

## **Hebrew Free Loan, San Francisco Executive Director Compensation Policy**

The Executive Director of Hebrew Free Loan is the principal representative of Hebrew Free Loan, and the person responsible for the efficient operation of the agency. Therefore, it is the desire of Hebrew Free Loan to provide a fair, reasonable and not excessive compensation for the Executive Director.

The annual process for determining compensation is as follows: Either a representative group or the full Executive Committee shall annually evaluate the Executive Director on her performance, and ask for her input on matters of performance and compensation.

Board Approval. Based on a review of comparability data, the Executive Committee will determine an appropriate compensation (salary and benefits) of the Executive Director. The data the committee will consider may include the following:

1. Salary and benefit compensation studies by independent sources;
2. Written job offers for positions at similar organizations;
3. Documented telephone calls about similar positions at both nonprofit and for-profit organizations; and
4. Information obtained from the IRS Form 990 filings of similar organizations.

The Executive Committee will make a recommendation to the Board of Directors in Executive Session and the Board will take a formal vote on approving the recommended compensation.

Documentation. To approve the compensation for the Executive Director, the Executive Committee must document how it reached its decisions, including the data on which it relied, in notes of the meeting during which the compensation was approved. Documentation will include some or all of the following:

- 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; and
- c) A description of the comparability data relied upon and how the data was obtained.

Independence in Setting Compensation: The Chair of the board of directors, who is a volunteer and not compensated by Hebrew Free Loan, will operate independently without undue influence from the Executive Director.

No member of the Executive Committee involved in this decision will be a staff member, the relative of a staff member, or have any relationship with staff that could present a conflict of interest.