

1 **Policy Title:** Executive Compensation

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3 **Brief Description:** Explanation of how compensation for the chief executive officer is
4 determined
5 **Effective:** TBD
6 **Approved by:** Visit Beloit Board of Directors
7 **Responsible Individual:** Board Chair
8 **Supersedes:** N/A
9 **Last Reviewed/Updated:** N/A
10 **Applies to:** Beloit Convention & Visitors Bureau, Inc. and Visit Beloit, Inc.
11 (501(C)(3) and 501(C)(6) Organizations)

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13 **Reason for Policy:** To comply with the Transparency of Expenditures of Public Funds policy

14 I. INTRODUCTION

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17 A. This policy is to provide a fair, yet reasonable and not excessive compensation for the
18 chief executive officer (CEO). The CEO is the principal representative and the person
19 responsible for efficient operations of these applicable organizations. This policy
20 shall be published on Visit Beloit’s website at www.visitbeloit.com/transparency.

21 II. POLICY STATEMENT

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24 A. The Organization shall be committed to the following actions to develop a strong
25 executive compensation plan:
- 26 1. Ensure that the board has complete information on the current compensation
27 of the CEO.
 - 28 2. Review the organization’s mission, goals, and strategies to ensure that the
29 compensation plan will support them.
 - 30 3. Review the CEO’s job description and employment agreement.
 - 31 4. Review the organization’s compensation philosophy.
 - 32 5. Understand the marketplace by acquiring and analyzing appropriate market
33 data on compensation. This data can be accessed via reports through
34 Destinations International, Destinations Wisconsin, as well as private studies.
 - 35 6. Ensure that the compensation level and structure will meet legal requirements,
36 establish a process for documenting the CEO compensation decision and
37 ensure that the process is followed, and retain legal counsel if necessary.
 - 38 7. Review compensation for purposes of stakeholder and public scrutiny.
 - 39 8. Establish the compensation level and plan.
 - 40 9. Establish an ongoing process for reviewing the CEO compensation and job
41 performance.
 - 42 10. Identify negotiation points with respect to the CEO employment agreement.
- 43 B. Once the plan is developed, the annual process for determining compensation is as
44 follows:

- 45 1. The Executive Committee shall annually by December 15 evaluate the CEO
46 on his/her performance and ask for his/her input on matters of performance
47 and compensation.
48 C. Board Approval: The Executive Committee will obtain research and information, as
49 noted in A.5., to make a recommendation to the Board of Directors for the
50 compensation (salary and benefits) of the CEO based on a review of comparability
51 data. The data that may be reviewed includes the following:
52 1. Salary and benefit compensation;
53 2. Written job offers for similar positions at similar organizations;
54 3. Documented telephone calls about similar positions at both non-profit and for-
55 profit organizations; and
56 4. Information obtained from the IRS Form 990 filings of similar organizations.
57 D. Concurrent Documentation: To approve the compensation for the CEO, the Board of
58 Directors must document how it reached its decisions, including the data on which it
59 relied, in minutes of the meeting during which the compensation was approved.
60 Documentation will include:
61 1. A description of the compensation and benefits and the date it was approved;
62 2. The members of the Board of Directors who were present during the
63 discussion about compensation and benefits, and the results of the vote;
64 3. A description of the comparability data relied upon and how the data was
65 obtained; and
66 4. Any actions taken (such as abstaining from discussion and vote) with respect
67 to consideration of the compensation by anyone who is otherwise a member of
68 the Board of Directors but who had a conflict of interest with respect to the
69 decision on the compensation and benefits.
70 E. Independence in Setting Compensation: The Chair of the Board of Directors, who is a
71 volunteer and not compensated by the organizations, will operate independently
72 without undue influence from the CEO.
73 F. No member of the Executive Committee will be a staff member, the relative of a staff
74 member, or have any relationship with staff that could present a conflict of interest.
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76 **III. DEFINITIONS**

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78 A. IRS: Internal Revenue System
79 B. Destinations International: the international trade association for convention and
80 visitor bureaus
81 C. Destinations Wisconsin: the state trade association for convention and visitor bureaus
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83 **IV. RELATED POLICIES, PROCEDURES, FORMS, GUIDELINES, AND OTHER** 84 **RESOURCES**

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86 A. Transparency of Expenditures of Public Funds policy
87 B. Website: www.visitbeloit.com/transparency
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89 **V. HISTORY**

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- 91 A. Draft created on 6/22/20
- 92 B. Policy approved by Board of Directors on 7/29/20