



Compensation Policy and Procedure

There With Care Board of Directors is responsible for hiring and establishing the compensation (salary and benefits) of the Executive Director. The Compensation Committee identifies compensation that is "reasonable," but that also is competitive enough to attract and retain the highest quality individual to lead the organization.

There With Care follows the IRS recommended process for determining the appropriate compensation for the Executive Director:

- 1) Establish a committee tasked with setting reasonable compensation (the Compensation Committee) guidelines for the organization.
- 2) Review appropriate benchmarking data—such as industry surveys, compensation studies and Form 990's to determine reasonable compensation.* The IRS recommends at least 3 comparables.
- 3) Recommend the compensation for the Executive Director to the full board for consideration and approval. Following a vote, the Compensation Committee documents what was approved, who was involved, and the process used to conduct the review.

This three-step process is referred to as the process of "rebuttable presumption" and used by the IRS to establish reasonableness.

*Compensation must be commensurate with the duties and responsibilities of the person being compensated. The IRS recommends comparing duties and responsibilities; not simply job titles. To determine whether the individual's compensation is commensurate with others in the same position and thus reasonable, the IRS considers, among other factors:

- the individual's duties and responsibilities;
- the number of employees the individual manages;
- the size of the budget or assets the individual manages;
- the number of hours worked;
- geographic region and whether the job is national or local in scope;
- whether the individual manages multiple functions or departments; and,
- the number of persons served by the organization.

This benchmarking data is also used by the Executive Director to set compensation for the entire organization. As an Employer of Choice, There With Care strives to set all employee salaries in the top 75% of salaries as designated by non-profit salary surveys.



Timing for Compensation Review

Under the guidelines of the Compensation Policy, salaries for the Executive Director and organization are reviewed and set annually during the third and fourth quarter budgeting process, and as needed throughout the year.

Additionally, discretionary bonuses for members of the executive team may be provided in recognition of an employee's mission-driven efforts or exceptional performance. While the employee's overall compensation is considered when determining the appropriate amount, bonuses are not guaranteed and are not budgeted. Bonuses may only be paid provided there are no resulting negative impacts on programs or services.

The accomplishments and financials of the organization are reviewed (at least) quarterly and discussed during the board meetings. A bonus for the Executive Director is considered during the last fiscal quarter of the year and is based on benchmarking data, mission-driven accomplishments and annual financials.

At the last board meeting of the fiscal year, There With Care's Board of Directors reviews the current and projected financials and mission-driven accomplishments of the organization to determine if a bonus for the Executive Director is appropriate. The Executive Committee will put forth a bonus recommendation for a vote, based on achievements and under the guidelines of the Compensation Policy.

Following approval, There With Care Board of Directors will award the bonus to the Executive Director during the fiscal year in which it was earned.