

Employee Stipend Funding Hits \$1,029, Compt's 2025 Midyear Report Shows

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-- Compt, the leading platform for
lifestyle benefits, today released its
2025 Midyear Lifestyle Benefits
Benchmark Report, revealing that
average stipend funding rose to \$1,029
per employee — a \$170 increase over
2024. The finding signals a shift in how
employers are investing in employees
amid flat salary budgets, prioritizing
flexible benefits that adapt to
employees' real lives.



The report analyzes stipend and Lifestyle Spending Account (LSA) data from January through June 2025 across industries and company sizes. Its findings underscore a clear trend: employers are consolidating perk spend, expanding flexibility, and prioritizing benefits that meet employees' real-life needs — even as salary budgets remain flat.

A Closer Look at 2025 Midyear Trends

All-Inclusive LSAs Dominate: 65% of employers now offer Lifestyle Spending Accounts (LSAs), with 77% funded quarterly. These programs consolidate benefits into a single, flexible budget that employees actually use.

Employees Choose Local: 70% of stipend dollars were spent at niche vendors and local and independent businesses rather than major retailers like Amazon or Walmart, reinforcing the impact of flexible, reimbursement-based models over limited vendor marketplaces.

Professional Development Surges: 99% of professional development stipends are now annual, with spend flowing to books (19%), Al and emerging tech tools (15%), and courses (9%). The rise of Al stipends points to a major 2026 planning opportunity.

Regional Gains Across the U.S.: The West led stipend funding with \$1,514 per employee while the

Midwest climbed nearly 20% to \$754, showing every region is investing more in lifestyle benefits despite economic pressures.

"Flat salary budgets don't mean you stop investing in people. It just means you have to be smarter about it," said Amy Spurling, Compt's Founder and CEO. "Benefits that fit real lives (stipends for gym reimbursements, groceries, childcare, Al skills) are the difference between employees who stay and thrive and employees who leave."

Other Key Findings and Implications for Business Leaders

Beyond the headline increase in stipend funding, the report paints a picture of how benefits are evolving in real time. Small companies continue to outspend their larger peers, investing \$1,716 per employee (more than double the amount at large organizations). Meanwhile, every region of the U.S. saw an uptick in benefits funding, with the West topping the list at \$1,514 per employee and the Midwest making its strongest showing yet with nearly 20% YoY growth.

Equally telling is how employees are using those dollars. While 78% of current spending remains taxable, employers are steadily expanding into nontaxable categories, like cell phone, internet, and student loan repayment, to stretch budgets further.

Taken together, these shifts make the implications for HR and Finance clear: employees want benefits that feel personal, predictable, and future-focused. The playbook for 2026 is consolidation through all-inclusive Lifestyle Spending Accounts (LSAs), consistency through quarterly funding, and forward-looking investments in professional growth and financial wellness.

Download the Full Report: Compt's 2025 Midyear Benchmark Report

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