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Hiring and Retaining Great Staff: When, How, What's Involved, What are the Challenges

2016 Annual National Conference for Growing Community Foundations



Overview of Presentation

- **Wage and Salary Programs and Benefits**
 - **Determining pay and benefits**
- **Executive compensation**
 - **Accountability and good governance**
 - **Assessing reasonableness**
 - **Response to media**

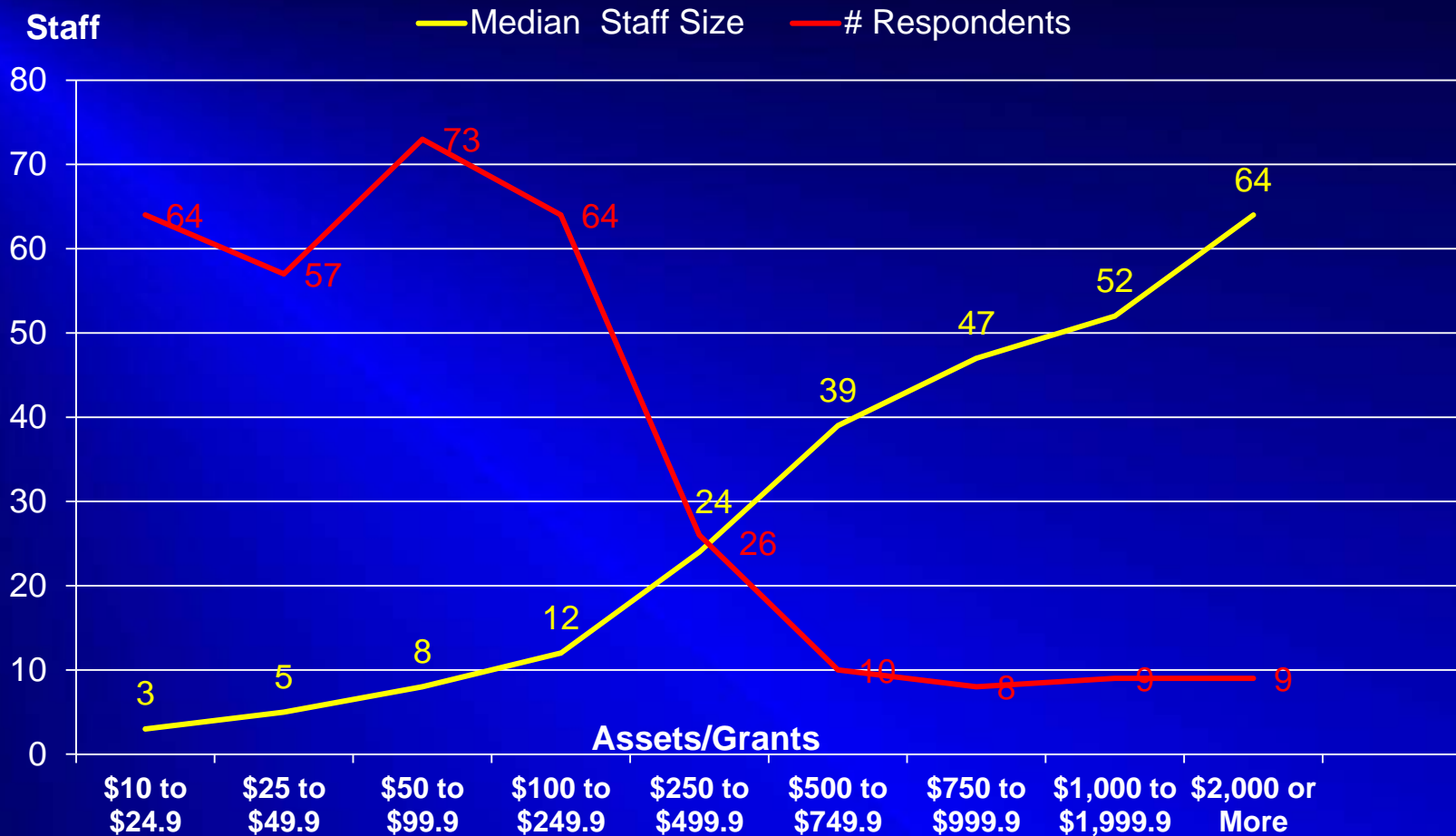


*Lindalee A. Lawrence, President
Lawrence Associates*

What's Typical? Reported Program Expenses at Community and Public Foundations (from Council on Foundations)

Total Paid Staff	Median Program Expenses	# Respondents
20 or More	\$3,530,000	59
10 to 19	\$1,147,129	87
6 to 9	\$561,107	87
3 to 5	\$209,107	84
1 to 2	\$118,299	32

What's Typical? Size of Respondents' Full-Time Staff for Community and Asset/Grants Group



Overview of Presentation

- Wage and Salary Programs and Benefits
- Determining pay and benefits



*Lindalee A. Lawrence, President
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When to hire?

- Need administrative support
- Need operational/programmatic support
- Prefer employees to outside consultants and third parties
- Seek continuity, internal expertise, cost reduction/cost neutral, to diffuse internal friction, address internal inequities

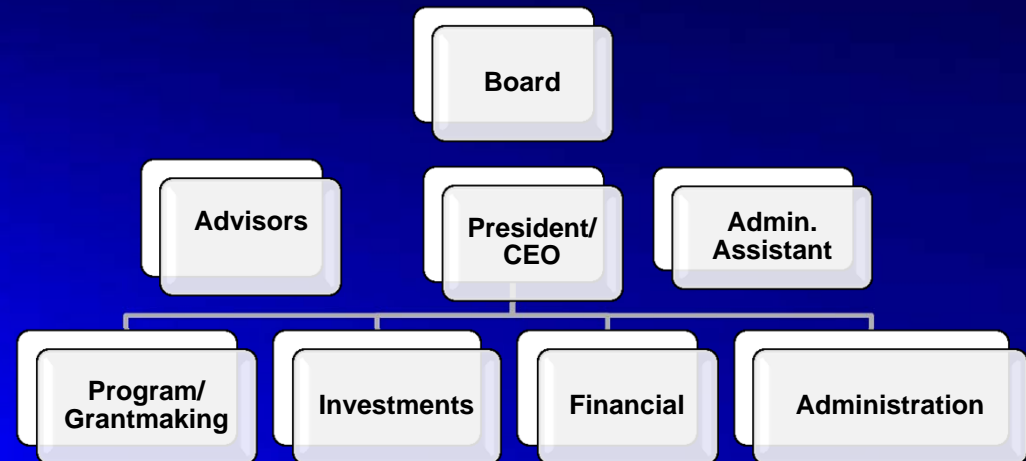
Difficult Questions Around Hiring, Terminating and Compensating

- **Communicating and managing performance**
- **Retirement, termination and severance**
- **Establishing compensation and benefits plans**
- **Changing roles, responsibilities and functions**

Organization Design

- Overview of Functional Responsibilities

- Fiduciary/Board
- Program
- Investments
- Financial
- Administrative



- Distribution of Responsibilities

- Compensation for Responsibilities

Matrix of Typical Responsibilities (Who's responsible?)

Function and Description	Who is Responsible and What Resources?			
	Board	CEO/ Exec Dir	Staff	Other (investment advisors, attorneys, accountants)
Expenses	\$	\$	\$	\$
Fiduciary Financial, Investment, Board Actions				
Program Operations				
Administration				

What's involved in hiring staff?

We will only touch on a few areas.

- Resources: SHRM <https://www.shrm.org>
- Federal laws and differing state laws
- EEO
- FLSA
- Benefits: ACA, Sick leave, Disability, Workers Comp
- Payroll processing
- Required forms and notices



Wage and Salary Design Basics

- ➔ Emphasis on Scope of Work
- ➔ Widespread Recruitment, Turnover/ Retention
- ➔ Competitors – Local, National
- Pay Structure (Ranges, Internal and External Equity)
- Forms of Pay Over-and-Above Base
- Collective Bargaining
- Employee Engagement
- Performance, Years of Experience, Seniority
- Work/ Life (It's not just about the compensation)

Aligning Strategies and Rewards

Compensation Design Dynamics



Wage and Salary Factors

Factors Affecting Wage and Salaries

- ➔ Scope of Work
- Competitive Market
- ➔ Geographic Region
- Performance
- ➔ Years of Experience



What is marketing pricing?

- Process of analyzing external salary survey data to establish worth of jobs based upon the scope of the job:
 - Establish externally competitive pay rates
 - Build pay structures
 - Analyze year to year pay trends
 - Job worth hierarchy
 - Identify pay practices

Adding a Staff Member

- **Administrative Secretary** - Provides secretarial services for one or more individuals at the administrative level. Types letters, memos, and reports. Uses word processing equipment. Composes routine letters for review. May make travel arrangements. Usually requires specialized secretarial training and experience.

Analyzing Survey Thumbnail Descriptions – Scope of Work

- Job title and responsibilities
- Reporting level
- Minimum qualifications, training, and experience
- Specific skill or knowledge levels required to perform all aspects of the job at a competent level
- Multifunctional responsibilities



Geographically Adjusting Market Data

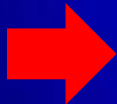
- Survey data is based on participants located in North Dakota
- Geographically adjust survey data so that it reflects salary levels in NYC



- Salary differential for North Dakota to NYC is 1.74%
- Multiply survey data by salary differential

Example of Market Salary for Administrative Secretary

Position		# INC	% Exempt	RANGE MIN	ACTUAL LOW	RANGE MID	RANGE MAX	ACTUAL AVG
Secretary, Administrative	Sum	1227						
	Mean		5%	\$20.47	\$22.92	\$24.36	\$28.21	\$25.05
	# Responses			20	20	19	19	21
	Percentile 75			\$21.31	\$24.09	\$25.41	\$30.68	\$25.78
	Median			\$20.14	\$21.13	\$24.14	\$26.66	\$23.84
	Percentile 25			\$18.90	\$19.67	\$21.00	\$22.35	\$22.00



