



The Chief Executive Officer (CEO) of the Bonnie J. Addario Lung Cancer Foundation, hereinafter 'the Nonprofit,' is the principal representative of the Nonprofit, and thus responsible for its efficient and effective operation. It is therefore the desire of the Nonprofit to provide a fair and reasonable compensation for the CEO that is consistent with other similarly situated organizations. Other positions deemed 'key executive positions' within the organization (i.e. any position that reports directly to the board or that requires compensation approval by the board) will also be determined by the process defined under this policy.

**Board Approval:** The amount that constitutes fair and reasonable compensation (including salary and benefits) for the CEO (and other key executive positions) will be determined first by the Executive Committee. This decision will be based on the candidate's qualifications and the availability of organizational funds for compensation, along with a thorough review of comparability data that documents compensation levels and benefits for similarly qualified individuals in comparable positions at similarly situated organizations. These data may include the following:

- 1 Salary and benefit compensation studies by independent sources;
- 2 Written job offers for functionally comparable positions at similar organizations;
- 3 Documented telephone calls regarding functionally comparable positions at both nonprofit and for-profit organizations; and
- 4 Information obtained from IRS Form 990 filings from similar organizations.

After determining appropriate compensation for the CEO (and other key executive positions), the Executive Committee submits their findings, along with supporting documentation, to the Nonprofit's board for review and final approval.

**Concurrent Documentation:** The Nonprofit's board documents the decision-making process used to approve the compensation for the CEO (and other key executive positions). This information will not be included in the General Meeting Minutes. It will be kept confidential and maintained by the President of the Board and the Secretary/Treasurer. No member of the staff will have access to this information. Documentation will include:

- 1 A description of the compensation and benefits, and the date it was approved;
- 2 The names of board members present during the discussion of compensation and benefits, and the results of the vote;
- 3 A description of the comparability data relied upon and how the data were obtained.

Executive salaries are disclosed to the IRS and any other agencies as required by law.

**Annual Compensation Review:** The Executive Committee of the Nonprofit meets annually to evaluate the CEO's (and other key executive positions') compensation based on his/her experience, performance, and industry. They also consider his/her input on matters of performance and compensation. Upon determination of a need for salary adjustment, the Executive Committee will gain board approval following the procedures described above.

**Independence in Setting Compensation:** The President of the Board of Directors, who is a volunteer and not compensated by the Nonprofit, will operate independently and without undue influence



BONNIE J. ADDARIO  
**LUNG CANCER**  
FOUNDATION

## CEO COMPENSATION POLICY

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.

Date Approved: