



### **Policy for Determining Executive Director Compensation**

LWB began as a 100% volunteer organization, and for the first seven years of its operation, the Executive Director did not take any compensation for her work. As the foundation grew to over 1 million dollars per year of direct humanitarian aid services to children, the decision was made in 2009 to begin paying the Executive Director a part time salary. In 2011, the decision was made by the Board of Directors that the work load of this position is full time, and that compensation should be made.

Before the July 2011 Board of Directors meeting, the following policy to determine fair Executive Director compensation was put into place:

- The HR Director is responsible for drafting and maintaining a current and accurate job description for the Executive Director of LWB.
- The Board of Directors, none of whom receive compensation, are responsible for establishing the compensation and benefit arrangements provided to the Executive Director of LWB.
- The Vice Chair of the Board of Directors is responsible for drafting the recommendation for the Board and for doing the research on comparable salaries paid to non profit CEOs doing similar work. This research must take into account regional differences.

This data may include the following:

1. Salary and benefit compensation studies by independent sources;
2. Information obtained from the IRS Form 990 of similar organizations.

- The Board of Directors is authorized to seek outside independent compensation and legal advisors, when deemed necessary, to make an ethical and fair decision on Executive Director compensation.
- The Executive Director will not participate in Board deliberations concerning executive compensation, other to answer questions.
- The Board of Directors shall annual review the performance of the Executive Director to review matters of performance and compensation.