

The Humane Society of Baltimore County, Inc.

(DBA: Baltimore Humane Society)

Policy* for Board Approval of Executive Director Compensation

**The format and content of this policy is adapted from The National Council of Nonprofits "Sample Policy for Board Approval of Compensation," copyright © 2010 National Council of Nonprofits.*

Scope & Significance of the Roles & Responsibilities of the Executive Director. The Executive Director of the Humane Society of Baltimore County, Inc. (DBA: Baltimore Humane Society) is the principal representative of the Baltimore Humane Society, and the person responsible for the efficient operation of the organization.

The Executive Director assumes responsibility for fund development, organizational management (including but not limited to the operation of the low-cost wellness center, the adoption center, the cemetery, the wildlife sanctuary, and the administrative office), public relations/advocacy, and program development and implementation. The Executive Director ensures that funding, management, advocacy, and programming work in concert to support the mission of the organization: provide a temporary home, a safe refuge, and care for unwanted and homeless animals; to care for and rehome homeless or unwanted animals; work aggressively to place each animal that comes to our shelter in a loving, permanent home; strive to end the euthanasia of healthy, adoptable animals by promoting and offering affordable spaying and neutering to control the population of unwanted animals in our area and addressing the issues that cause people to give up animals; advance the cause of the humane treatment of animals and increase awareness of animal issues through public education; and ensure a peaceful final resting place for beloved pets through the operation of a beautiful and well-maintained cemetery for companion animals.

Therefore, it is the desire of the organization to provide a fair yet reasonable and 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 Board of Directors shall annually evaluate the Executive Director on his/her performance, and ask for his/her input on matters of performance and compensation.

Board Approval. The Board President and several members of the Board of Directors (the "Executive Search and Hiring Committee") will obtain research and information to make a recommendation to the full board for the compensation (salary and benefits) of the Executive Director based on a review of the organization's fiscal health and comparability data. For example, the Committee will examine the past and present fiscal health of the organization, and determine where to set the Executive Director's salary *in appropriate relation to* the organization's fiscal health. Additionally, the 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. Data indicating The Humane Society of Baltimore County's past and present fiscal health, which may include: 990 forms; budgets; development plans; monthly income/expense statements; annualized income projections; etc.
2. Salary and benefit compensation studies by independent sources;
3. Written job offers for positions at similar organizations;

4. Documented telephone calls about similar positions at other nonprofit organizations; and
5. Information obtained from the IRS Form 990 filings of similar organizations. (As of the time of the writing of this policy, similar organizations, in mission, geographic location, and/or revenue stream may include but are not limited to: Animal Welfare Society of Howard County Inc.; Baltimore Animal Rescue & Care Shelter; the Humane Society of Carroll County; Last Chance Animal Rescue; Small Miracles; the SPCA of Anne Arundel County; etc.)

Concurrent Documentation. To approve the compensation for the Executive Director the Executive Search and Hiring Committee must document how it reached its decisions, including the fiscal and comparability 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 fiscal and 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 Directors, who is a volunteer and not compensated by the Nonprofit, will operate independently without undue influence from the Executive Director.

No member of the Executive Search and Hiring 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.