Analytic Tools

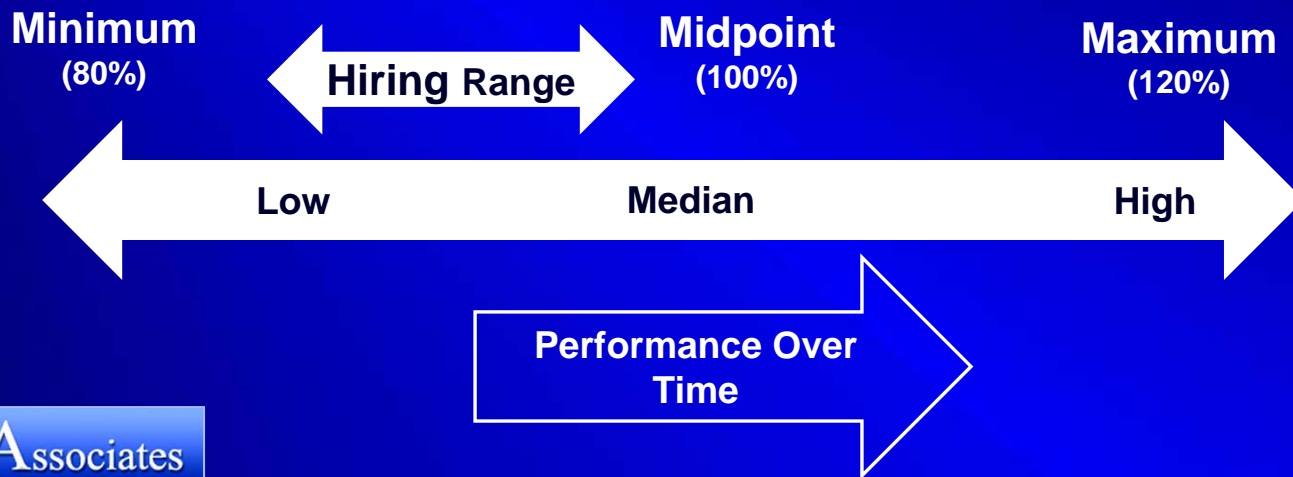
- Scope of responsibility?
- Quality and replicable survey?
- Geographic differences?
- Current pay?
- Salary range?
- Midpoint = \$50k

Salary Range

Range Minimum	Midpoint/ Market	Range Maximum	Range Spread
\$41,667	\$50,000	\$58,333	40%

Why have a salary range?

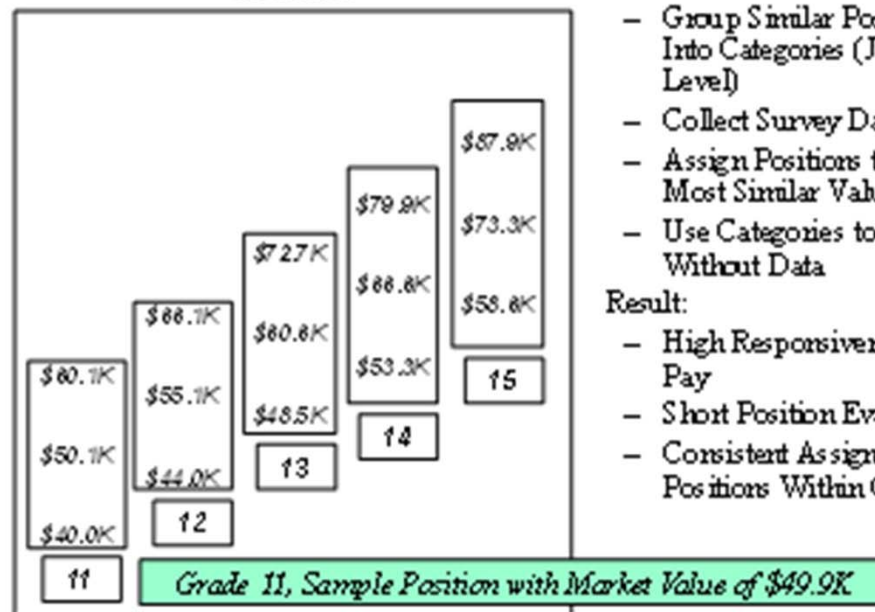
- Minimum/ entry level pay with no experience
- Hiring Range
- Performance over time
- Maximum value of the position



What does a structure look like?

