

Mid-Atlantic Christian University Board of Trustees Policy #8

SUBJECT: Presidential human relations task force

DATE: February 2011

REVISED: February 2011, March 2014, April 2020

NEXT SCHEDULED REVIEW: Spring even numbered years, Spring 2022

APPROVED BY BOARD OF TRUSTEES: May 2020

Policy for: Board of Trustees

Procedure for: Chairman of the Board of Trustees

Authorized by: Chairman of the Board of Trustees

Issued by: Board of Trustees

I. Purpose

The purpose of the Presidential Human Relations Task Force (PHRTF) is to provide oversight for all H.R. issues between the President and the University Board of Trustees. The task force shall provide guidance for, but not limited to, pay scales, benefits, bonuses, tokens of appreciation, etc. They shall report their recommendations to the Chairperson of the Board of Trustees for approval by the entire Board of Trustees.

The purpose of this policy is also to provide oversight for the highest compensated employees: it would include, but is not limited to: officers, directors, trustees, key employees, and highest compensated employees.

This policy will allow the University to comply with all federal H. R. guidelines as stated in Form 990 and other regulatory agencies.

II. Policy

The PHRTF will meet regularly with the President to negotiate pay scale, etc. These meetings will happen at a minimum of once a year. The chair of the task force will conduct these meetings.

The PHRTF will serve at the direction of the Chairperson of the Board of Trustees. The Chairperson of the Board of Trustees will select two members from the Board of Trustees. The President will select one member from the Board of Trustees. Other members may be selected if needed. They will be selected at the board's fall meeting and serve two years.

This policy will serve as the process for determining compensation of Mid-Atlantic's chief executive officer, the President. The PHRTF will also provide guidance for any employee other than the President who is making over \$100,000. The President will assist and work alongside the PHRTF for all other employees.

All individuals serving on the PHRTF will have no conflicts of interest with respect to the compensation arrangement of the President or any other top management team employees. The PHRTF will obtain comparable compensation for similarly qualified persons in functionally comparable positions at similarly situated organizations at least every three to five years. The PHRTF will review and consider the annual review conducted by the Chairperson of the Board of Trustees.

III. Procedure

The process includes all of these elements: (1) review and approval by the board of trustees or executive committee of the Organization; (2) use of data as to comparable compensation; and (3) contemporaneous documentation and recordkeeping.

1. **Review and approval.** The compensation of the person(s) is reviewed and approved by the board of trustees or executive committee of the University, provided that persons with conflicts of interest with respect to the compensation arrangement at issue are not involved in this review and approval.
2. **Use of data as to comparable compensation.** The compensation of the person(s) is reviewed and approved using data as to comparable compensation for similarly qualified persons in functionally comparable positions at similarly situated organizations.
3. **Contemporaneous documentation and recordkeeping.** There is contemporaneous documentation and recordkeeping with respect to the deliberations and decisions regarding the compensation arrangement.

Chief employed executive – The CEO, executive director, or top management official (i.e., a person who has ultimate responsibility for implementing the decisions of the Organization's governing body or for supervising the management, administration, or operations of the Organization). At Mid-Atlantic Christian University this person is called the President.

Officer – A person elected or appointed to manage the Organization's daily operations, such as a president, vice-president, secretary or treasurer. The officers of the Organization are determined by reference to its organizing document, bylaws, or resolutions of its governing body, or as otherwise designated consistent with state law, but at a minimum include those officers required by applicable state law. Include as officers the Organization's top management official and top financial official (the person who has ultimate responsibility for managing the Organization's finances).

Key Employee – For the purposes, an employee of an organization (other than an officer, director, or trustee) who **meets all three** of the following tests:

- (a) \$150,000 Test**: receives reportable compensation from the Organization and all related organizations in excess of \$150,000 for the year;
- (b) Responsibility Test**: the employee: (i) has responsibility, powers, or influence over the organization as a whole that is similar to those of officers, directors, or trustees; (ii) manages a discrete segment or activity of the Organization that represents 10% or more of the activities, assets, income, or expenses of the Organization, as compared to the Organization as a whole; or (iii) has or shares authority to control or determine 10% or more of the Organization’s capital expenditures, operating budget, or compensation for employees; and
- (c) Top 20 Test**: is one of the 20 employees (that satisfy the \$150,000 Test and Responsibility Test) with the highest reportable compensation from the Organization and related organizations for the year.

IV. Published: Trustee Handbook

V. Reason for Revision

VI. Appendices