Introduction
As part of the annual submission of the IRS Form 990 return, the Internal Revenue Service (IRS) requires each non-profit organization to certify that it has an approved policy on executive compensation. In addition, California Government Code Section 12586(g) states that the governing board or an authorized committee of the board shall review and approve the compensation, including benefits, of the president or chief executive officer and the treasurer or chief financial officer.

Policy
Golden Gate University shall provide direct compensation programs that reflect the relative size and type of education curriculum of the university in the segment of higher education institutions of which it is a part. This policy is intended to further the university’s mission and tax-exempt purpose without causing any part of the university’s net earnings to inure to the private benefit of an individual or group of individuals.

Golden Gate University’s executive compensation program shall be administered by the executive committee of the board of trustees and applies to officers and key employees (as defined by IRS Form 990). The executive committee shall rely on guidance provided by the California Non-profit Integrity Act of 2004, California Government Code §12568(g), and IRC §53.4958-6.

General Guidelines
Golden Gate University’s executive compensation program shall be designed to:
- Provide a competitive total compensation package, including benefits to key employees as defined by IRS Form 990
- Ensure that pay is just and reasonable and is decided in a rational manner
- Balance the need to be competitive with the limits of available financial resources
- Ensure that the program complies with state and federal legislation
- Ensure that the process for determining and approving individual compensation amount is documented
- Ensure that the review and approval process does not include any persons with conflicts of interest
Procedure

Officers
The executive committee shall, upon the hiring of the officer; whenever the term of employment of the officer is reviewed or extended; and whenever the officer’s compensation is modified:

◇ Assess the nature and scope of each officer position.
◇ Assess the basis for which compensation is paid to individuals holding such positions including unique background, experience, personal skills, exceptional performance, additional duties and abilities, and challenges facing the organization that require the use of such attributes or skills
◇ Obtain appropriate and comparable compensation market data including data from the following:
   • Similarly situated organizations, both for-profit and tax-exempt, for functionally comparable positions
   • The availability of similar specialties in the geographic area
   • Independent compensation surveys by nationally recognized independent firms and surveys published by the AICCU and CUPA
◇ Document all meetings regarding executive compensation through formal minutes that shall be kept by the corporate secretary and/or the director of human resources.

Vice Presidents
The board of trustees authorizes the president to establish compensation recommendations for the vice presidents based on assessment of each individual’s performance and scope of the position and comparable compensation market data as described above. The executive committee may then meet with the president to discuss and review his/her recommendations.

Other Key Employees
The board of trustees authorizes the president to establish and approve compensation for key employees based on assessment of each individual’s performance and scope of the position and comparable compensation market data as described above.

President
The executive committee shall meet annually, independent of the president, to discuss the president’s compensation, conditions of employment and performance. During these deliberations, the committee may also consider input obtained from other board members, staff, faculty, and other informed community leaders as well as the annual benchmarks and established objectives. The executive committee presents its findings and recommendations, in closed session, without the president present, to the full board for review and approval. The committee and/or the board chair (a member of the committee) then meets with the president to discuss the performance evaluation, goals for the upcoming year, and compensation. These proceedings shall be documented in formal minutes as noted above.