Assigning Positions to Grades Based on Market Pay Example Ranges Only

Assign Positions Based on Market



How it Works:

- Group Similar Positions Together Into Categories (Job, Family, Level)
- Collect Survey Data
- Assign Positions to Grade with Most Similar Value
- Use Categories to Assign Positions Without Data

Result:

- High Responsiveness to Market Pay
- Short Position Evaluation Time
- Consistent Assignments for All Positions Within Categories

Staff Benefits

- FICA, SS, Unemployment, Overtime, Workers Comp
- Paid time off – vacation, sick, holiday, jury
- Health insurance
- Dental Insurance
- Basic retirement plan
- Life insurance
- Short-term disability
- Long-term disability

Compensation Regulatory Framework

- **Title VII of the Civil Rights Act of 1964**
 - This law makes it illegal to discriminate against someone on the basis of race, color, religion, national origin, or sex. The law also makes it illegal to retaliate against a person because the person complained about discrimination, filed a charge of discrimination, or participated in an employment discrimination investigation or lawsuit. The law also requires that employers reasonably accommodate applicants' and employees' sincerely held religious practices, unless doing so would impose an undue hardship on the operation of the employer's business.
- **Pregnancy Discrimination Act of 1978**



Compensation Regulatory Framework

■ Equal Pay Act of 1963

- This law makes it illegal to pay different wages to men and women if they perform equal work in the same workplace. The law also makes it illegal to retaliate against a person because the person complained about discrimination, filed a charge of discrimination, or participated in an employment discrimination investigation or lawsuit.

■ Age Discrimination in Employment Act of 1967

- This law protects people who are 40 or older from discrimination because of age. The law also makes it illegal to retaliate against a person because the person complained about discrimination, filed a charge of discrimination, or participated in an employment discrimination investigation or lawsuit.



Workplace Laws Not Enforced by the EEOC



- The Fair Labor Standards Act
- The Family and Medical Leave Act (FMLA) Employer guidance <https://www.dol.gov/whd/fmla/>
- Workers Compensation Law
- The Civil Service Reform Act of 1978 (CSRA)
- The Immigration Reform and Control Act of 1986 (IRCA)
- Executive Order 11246
- Title VI of the Civil Rights Act of 1964
- Title II of the Americans with Disabilities Act (ADA)
- Title III of the ADA
- The Occupational Safety and Health Act of 1970 (OSHA)
- Section 503 of the Rehabilitation Act
- Section 504 of the Rehabilitation Act
- Section 508 of the Rehabilitation Act
- The Social Security Act
- National Labor Relations Act
- Section 1981 of the Civil Rights Act of 1866
- Title I of Genetic Information Nondiscrimination Act

Family Leave – State Action

- NY's Paid Family Leave - eligible for 12 weeks of paid family leave when caring for an infant, a family member with a serious health condition or to relieve family pressures when someone is called to active military service.¹
 - Effective January 1, 2018. Pays employees up to 67% of their salary.
- San Francisco - Paid Parental Leave Ordinance.²
 - Requires employers to provide supplemental compensation to employees receiving State Paid Family Leave for purposes of bonding with a new child.
 - Employers must pay the 45% of a worker's pay not covered by California's public disability insurance.
 - Effective January 1, 2017 .
- Legislation has either been introduced or is being pursued in 21 other states.³

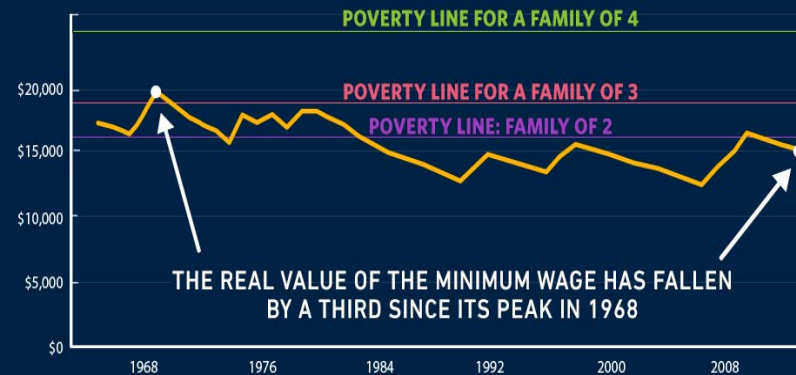
Sources:

1. <https://www.governor.ny.gov/news/governor-cuomo-signs-15-minimum-wage-plan-and-12-week-paid-family-leave-policy-law>
2. <https://sfgov.org/olse/paid-parental-leave-ordinance>
3. <http://www.forbes.com/sites/clareoconnor/2016/04/06/as-ny-and-sf-pass-paid-family-leave-these-20-states-could-be-next/#fcf589c47df8>

Minimum Wage/ Living Wage

- In the 2014 State of the Union address, President Obama called on Congress to raise the national minimum wage, this time from \$7.25 to \$10.10 an hour, and soon after signed an Executive Order to raise the minimum wage to \$10.10 for the individuals working on new federal service contracts.
- \$15/ hour minimum wage now or considering: New York City, New York State, Seattle, San Francisco, Los Angeles, Washington, DC

THE CURRENT MINIMUM WAGE
IS NOT ENOUGH FOR WORKERS AND THEIR FAMILIES TO GET
OUT OF POVERTY



Annual minimum wage earnings and poverty line for families of two to four, 1964-2013 (2013 dollars)

SOURCE: CEA

- Economic debate: fewer jobs, lifts people out of poverty, damages businesses

Minimum Wage/ Living Wage Cont.

