

United Way of Greater Nashua

Policy for Board Approval of President's Compensation

The President of United Way of Greater Nashua (UWGN) is the principal representative of the organization, and the person responsible for the efficient operation of UWGN. Therefore, it is the desire of UWGN to provide a fair yet reasonable and not excessive compensation for the President (and any other highly compensated employees and consultants).

The annual process for determining compensation is as follows: UWGN's Executive Committee shall annually evaluate the President on his/her performance, and ask for his/her input on matters of performance and compensation. The review will include an evaluation of the President's performance against the Service Level Agreement that UWGN has in place with 501hub, Inc., which employs the UWGN President and provides his/her services under contract.

Board Approval. The Executive Committee will obtain research and information to make a recommendation to the full board for the contract amount to be paid to 501hub for the services of the UWGN President based on a review of comparability data for similarly situated individuals who are employed directly by like non-profit organizations, including other local United Ways. 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:

1. Salary and benefit compensation studies by independent sources and United Way Worldwide;
2. Written job offers for positions at similar organizations;
3. Documented telephone calls about similar positions at both nonprofit and for-profit organizations; and
4. Information obtained from the IRS Form 990 filings of similar organizations.

Concurrent Documentation. To approve the compensation for the President, the Executive Committee 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:

- a) A description of the compensation and benefits and the date it was approved;
- b) The members of the board who were present during the discussion about compensation and benefits, and the results of the vote;
- c) A description of the comparability data relied upon and how the data was obtained; and
- d) 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 Chair of the board of directors, who is a volunteer and not compensated by UWGN, will operate independently without undue influence from the President.

No member of the Executive or 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.

Date approved: