

MONADNOCK HUMANE SOCIETY

EXECUTIVE DIRECTOR COMPENSATION POLICY

Effective: August 25, 2022

1. **Purpose:** The purpose of this policy is to ensure that the Executive Director Compensation is competitive to our region and business, set at an appropriate level per our approved salary range, and structured in a manner to attract, hire and retain a fully qualified and effective leader to successfully implement the organization's mission.
2. **Effective Date:** These Policy Guidelines shall become effective May 24, 2016. Revised August 25, 2022.
3. **Policy Coordination:** This policy is designed to work in concert with MHS's Ex. Director Performance Review Policy.
4. **Review and Amendment:** The Human Resources Committee shall be responsible for review of this policy and making recommendations for amendments. This policy shall be reviewed at least annually or whenever it becomes inconsistent with state or federal laws. Any amendments shall be written and submitted to the Board to be placed on the agenda for discussion and approval at the next Board meeting.
5. **Requirements:** Compensation deliberations and recommendations to the board are performed by the Board Human Resources Committee (HR Com) & shall not involve the Executive Director.
 - a. Documentation of deliberations, presentations to the board, and decisions made about executive compensation must be kept by the HR Com. to support the rationale for compensation levels and methods used for determining the compensation package. This documentation should be filed in the BOD FOLDER for historical reference.
6. **Process:**
 - a. Use of external salary benchmarks--- It's essential that boards the MHS Board have an understanding of the market as they make decisions on compensation. In January, the HR Committee will research and document current comparative information on compensation for Executive Directors in similar sized (use expense budgets as the comparison) non-profit and animal welfare organizations both regionally and statewide. Also, the average household income should be considered to ensure regional similarities.
 - b. A "comparables matrix" will be compiled based on published compensation data taken from sources such as comparable organizations' Form 990s, NH Center for Non-Profits Salary survey, and/or Society of Animal Welfare Administrators (SAWA) and Guidestar's compensation report.
 - c. If determined appropriate, the HR Com. will present their proposal for the ED wage increase in the form of a range (minimum to maximum) to the Finance Committee in March or early April to ensure the range is within the budget and can be entered into the budget.
 - d. The HR Comm will then present the matrix, other research, and rationale for any proposed ED compensation package for the new fiscal year at the April Board meeting when the budget is also presented for approval (see the compensation template) for a full board discussion and vote.
7. **For New Executive Directors,** HR will work with the Search Committee to review the preferred candidate's resume against the published job description and salary range to create a compensation package that is fair and appropriate. The ED compensation package will be presented to the full board and approved prior to an offer being made.