

Washington Trails Association

Policy for Board Approval of Compensation

The Executive Director of Washington Trails Association (“WTA”) is the principal representative of WTA, and the person responsible for the efficient operation of WTA. Therefore, it is the desire of the WTA to provide a fair yet reasonable and not excessive compensation for the Executive Director (and any other highly compensated employees and consultants).

The annual process for determining compensation is as follows: The WTA shall by an Executive Compensation Committee (“ECC”) annually evaluate the Executive Director on his/her performance, and ask for his/her input on matters of performance and compensation.

Board Approval. The ECC will obtain research and information to make a recommendation to the Executive Committee for the compensation (salary and benefits) of the Executive Director (and other highly compensated employees or consultants) based on a review of comparability data. For example, the ECC will secure data that documents compensation levels and benefits for similarly qualified individuals in comparable positions at similar organizations. The 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; and
- 4) Information obtained from the IRS Form 990 filings of similar organizations.

Concurrent Documentation. To approve the compensation for the Executive Director (and any other highly compensated employees and consultants) the Executive Committee 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:

- a) A description of the compensation and benefits and the date it was approved;
- b) The members of the board who were present during the discussion about compensation and benefits, and the result of the vote;
- c) A description of the comparability data relied upon and how the data was obtained; and
- d) Any actions taken (such as abstaining from discussion and vote) with respect to consideration 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 WTA will operate independently without undue influence from the Executive Director.

No member of the ECC will be a staff member, the relative of a staff member, or have any relationship with staff that could present a conflict of interest.

Date approved: 12/13/11

Signed: Robert A. Shuff