



Policy for Board Approval of Compensation of Executive Director and other Highly Compensated Employees

The Executive Director of Jewish Family Services of Middlesex County (JFS) is the principal representative of JFS, and the person responsible for the efficient operation of the agency. Therefore, it is the desire of JFS to provide a fair yet reasonable but 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 Executive Committee annually evaluates the Executive Director on his/her performance, and asks for his/her input on matters of performance and compensation. 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:

1. Salary and benefit compensation studies by independent sources;
2. Written job offers for positions at similar organizations;
3. Documented telephone calls about similar positions at both non-profit 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 Executive Director (and other highly compensated employees and consultants) the Board will 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 President of the Board of Trustees, who is a volunteer and not compensated by JFS, 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.

Date of Board approval: May 2016