
CIVICOS INSTITUTE

GOVERNANCE DOCUMENT

Compensation Review Policy

Document ID: 09

Version: 1.0

Status: DRAFT — Pending Board Adoption

Contact: NCerbone@civicos-institute.org

4884 Beresford Circle, West Palm Beach, Florida 33417
561-287-3579 · civicos-institute.org

1. Purpose

Defines compensation governance for ED, officers, and key employees.

2. Scope

Applies to compensation determinations and review cycles.

3. Governing Standard

Compensation must be reasonable and documented.

4. Rebuttable Presumption Procedure

Element	Requirement
Independent approval	Disinterested authorized body approval
Comparability data	Market benchmarks and documented references
Contemporaneous documentation	Minutes and written rationale

5. Approval Authority

Approval levels align with delegation and board governance controls.

6. Conflict and Recusal

Conflicted individuals disclose and recuse.

7. Annual Review Cycle

Annual review aligned to budget and fiscal cycle.

8. Mid-Cycle Adjustments

Requests initiated by the Executive Director for their own compensation review must be submitted in writing to the Board Chair, who convenes the independent review process.

9. Excess Benefit Prevention

Escalation and remediation controls apply to potential excess benefit events.

Note for legal review: Excess benefit transactions under IRC 4958 may carry excise tax exposure on the disqualified person. Legal counsel should advise whether explicit IRC 4958 citation is appropriate in this policy or should remain in separate legal guidance.

10. Recordkeeping

Comparability and approval records retained per records policy.

11. Board Member Compensation

Disinterested review required for any board member compensation action.

Note for legal review: Confirm whether Florida nonprofit law imposes additional constraints on director compensation beyond Bylaws provisions.

12. Coordination with Other Policies

Read in conjunction with bylaws, COI, and delegation matrix.

13. Review and Amendment

Board may amend per formal governance process.

14. Adoption

Adoption and next review dates recorded in governance records.

Comparability Data Sources

Source	Use
Form 990 peer organizations	Role-aligned compensation ranges
Compensation surveys	Market benchmarking
Independent studies	High-stakes compensation decisions
Recruiting market data	Retention and competitiveness context

Adoption and Signatures

Board Chair: _____

Date: _____

Compensation Committee Chair:

Date: _____

Executive Director: _____

Date: _____