

CP#38-08 – Senior Management Compensation Policy

Approved: 12/20/08 | Revised: 01/21/21

1. **Purpose of Council Policy:** This council policy outlines ICC’s review and approval guidelines for senior management compensation, which are in compliance with the Internal Revenue Service guidelines and are to be followed by the ICC Board of Directors.
2. **Rules & Procedures:**
 - a. **Individuals Subject to this Policy:**
 - i. **Chief Executive Officer**
 - ii. **Salaried Officers and Key Employees:** Individuals other than the Chief Executive Officer who (1) are a salaried Officer, or (2) meet all of the following criteria:
 1. \$150,000 Threshold. The individual receives reportable compensation¹ from ICC and all related organizations² in excess of \$150,000 for the calendar year ending with or within ICC’s tax year;
 2. Responsibility Criteria. The individual:
 - a. has responsibilities, power or influence over ICC as a whole that is similar to those of officers, directors, or trustees;
 - b. manages a discrete segment or activity of ICC that represents 10% or more of the activities, assets, income, or expenses of the organization, as compared to the organization as a whole; or
 - c. has authority to control or determine 10% or more of ICC’s capital expenditures, operating budget, or compensation for employees.
 3. Top 20 Limitation. In addition to meeting the \$150,000 threshold and the Responsibility Criteria, the individual is one of the top 20 most highly compensated employees (including all income from ICC and related organizations) for the calendar year ending with or within ICC’s calendar year.

¹ Compensation that is reported on Form W-2, Box 5, or in Box 1 if the employee’s compensation is not reported in Box 5, or Form 1099-MISC, Box 7, filed for the calendar year ending with or within the organization’s tax year

² An organization that stands in one or more of the following relationships to the filing organization: (1) Parent – an organization that controls the filing organization; (2) Subsidiary – an organization controlled by the filing organization; (3) Supporting/Supported – an organization that is (or claims to be) at any time during the organization’s tax year (i) a supporting organization of the filing organization within the meaning of Section 509(a)(3), if the filing organization is a supported organization within the meaning of Section 509(f)(3), or (ii) a supported organization, if the filing organization is a supporting organization.

b. Procedure for Approving Compensation of the Chief Executive Officer

- i. In reviewing and approving the compensation of the Chief Executive Officer, the ICC Board of Directors will utilize the following process:
 - 1. Impartial Decision Makers. The compensation arrangement must be approved in advance (before any payment is made) by the ICC Board of Directors composed entirely of individuals who do not have a conflict of interest with respect to the compensation arrangement (example: neither the Chief Executive Officer nor any of his/her family members may be present during the discussion/debate or participate in the vote).

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2. Comparability Data