



Primavera Foundation Chief Executive Officer Performance Review and Compensation Policy

Overview and Principles

An effective performance evaluation begins with a mutually understood process. It should also address how the Chief Executive Officer (CEO) will participate in the process and what kind of evaluation tool to use.

Primavera Foundation's performance evaluation will take into account the CEO's job description, annual goals and objectives from the work plan, and any other relevant factors identified or approved by the board. The CEO's annual goals and objectives will be closely tied to the organization's annual and strategic goals and objectives per its operating plan and strategic initiatives.

The evaluation will include the CEO's own self-assessment, the senior leadership team and executive assistant's assessment, as well as the board's evaluation of his or her performance. The full board will review all.

The evaluation will be conducted annually and documented in writing. In all cases, the assessment will provide a permanent record that can be referred to by both the CEO and the board, greatly increasing clarity and certainty.

Goals

Primavera Foundation's Performance Review and Compensation Policy is designed to:

- Reinforce the mission, vision, and goals of the organization by supporting teamwork and collaboration.
- Provide a competitive total compensation package, including benefits.
- Ensure that pay is perceived to be fair and equitable.
- Be flexible to reward individual accomplishments as well as organizational success.
- Ensure that the policy is easy to explain, understand, and administer.
- Balance the need to be competitive within the limits of available financial resources.
- Ensure that the program complies with state and federal legislation.

Process

The Primavera Foundation Board of Directors will have ultimate responsibility to monitor the CEO to ensure that he or she is competent and effective, including conducting an annual review and appraisal of the CEO's performance. The Primavera Foundation board shall utilize its Executive Committee to review performance and discuss in more detail.

The annual goals and objectives and performance measures shall be mutually discussed and agreed upon by the CEO and the board chair, and should serve as the basis for the performance evaluation. The Executive Committee will mutually agree on the process of formal performance reviews as outlined below. The primary purpose of performance evaluations is to help the CEO perform more effectively. Compensation increases should not be the primary purpose for conducting the evaluation.

The Executive committee also makes recommendations for compensation increases. The Executive Committee will obtain research and information to make a recommendation to the full board for the compensation (salary and benefits) of the CEO. The 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
4. Information obtained from the IRS Form 990 filings of similar organizations

Concurrent Documentation

To approve the compensation for the CEO 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
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 President of the board of directors, who is a volunteer and not compensated by the organization, will operate independently without undue influence from the CEO. No member of the Executive 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.

Timeline

Current Year:

- August – September: CEO and Board President agree on performance goals for the upcoming year.
- October-November: CEO and Executive Committee complete the Primavera Foundation Performance Appraisal Forms (Self Evaluation and Supervisor Evaluation).
- November: CEO and members of the Executive Committee meet with the CEO to discuss the self-evaluation, Board “Supervisor Evaluation”, and evaluations from direct reports of the CEO.
- November: During Executive Session at the November Board meeting, Performance Review and compensation package determination discussed and voted on.

Following Year:

- July: Performance Review: A written summary of accomplishments, challenges, and successes will be detailed by the CEO (per attachment “A”).
- August-September: Written summary is reviewed by Executive Committee.
- September: Face-to-face discussion between CEO and Executive Committee to review comments and feedback from Executive Committee.
- September: Executive session of the board of Directors to review final Performance Review and

determination of any compensation changes.

- October: Annual organizational budget is modified if necessary and approved.

Attachment "A"

ANNUAL EVALUATION INSTRUMENTS FOR THE PRIMAVERA FOUNDATION CEO:

See attached CEO Self-Evaluation

Name:

Annual Review:

Date:

This evaluation instrument is confidential. Questions for the CEO to Answer:

- 1. Did you meet your stated goals for the year? If not, why not?**
- 2. What were your achievements this year?**
- 3. What things did you struggle with this year?**
- 4. How has the organization moved forward this past year?**
- 5. How can the board do better in supporting you in the year ahead?**