429,639	1,331,245	(6.9)	3.04	12/31/2021
23	Conrad N Hilton Fdn	Yatin Patel, left Jun'21	1,964,967	1,260,768	(35.8)	8.72	12/31/2021
24	Rainwater Charitable Fdn	Randy Kim (dec.)	1,174,149	1,175,498	+0.1	1.26	12/31/2021
25	William Penn Fdn	MaDoe Htun	1,077,772	1,129,049	+4.8	3.92	12/31/2021
26	Kresge Fdn	John A. Barker	823,652	1,002,034	+21.7	4.66	12/31/2021
27	The Wallace Fdn	Tom Lenehan	NA	965,552	NA	2.04	12/31/2021
28	Ewing Marion Kauffman Fdn	Lisa Murray	802,045	874,742	+9.1	3.53	12/31/2021
29	The California Endowment	David Greenberg, CIO	701,265	969,391	+38.2	4.75	03/31/2022
–	The California Endowment	Ruth Wernig CIO ret.	1,096,843	861,932	(21.4)	–	–
30	Annie E Casey Fdn	May Ng	723,537	732,958	+1.3	4.2	12/31/2021
31	GHR Fdn	Jason Matz	582,226	650,135	+11.7	1.26	12/31/2021
32	M J Murdock Charitable Trust	Elmer Huh	565,490	648,645	+14.7	2.37	12/31/2021
33	Richard King Mellon Fdn	Doug Sisson	577,673	616,906	+6.8	3.79	12/31/2021
34	Meyer Memorial Trust	Rukaiyah Adams	1,305,662	586,677	(55.1)	1.01	03/31/2022
35	The Heinz Endowments	Edward Kolano	561,537	577,647	+2.9	2.47	12/31/2021
36	Sherman Fairchild Fdn	Walter (Wally) Burke III	558,044	564,705	+1.2	1.30	12/31/2021
37	Lumina Fdn For Education	Brad Kelsheimer	489,919	532,126	+8.6	1.60	12/31/2021
38	John Templeton Fdn	Brian Crawford	NA	523,525	NA	3.89	12/31/2021
39	Otto Bremer Trust	Daniel Reardon	520,787	521,766	+0.2	2.15	12/31/2022
40	The Colorado Health Fdn	Stanford Willie	495,006	501,181	+1.2	3.15	12/31/2021
41	Duke Endowment	K. Todd Walker	467,094	481,315	+3.0	5.89	12/31/2021
42	The Annenberg Fdn	Paul Manganiello	402,929	447,030	+10.9	1.80	12/31/2021
43	Lilly Endowment	Peter A. Buck	409,174	443,941	+8.5	40.8	12/31/2022
44	Joyce Fdn	Nickol R. Hackett	376,421	418,552	+11.2	1.41	12/31/2021

45	Bush Fdn	John Otterlei	343,016	391,275	+14.1	1.81	12/31/2021
46	Lynde And Harry Bradley Fdn	Stephen Langlois	319,531	375,016	+17.4	1.18	12/31/2021
47	Kimbell Art Fdn	Mark K Rich	220,000	255,552	+16.2	2.92	12/31/2021
48	Brown Fdn	Gwendolyn Goffe	200,934	204,307	+1.7	1.69	06/30/2022
49	The California Wellness Fdn	Anabel Giron	NA	197,776	NA	1.25	12/31/2021
50	Marguerite Casey Fdn	Daniel Gould	NA	196,651	NA	1.00	12/31/2021

What We Do

We [recruit](#) preeminent investment talent, facilitate [OCIO selection](#), and [advise](#) on growth and acquisitions.

If you have a retained search assignment in mind or know of someone who does, we would like to hear from you.

If you are considering an outsourced chief investment officer, we have done the homework.

If growth is your gospel, we bring forty years of insights. Give us a call.

The Skorina Letter

Each issue explores how the world's most accomplished asset managers think and invest. Original content includes profiles and interviews with industry veterans and research on compensation and investment performance.

Our insights and commentary come from our clients – board members, CEOs, chief investment officers – and the global investment community within which we work as executive search professionals.

Institutional investors operate at the crossroads of capital, talent, and ideas, shepherding over seventy trillion dollars in global assets. It's a constantly evolving spectacle and The Skorina Letter gives readers a ringside seat.

Prior issues can be found in "[archives](#)" on our [website](#).

CHARLES SKORINA & COMPANY

Our services: recruit investment professionals, facilitate OCIO selection, M&A consulting

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