

MetroWest Health Foundation

Trustee and Executive Compensation Policy

I. Background

The goal of the Trustee and Executive Compensation Policy is to provide reasonable and competitive executive compensation practices that attract and retain individuals possessing the experience and skills needed to manage and improve the performance of the organization.

The Foundation's compensation program is designed to:

- Encourage the attraction and retention of high-caliber executives.
- Provide a competitive total compensation package, including benefits.
- Ensure that pay is fair and equitable.
- Be flexible to reward individual accomplishments as well as organizational success.
- Balance the need to be competitive with the limits of available financial resources.
- Ensure that the program complies with state and federal regulations.

II. Trustee or Committee Member Compensation

No trustee, committee member, or grants panel member shall be compensated for his or her service on behalf of the Foundation. The foundation shall not extend credit, including personal loans, to any officer or trustee of the foundation.

III. CEO Evaluation and Compensation

The Board of Trustees shall annually evaluate the performance of the president in a manner prescribed by the Personnel Committee.

The Board of Trustees shall establish the compensation of the president. Compensation of the president shall be "just and reasonable" and set by the full board upon the recommendation of the Personnel Committee.

The Personnel Committee shall follow the IRS's excess benefit transaction rules (i.e. basing the decision on comparable data readily available to the board or committee and recording the process and decision in writing), which create a legal presumption of reasonableness for the compensation of disqualified persons of public charities.

The Committee shall obtain and rely upon appropriate compensation data as to comparability prior to making its determination. Relevant information includes, but is not limited to, current compensation surveys compiled by independent firms, compensation levels paid by similarly situated organizations for functionally comparable positions and written offers from similar institutions competing for the services of the person under consideration. Sources may include annual salary surveys conducted by such groups as the Council on Foundations, Grantmakers in Health and Associated Grant Makers, and the Form 990 filings of area foundations and agencies obtained through GuideStar and other online resources.

The president is precluded from participating in the Board of Trustees' or Personnel Committee's discussion, debate or decision pertaining to his/her compensation.

The Personnel Committee shall document its recommendations and the decisions of the Trustees in writing. The document shall detail the decision, the process used by the committee/trustees to make the decision, the data used to support the decision and any other information relevant to the decision making process.

Approved By the Board of Trustees 4/30/09