

# Youth On Their Own

## CEO Performance & Compensation Review Policy

YOTO’s Board of Directors is responsible for regularly assessing the performance of the CEO and ensuring that the CEO has the support needed to further the mission and vision of the organization. This policy outlines the process for an annual review of the CEO’s performance and compensation. This process is led by the Board President and the Executive Committee.

### 1. Process & Timeline

The annual process for reviewing CEO performance and compensation includes the following inputs to assist the board in their evaluation:

INPUT	WHEN	PROCESS
Employee Satisfaction Survey	March	Submitted via online survey which is administered, collected, and summarized by a third party (consultant).
CEO Self-Assessment	March	Completed by the CEO and provided to the Board of Directors.
Board Assessment of CEO	March	Provided via online survey which is administered, collected and summarized by the Director of HR.
Organizational Dashboard	Monthly	Ongoing reporting of key metrics to assess organizational performance and health, updated by the CEO.
CEO Wage Data Analysis	March/April	Conducted by Executive Committee using the Lodestar Nonprofit Compensation & Benefits Report and any additional local data via consultant or 990 reviews. Director of HR may be asked to help collect relevant wage data.
Staff Wage Change Report for next fiscal year	March/April	Provided by CEO to the Executive Committee.

With all inputs collected, the review process includes these components, in this order:

- 1) Executive Committee meets to prepare a performance summary and compensation recommendations for the board (April). Recommendations for compensation changes may include:
  - Salary adjustment for cost of living, market adjustment, and/or based on performance.
  - Bonus payments based on performance, retention, or other factors recommended by the Executive Committee.
  - Benefits adjustments outside the standard benefits provided by YOTO to all employees.
- 2) Board President leads a closed session discussion about the performance summary and compensation recommendation at a board meeting (April).
- 3) Board President meets with CEO to discuss performance feedback and any compensation changes (May).
- 4) Board President provides review certification document to Director of HR (May).

## **2. Concurrent Documentation for Compensation Decisions**

The board will document how it reached its decisions regarding CEO compensation, including the data on which it relied, in minutes of the closed session board meeting during which any compensation changes are approved. Documentation will include:

- The members of the board who were present during the discussion about compensation and benefits, and the results of the vote.
- A description of the changes to compensation and/or benefits and the date it was approved.
- A description of the comparability data relied upon and how the data was obtained.

The Board President and Board Secretary are responsible for ensuring that all steps in the process are followed and documented according to this policy.

## **3. Independence in Setting Compensation**

The Board President, who is a volunteer and not compensated by YOTO, will operate independently without undue influence from the CEO. No member of the Executive 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.