■ California Minimum Wage Set to Increase 1/1/2017

- Businesses with 26 Employees or More will reach \$15/hour minimum wage 1/1/2022. Businesses with 25 Employees or less will reach \$15/hour by 1/1/2023

	26 Employees or More	25 Employees or Less
\$10.50/hour	January 1, 2017	January 1, 2018
\$11/hour	January 1, 2018	January 1, 2019
\$12/hour	January 1, 2019	January 1, 2020
\$13/hour	January 1, 2020	January 1, 2021
\$14/hour	January 1, 2021	January 1, 2022
\$15/hour	January 1, 2022	January 1, 2023

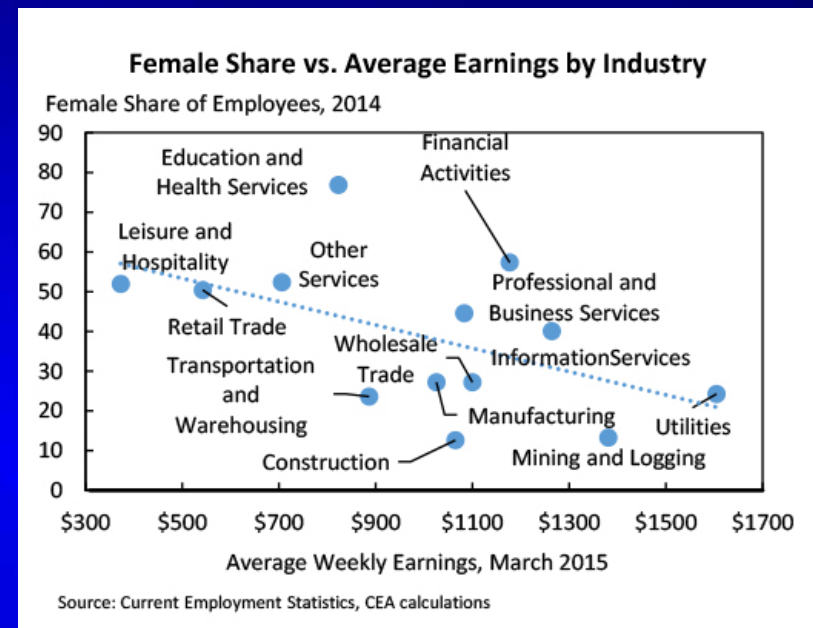
■ New York passes \$15 Minimum Wage Plan

- Effective 12/31/16, NY minimum wage increases will vary depending on where the employee works and the size of the business. Large businesses (> 11 employees) will reach \$15 on 12/31/2018.

Source: http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB3

Pay Equity/Gender Wage Gap

- In 2013, the median woman working fulltime all year earned 78 percent of what the median man working full-time all year earned.
- Phrased differently, she earned 78 cents for every dollar he did.
- Although this gap generally narrowed between the 1970s and 1990s, it has largely stopped narrowing and has remained between 76 and 78 cents since 2001. **
- Why:?
- Less likely to have medical, pension, paid leave
- Industry and occupation discrimination?
- Family responsibilities?
- Pay expectations, negotiations and promotion?



Pay Equity/Comparable Worth

Massachusetts

- Briefly, the law prohibits salary history questions, bars retaliation, requires equal pay for comparable work, provides a defense from liability through an employer Self Audit, and establishes a commission to study the issues further.

Legislation: <https://malegislature.gov/Laws/SessionLaws/Acts/2016/Chapter177>

See also: <http://www.blr.com/HR-Employment/Discrimination/Equal-PayComparable-Worth-in-Massachusetts#>

California

- Legislation limits historical salary information, and supports California's existing Equal Pay Act, effective January 1, 2016, which prohibits employers from paying any male and female employee different wages if they perform substantially similar work.
- Requires employers to show that any differences in pay between men and women are due to seniority, education, a merit system or other permissible factors.

Pay Equity/Comparable Worth

California (continued)

- SB 1063 extends legislation to race and ethnicity – effective January 1, 2017
- AB 1676 further amends the Equal Pay Act by stating that the salary history alone may not be justify any disparity in compensation. Also effective January 1, 2017

Legislation: https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201520160SB1063

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160AB1676

Pay Equity/Comparable Worth

Update: New York - Labor Law Section 194 Amended

- Took effect January 19, 2016.
- Eliminates loophole in the current law that allows employers to prohibit employees from discussing their salaries under threat of termination or suspension
- Requires employers to defend a pay discrimination claim with a “bona fide factor other than sex, such as education, training, or experience” rather than by “any other factor other than sex.”
- Increases the amount of damages available to an employee if an employer willfully violates the law.

