

 SACVALLEY MEDSHARE	POLICY: <i>Executive Compensation</i>	POLICY NUMBER: <i>SVMS-25.001</i>
Compliance Requirement	Author: Elizabeth L Steffen	Origination Date: 03/16/2017
Internal Revenue Code §4958; Treas. Reg. § 53.4958-6(a)	Revised By:	Revised Date:

Policy Statement:

The Project Manager of SacValley MedShare (SVMS) is the principal representative of SacValley MedShare, and the person responsible for the efficient operation of SVMS. Therefore, it is the desire of SVMS to provide a fair yet reasonable and not excessive compensation for the Project Manager (and any other highly compensated employees and consultants).

The annual process for determining compensation is as follows: SVMS shall commence a committee of the board annually evaluate the Project Manager on his/her performance, and ask for his/her input on matters of performance and compensation.

Board Approval. The Board or committee of the Board will obtain research and information to make a recommendation to the full board for the compensation (salary and benefits) of the Project Manager (and other highly compensated employees or consultants) based on a review of comparability data. For example, the designated 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. 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.

Concurrent Documentation. To approve the compensation for the Project Manager (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:

1. A description of the compensation and benefits and the date it was approved;
2. The members of the board who were present during the discussion about compensation and benefits, and the results of the vote;
3. A description of the comparability data relied upon and how the data was obtained; and
4. 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 SVMS, will operate independently without undue influence from the Project Manager.

No member of the 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.

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Authorization	Name	Signature	Date
Board Chair	<i>Myron E. Machula</i>	<i>[Signature]</i>	<i>4/6/2017</i>
Project Manager	<i>Elizabeth Steffen</i>	<i>[Signature]</i>	<i>03.31.2017</i>

Reference:

National Council of Nonprofits. (March 2017.) *Executive Compensation*. Retrieved March 16, 2017 from <https://www.councilofnonprofits.org/tools-resources/executive-compensation>

Version	Date	Author	Comment
.001	04/06/2017	E. Steffen	Initial release.