

## Policy on the Process for Determining Compensation

This Policy on the Process for Determining Compensation of the Florida Wildflower Foundation, Inc. applies to the compensation of the following persons employed by the Foundation:

The Foundation's **chief employed executive**

Other **Officers**<sup>1</sup> or **Key Employees**<sup>2</sup> of the Foundation which may be employed by the Foundation.

The process includes all of these elements: (1) review and approval by the board of directors or compensation committee of the Foundation; (2) use of data as to comparable compensation; and (3) contemporaneous documentation and recordkeeping.

- 1. Review and approval.** The compensation of the person is reviewed and approved by the board of directors or compensation committee of the Foundation, provided that persons with conflicts of interest with respect to the compensation arrangement at issue are not involved in this review and approval.
- 2. Use of data as to comparable compensation.** The compensation of the person is reviewed and approved using data as to comparable compensation for similarly qualified persons in functionally comparable positions at similarly situated organizations.
- 3. Contemporaneous documentation and recordkeeping.** There is contemporaneous documentation and recordkeeping with respect to the deliberations and decisions regarding the compensation arrangement.

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<sup>1</sup> **Officer** – A person elected or appointed to manage the Organization's daily operations, such as a president, vice-president, secretary or treasurer. The officers of the Foundation are determined by reference to its bylaws, or resolutions of its governing body, or as otherwise designated consistent with state law, but at a minimum include those officers required by applicable state law.

<sup>2</sup> **Key Employee** – An employee of the Foundation who meets all three of the following tests: (a) \$150,000 Test: receives reportable compensation from the Foundation and all related organizations in excess of \$150,000 for the year; (b) Responsibility Test: the employee: (i) has responsibility, powers, or influence over the Foundation as a whole that is similar to those of officers, directors, or trustees; (ii) manages a discrete segment or activity of the Foundation that represents 10% or more of the activities, assets, income, or expenses of the Foundation, as compared to the Foundation as a whole; or (iii) has or shares authority to control or determine 10% or more of the Foundation's capital expenditures, operating budget, or compensation for employees; and (c) Top 20 Test: is one of the 20 employees (that satisfy the \$150,000 Test and Responsibility Test) with the highest reportable compensation from the Foundation and related organizations for the year.