#  **COVENANT HOUSE NEW JERSEY**

## PERSONNEL POLICIES AND PROCEDURES MANUAL



### Policy Title: Executive Compensation Policy Policy #: 4-04

Corporate & Subsidiaries Affected: All

Issued by: Corporate Human Resources Department

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In order to attract, retain, and motivate the employees required to achieve our objectives as defined in the Mission Statement and applicable updates, Covenant House provides an overall remuneration (base salary and benefits) program. This program is specifically designed to provide appropriate and competitive remuneration. Among the specific goals of our program are the following:

Internal Equity

Compensation will be equitably related to position demands (like size and diversity of programs, budget, regional variations etc.) so that individuals in more demanding positions will have relatively higher compensation.

Competitive Overall Remuneration

Our overall salary scales and benefits programs are designed to be appropriately competitive with similar organizations.

In developing and maintaining our salary scales and benefits, Covenant House will systematically compare its practices with other, similar, not-for-profit organizations, childcare programs and social service programs of comparable size and complexity. To assure that our programs remain appropriately competitive, Covenant House will periodically benchmark its practices with those of similar organizations through participation in or the sponsorship of, appropriate remuneration surveys.

Compensation Aligned with Overall Performance

Compensation and benefits enhancements will be dependent on satisfactorily meeting strategic goals and objectives.

Lack of Reliance on Variable Compensation

Covenant House's salary and benefits program provides appropriate equitable and competitive remuneration. Variable compensation such as bonuses awards will not be provided.

Role of Local Boards

*Executive Director Compensation* - Local Boards/Local Chairs will discuss the performance of their Executive Director, in detail, with the President of Covenant House and jointly agree on an annual performance evaluation and appropriate compensation level.

*Local Non-Executive Director Compensation* - Local Boards will approve the salaries of the Executive Team.

Compliance with All Applicable Law/Regulations

 Covenant House's remuneration program will comply with both the spirit

and specific requirements of applicable laws and regulations.

In all cases Covenant House's remuneration programs will be aligned with the organization's overall and local mission and will support, motivate and reward the achievement of strategic goals and objectives.