Executive Director Compensation Policy

Organization: MEANS Database, Inc. DBA FoodRecovery.org
EIN: 47-4262060
Address: 4410 Massachusetts Ave NW #397, Washington, DC 20016

---

1. Purpose and Guiding Principles

This Executive Director Compensation Policy (the "Policy") establishes a clear, reasonable, and compliant process for determining and approving the compensation of the Executive Director (ED) of MEANS Database, Inc. DBA FoodRecovery.org (the "Organization").

The Policy is designed to:

- Ensure compensation is reasonable and not excessive under IRS regulations;
- Demonstrate independent, objective, and informed decision-making by the Board of Directors;
- Promote appropriate transparency and accountability in governance and regulatory disclosures;
- Align compensation with the Organization's mission, scale, complexity, and financial capacity;
- Minimize administrative burden while meeting IRS Form 990, regulatory, and other applicable stakeholder expectations.

This Policy governs process only and does not specify or reference any particular compensation amount, past compensation, or current compensation.

---

2. Scope

This Policy applies to the compensation review, determination, and approval process for the Organization's Executive Director, who serves as the Organization's chief executive and top management official.

This Policy governs the procedures used by the Board of Directors to evaluate and approve Executive Director compensation and is intended solely to ensure compliance with applicable legal, regulatory, and governance standards.

---

3. Authority and Oversight

The Board of Directors retains exclusive authority to review, approve, and document Executive Director compensation.

The Board may conduct this review:

- As a whole; or
- Through a committee or other subset of the Board designated for this purpose.

Any committee or subset acting under this section shall report its recommendation to the full Board, and final approval shall be recorded in Board minutes.

All individuals participating in compensation decisions must be independent and free of conflicts of interest in accordance with the Organization's Conflict of Interest Policy.

---

4. Compensation Philosophy

Executive Director compensation shall be:

- Reasonable and competitive, based on comparable nonprofit organizations;
- Proportionate to the Organization's size, budget, complexity, geographic scope, and stage of development;
- Flexible, allowing the Board to consider both quantitative and qualitative factors;
- Structured to support organizational stability, sustainability, and mission impact.

Compensation may include base salary and, where applicable, benefits or other forms of non-taxable or taxable compensation consistent with law.

---

5. Annual Review Requirement

The Board shall conduct a formal review of Executive Director compensation at least annually.

The annual review may coincide with:

- The annual budget approval; or
- The Executive Director's performance review; or
- Another regularly scheduled Board meeting.

The Board is not required to modify compensation annually.

---

6. Use of Comparable Data (Benchmarking)

To establish reasonableness, the Board shall review appropriate comparability data prior to approving Executive Director compensation.

Comparable data may include one or more of the following, as available:

- IRS Form 990 data from comparable nonprofit organizations;
- Compensation surveys or reports relevant to nonprofit leadership;
- Publicly available compensation data from organizations with similar mission focus, budget size, geographic positioning or reach, or organizational factors such as structure, complexity, maturity, or culture.

The Board has discretion to determine the number, source, format, and relevance of comparables used. Comparability data may be summarized rather than fully reproduced, provided the information reviewed is sufficient to support an informed decision.

---

7. Review and Approval Process

The Executive Director shall not be present during discussion or voting on their compensation.

The Board (or authorized committee) shall:

1. Review relevant comparability data;
2. Consider organizational performance, financial capacity, and strategic priorities;
3. Deliberate and determine compensation by vote;
4. Record the decision in written minutes.

Approval requires a majority vote of eligible, independent directors present.

---

8. Documentation and Recordkeeping

To minimize administrative burden while ensuring compliance, documentation may be limited to:

- Board or committee meeting minutes noting:
  - That comparability data was reviewed;
  - That the Executive Director was not present;
  - The approval of compensation or decision to maintain current compensation;
- Retention of comparability materials reviewed (e.g., summary or copies).

No additional documentation is required unless:

- A material change in compensation is approved outside the annual review; or
- An exception is made to this Policy.

---

9. Interim or Off-Cycle Adjustments

The Board may approve changes to Executive Director compensation outside the annual review cycle due to:

- Significant changes in role or responsibilities;
- Organizational growth or restructuring;
- Extraordinary circumstances.

Such actions shall follow the same approval and documentation requirements outlined in this Policy.

---

10. IRS Rebuttable Presumption of Reasonableness

This Policy is intended to satisfy the IRS rebuttable presumption of reasonableness under Treasury Regulation §53.4958-6 by ensuring that:

- Compensation is approved by an authorized body of independent directors;
- Appropriate comparability data is considered;
- The decision is contemporaneously documented.

---

11. Effective Date, Review, and Amendments

This Policy is adopted by the Board of Directors and shall be effective as of **January 1, 2026**, coinciding with the beginning of the Organization's fiscal year.

The Board affirms that this Policy reflects the process used by the Organization to review and approve Executive Director compensation for the applicable fiscal year and is intended to memorialize and formalize that process.

The Board may review this Policy periodically, but no specific review frequency is required.

The Board may amend this Policy at any time. Amendments shall apply prospectively unless otherwise permitted by law.

---

12. Certification

This Policy was reviewed and approved by the Board of Directors of MEANS Database, Inc. DBA FoodRecovery.org, with an effective date of January 1, 2026.

Board Chair: Grant M Nelson

Date of Board Approval: 9 July 2026