Legislation: <https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/Chapters102115.pdf>

Final FLSA Overtime Rules

Implementation on hold due to injunction – see details on next slide

The Fair Labor Standards Act (FLSA) guarantees a minimum wage for all hours worked during the workweek and overtime premium pay of not less than one and one-half times the employee's regular rate of pay for hours worked over 40 in a workweek. The FLSA provides a number of exemptions. The Final Rule is effective December 1, 2016, and:

- Sets the standard salary level for exempt EAP (exec, admin, prof) employees at the 40th percentile of weekly earnings of full-time salaried workers in the lowest-wage Census Region - \$47,476
- Sets the total annual compensation requirement for an exempt Highly Compensated Employee (HCE) equal to the annualized weekly earnings of the 90th percentile of full-time salaried workers nationally - \$134,004
- Permits employers to satisfy up to 10 percent of the standard salary requirement with nondiscretionary bonuses, incentive payments, and commissions
- Establishes a mechanism for automatically updating the pay levels
- Makes no change to the duties tests for the EAP exemption

FLSA Overtime Regulation Implementation on Hold

- On November 22, 2016 US District Court Judge Mazzant granted an Emergency Motion for Preliminary Injunction and thereby enjoined the Department of Labor from implementing and enforcing the Overtime Final Rule on December 1, 2016. In its [notice](#), the Department remains confident in the legality of the rule.
- Many employers have already implemented changes in readiness for the December 1 deadline. What to do? The Wagner Law Group's [Employment Law Alert](#) comments "If an employee has been offered a job at a higher rate because of the DOL's rule, it may not be possible to rescind that offer because of the injunction. The employee could claim detrimental reliance. Similarly, broad reductions in compensation can create morale and employee engagement issues."
- BMWL speculates on [What lies ahead?](#) "The injunction applies until Judge Mazzant issues a full ruling on the validity of the new overtime pay regulations. Some observers have reported that they believe it is likely that Mazzant will ultimately rule that the new rule is invalid, based on the legal analysis contained in his 20-page order. Such a decision would be subject to appeal to a higher court by the Obama administration. But given its lame duck status and the transition to the Trump administration in January of 2017, an appeal by the executive branch seems doubtful."

Source Links:

<https://www.dol.gov/whd/overtime/final2016/litigation.htm>

https://www.worldatwork.org/adimLink?id=80978&utm_source=Direct&utm_medium=eNewsletter&utm_term=ww_editorial1_%25%25merge%20Subsets_.Name_%25%25&utm_content=PublicPolicy&utm_campaign=ED_ANWLWKS4816

<http://wagnerlawgroup.com/Employment112816.htm>

<http://www.nonprofitcpa.com/federal-judge-halts-new-overtime-pay-rule/>

Employee Engagement

- Trust and integrity – 'walk the talk'
- Managing expectations-constant communication
- Articulate a total rewards strategy
- Relationship between employee performance and organization performance
- Career growth opportunities

Importance of Work Life Issues

- It's not just about the compensation, sometimes it's really about....
 - Schedule (work hours)
 - Relationship with supervisor/coworkers
 - Benefits
 - Advancement Opportunities
 - Training and Development Opportunities



Overview of Presentation

- Executive compensation
- Accountability and good governance
- Assessing reasonableness
- Response to media



*Lindalee A. Lawrence, President
Lawrence Associates*

Executive and Board Compensation History of Oversight



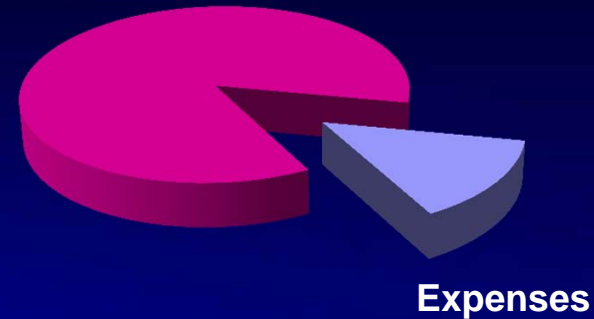
- IRS investigates hospitals, colleges, television evangelists, foundations – 2007 to present
- GAO Report, December 2014, Tax-Exempt Organizations, Better Compliance Indicators and Data, and More Collaboration with State
 - 1) develop compliance goals and additional performance measures that can be used to assess the impact of enforcement activities on compliance and
 - 2) clearly communicate with state charity regulators how they are allowed to use IRS information related to examinations of charitable organizations. GAO also recommends that Congress consider expanding the mandate for 501(c)(3) organizations to electronically file their tax returns to cover a greater share of filed returns. In written comments, IRS agreed with GAO's recommendations.
- Massachusetts AG, Texas AG, Media, Chronicle of Philanthropy

Why Do We Care?



