



Policy for Board Approval of Compensation

The Executive Director of Volunteers in Medicine Hilton Head Island is the principal representative of VIM and the person responsible for the efficient operation of VIM. Therefore, it is the desire of VIM to provide a fair yet reasonable compensation for the Executive Director. In determining overall Executive Director compensation, employee performance is a critical factor and VIM's Executive Committee will annually evaluate the Executive Director on his/her performance, and compensation adjustments will be made as determined appropriate by the Executive Committee.

Board Approval. At the request of the Executive Committee, the Chair of the Planning and Governance Committee, or his/her designee, will obtain competitive compensation and benefit research data, and will make salary/benefit recommendations for approval by the Executive Committee and the full VIM Board. For example, the Planning and Governance Committee will secure data that documents compensation levels and benefits for similarly qualified individuals in comparable positions at similar organizations. The comparability data will be collected, as requested by the Executive Committee or as determined by the Board on a regular interval of not more than three (3) years. This data will primarily include salary and benefit compensation studies by independent sources, but may also include:

1. Written job offers for positions at similar organizations;
2. Documented telephone calls about similar positions at both nonprofit and for-profit organizations; and
3. 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 must 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 Chair of the board of directors, who is a volunteer and not compensated by VIM, will operate independently without undue influence from the Executive Director.

No member of the Executive or Governance and Planning 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 approved: 2/12/2020