

## Executive Compensation Policy

- I. Purpose:
  - A. To assure that MPSEOC is able to retain high quality executive leadership of MPSEOC by providing reasonable compensation.
  - B. To assure that decisions regarding executive compensation are made through a process free of potential conflicts of interest.
- II. Persons whose compensation is subject to this policy
  - A. The Executive Director's compensation shall be reviewed under this policy.
  - B. If at some point in the future MPSEOC employs a person performing the services of chief financial officer, that person's compensation shall be reviewed in accordance with this policy.
- III. Executive Committee
  - A. The Governance Review Committee of the board is authorized to make recommendations to the Board regarding executive compensation.
  - B. Only those members of the Governance Review Committee are free of conflicts of interest may be involved in evaluation of executive compensation.
  - C. This Committee should, to the extent reasonably available, rely upon appropriate data as to comparability prior to making its recommendation, and shall contemporaneously place such data and other reasons for its recommendation in the minutes.
    1. If the Committee does not have data as to comparability, it shall document any other bases for believing the proposed compensation is reasonable.
  - D. The Committee shall make this determination at least once annually.
- IV. Final Board Action
  - A. Only those directors who are free of conflicts of interest may vote on executive compensation.
  - B. The Board shall review and approve executive compensation, after a review of comparability data or other evidence that compensation is reasonable, and shall contemporaneously substantiate its deliberation and decision in the minutes.
- V. Updated by the Board on February 24, 2017.

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<sup>1</sup>Drafted to comply with the rebuttable presumption in Treas. Reg. § 53.4958-6 of the Excess Benefits Regulations and to address revised Form 990, Part VI, Section B, question 15.