- The Community Foundations National Standards Board confirms operational excellence in six key areas—mission, structure, and governance; resource development; stewardship and accountability; grantmaking and community leadership; donor relations; and communications. Foundations that comply with these standards can display the official National Standards Seal. Right now nearly 500 community foundations have earned the seal.
- National Standard 8, Board and CEO Compensation, <http://cfstandards.org/process/national-standard-8-board-and-ceo-compensation>
- Covered by IRS Intermediate Sanctions <http://www.cof.org/content/intermediate-sanctions-regulations-checklist>

Typical Fiscal Oversight Performance Standards



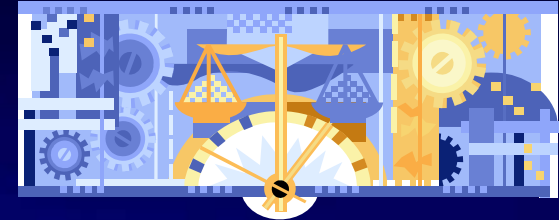
- Appearance of actions to media and donors
- Aggregate compensation for the work done
- Number and amount of grants funded
- Perceived quality of programs and services
- Ratios of expenses to overall program and performance measures

Performance Measures and Ratios

U.S. Better Business Bureau

- **Governance and Oversight**
 - No more than 10% of voting members compensated
 - 5 voting members and three annual meetings
- **Measuring Effectiveness**
- **Finances**
 - 65% of total expenses on program activities
- **Fund-raising and Informational Materials**

Accountability and Good Governance



- **Inurement**
- **Intermediate Sanctions**
 - **Excess benefit transactions to Disqualified Persons**
 - **Rebuttable presumption of reasonableness**
 - **Reasonable compensation**
- **Sections 457, 409A**
- **Public IRS Form 990**

Accountability and Good Governance



■ Inurement

A section 501(c)(3) organization must not be organized or operated for the benefit of private interests, such as the creator or the creator's family, shareholders of the organization, other designated individuals, or persons controlled directly or indirectly by such private interests. No part of the net earnings of a section 501(c)(3) organization may inure to the benefit of any private shareholder or individual. A private shareholder or individual is a person having a personal and private interest in the activities of the organization.

■ Intermediate Sanctions

Section 4958 of the Internal Revenue Code imposes an excise tax on excess benefit transactions between a disqualified person and an applicable tax-exempt organization. The disqualified person who benefits from an excess benefit transaction is liable for the excise tax. An organization manager may also be liable for an excise tax on the excess benefit transaction.

See Life Cycle of a Public Charity, IRS, <https://www.irs.gov/charities-non-profits/charitable-organizations/life-cycle-of-a-public-charity>
Inurement <https://www.irs.gov/charities-non-profits/charitable-organizations/inurement-private-benefit-charitable-organizations>
Intermediate Sanctions, <https://www.irs.gov/charities-non-profits/charitable-organizations/intermediate-sanctions>

Intermediate Sanctions

- Why “Intermediate”?
 - Gives IRS a remedy between doing nothing and revoking Exempt status
 - For a thorough discussion of Intermediate Sanctions, including its history and interaction with inurement see Rody, 476 T.M., *Intermediate Sanctions*.¹
- Rule: *Cannot provide “Excess Benefit” to “Disqualified Person”*
- *Safe Harbor*

¹ Bureau of National Affairs’ Tax Management series on Estates, Gifts, and Trusts, Intermediate Sanctions. Also see Best Practices from the Council on Foundations.

Rebuttable Presumption of Reasonableness (Safe Harbor)

Payments are considered reasonable IF

1. Advance approval by an authorized, disinterested group of the organization.
2. Appropriate comparability data is used.
3. The decision is documented by the later of 60 days or before the next meeting of the group.



Reasonable Compensation

- Scope of responsibilities and position description
- Background and experience/qualifications
- Knowledge of the business, special or unique abilities
- Size of the organization – assets, revenues
- Organization and individual performance
- Time devoted, historical compensation or under-compensation
- Economic conditions, business cycle and related factors
- Organization structure and internal equity
- Character and amount of responsibility/Multi-functional roles
- Mix and size of compensation elements – cash, non-cash
- Compensation in relation to production/output/gain (i.e. compensation expense versus assets and grants)
- Comparability of pay for selected competitive marketplace
- Arms length negotiations, offers

IRS 457

- On June 22, 2016, the IRS and Treasury Department issued proposed rulemaking on Deferred Compensation Plans of State and Local Governments and Tax-Exempt Entities (Code section 457 457(b) and 457(f)).
- Covers rules for determining when amounts deferred under these plans are includible in income, the amounts includible and types of plans subject to these rules
- Plans should be reviewed for the impact of these regulations and also their interaction with Code Section 409A.

See Integrated Healthcare Strategies, Alert Advisor, http://www.integratedhealthcarestrategies.com/eblast/IHS16-152/email.html?_cldee=bGFsYXdyZW5jZUBsYXdyZW5jZWZzc29jaWF0ZXMuY29t and webinar <https://www.youtube.com/watch?v=9qPJrFenUJc>

See “New Proposed Rules for Deferred Compensation Plans for Tax –Exempt and Governmental Employers, Rope&Gray alert, July 11, 2016.

