

CEO Evaluation and Compensation Setting Policy - Adopted June 23,2015

The executive director of Community Action Services and Food Bank is the principal representative of Community Action, and the person responsible for the efficient operation of the agency. Therefore, it is the desire of Community Action to provide a fair yet reasonable and not excessive compensation for the executive director (and any other highly compensated employees and consultants).

The annual process for determining compensation is as follows: The Community Action full board shall annually evaluate the executive director on his/her performance and ask for his/her input on matters of performance and compensation.

Board Approval

The executive committee will obtain research and information to make a recommendation to the full board for the compensation (salary and benefits) of the executive director (and other highly compensated employees or consultants) based on a review of comparability data. For example, the executive committee will secure data that documents compensation levels and benefits for similarly qualified individuals in comparable positions at similar organizations. This data may include the following:

- Salary and benefit compensation studies by independent sources (e.g., Utah Nonprofit Association, Community Action Partnership)
- Written job offers for positions at similar organizations
- Documented telephone calls about similar positions at both nonprofit and for-profit organizations
- Information obtained from the IRS Form 990 filings of similar organizations

Concurrent Documentation

To approve the compensation for the executive director (and other highly compensated employees and consultants), the board must document how it reached its decisions, including the data on which it relied, in minutes of the meeting during which the compensation was approved. Documentation will include the following:

- A description of the compensation and benefits and the date it was approved
- The members of the board who were present during the discussion about compensation and benefits, and the results of the vote
- A description of the comparability data relied upon and how the data was obtained
- Any actions taken (such as abstaining from discussion and vote) with respect to consideration of the compensation by anyone who is otherwise a member of the board but who had a conflict of interest with respect to the decision on the compensation and benefits

Independence in Setting Compensation

The president of the board of directors, who is a volunteer and not compensated by Community Action, will operate independently without undue influence from the executive director. No member of the executive committee will be a staff member, the relative of a staff member, or have any relationship with staff that could present a conflict of interest.