Proposed Rules: https://www.federalregister.gov/articles/search?conditions%5Bregulation_id_number%5D=1545-BH72

IRC Section 409A

- Rules on “Deferred” Compensation
 - If not in compliance, all amounts will be *currently* included in income
- Broad coverage
 - Nonqualified plans in general
 - Bonuses, severance

Approaches to establishing compensation

- **Compensation Committee**
- **Independent Compensation Consultant**
- **Form 990 of Other Organizations**
- **Written Employment Contract**
- **Compensation Survey or Study**
- **Approval by the Board or Compensation Committee**



Sample Analysis of Market Salary for Top Position using IRS Forms 990

Organization	Total Rev	Total Exp	Total Assets	Name	Title	Hrs	Src	Base Comp	Bonus & Incentive Comp	%	Other Reportable Comp	Retirement and Other Deferred Comp	Nontax Benefits	Total of Columns (B)(i)-(D) or Sum
Cedar Crest Village, Inc.	\$85M	\$78M	\$442M		Executive Director	40	i	\$188,314	\$30,000	16%	\$3,424	\$750	\$4,009	\$226,497
Collegiate Housing Foundation	\$124M	\$129M	\$968M		President /Exec Director	30	No Sched J	\$105,000		0%				\$105,000
Community Housing Partners Corporation	\$59M	\$58M	\$109M		President & CEO	40	i	\$296,393	\$60,428	20%	\$3,556	\$5,855	\$10,051	\$376,283
Local Initiatives Support Corporation	\$141M	\$19M	\$446M		President & CEO	35	i	\$435,166		0%	\$3,969	\$26,775	\$23,306	\$489,216

- Other sources of data include published surveys from Exponent Philanthropy, Council on Foundations or online like www.salary.com

Helpful Tools for Compliance

- Tally Sheet Disclosure of All Compensation
- Analysis of IRS Forms 990
- Analysis of Surveys – Council on Foundations, Exponent Philanthropy (formerly Assoc of Small Foundations)
- Exponent Philanthropy: Recruiting Foundation Trustees: How to Identify and Find the Right People for Your Board, Trustee Handbook, List of Trustee Duties...
- Written Pay Philosophy and Pay Compared to Philosophy
- Documentation of Job Responsibilities, Best Practices compliance
- Media Checklist

What's a Tally Sheet?

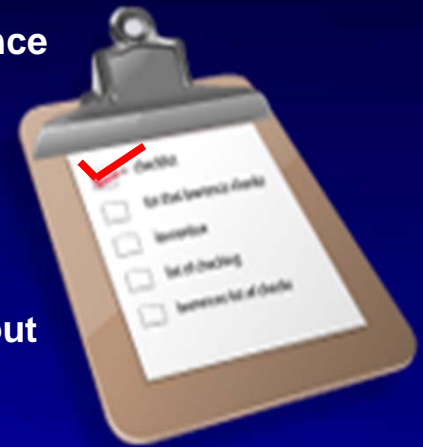
- A detailed list with values of all compensation provided by the organization and related organizations to disqualified executives
- Transparency and documentation
- Made available to key decision-makers
- Responds to historical cases where aspects of compensation were not fully disclosed to Board



Responding to the Media

Establish Compliant Policies and Procedures

- ✓ Review provisions of Intermediate Sanctions , IRS Form 990 and Performance Evaluation with key board members and meet the “safe harbor”. process. Notify individuals of the public disclosure of their compensation.
- ✓ Determine what scope of information will be provided when speaking with the media or others.
- ✓ Identify a spokesperson from the Board who can speak knowledgeably about executive compensation policy. Should not be the CEO.
- ✓ Maintain a compliant compensation program for all employees.



Collect and Update Internal Information Prior to Responding

- ✓ Develop, review and update “Media Talking Points.” Update market comparisons. Update resumes and operational background on the organization. Document community benefits. Know administrative costs as a percent of expenses.
- ✓ Prepare a list of specialists (compensation consultants, executive search, association and community members) who can respond to specific media concerns.
- ✓ Prepare to address internal audience issues regarding the inquiry- executives disclosed on the 990, employee perceptions, labor relations.

Responding to the Media



Talking with the Media

- ✓ Learn about the nature of the inquiry or media attention. Who? (union, media, other) Why? (prompted by merger, labor relations, community or internal issues) Focus? (inequitable or unusual compensation)
- ✓ Prepare spokesperson to address compensation, financial and performance-related issues. Familiarize the person with overall compensation policy so that they will be comfortable addressing executive compensation in light of other wage and salary practices.
- ✓ Review organization Form 990 with spokesperson. Identify any unusual areas of compensation. Calculate and review percent increase and other changes from prior three-year period.
- ✓ Return calls. Be open and cooperative. State policies and put executive compensation into context, rather than defending compensation levels.
- ✓ Alert third parties that they may be asked to respond on the organization's behalf.



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Compensation Consultants

Reliable, Responsive, Respected

We invite you to talk with us.

Lawrence Associates is a national compensation consulting firm, known for providing high-quality, responsive, sophisticated consulting advice in a cost-effective manner. We are sought out as strategic, innovative problem-solvers.

Established in 1989 with offices in Boulder, Boston and New York.

1434 Spruce Street, Boulder, CO 80302

Mailing: 1630 30th Street, Suite A, #284, Boulder, CO 80301

Phone: 720-343-8449 (Boulder) 781-237-9044 (Boston)

E-mail: clients@lawrenceassociates.com

- Web: www.lawrenceassociates.com

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