

CHESTER STREET FOUNDATION
Form 1023 Attachments
EIN 82-1952603
EXHIBIT 8



CHESTER STREET FOUNDATION

A Texas Non-profit Corporation

POLICY FOR BOARD APPROVAL OF COMPENSATION

The President of Chester Street Foundation (the “Foundation”) is the principal representative of Chester Street Foundation, and the person responsible for the efficient operation of the Foundation. Therefore, it is the desire of the Foundation to provide a fair yet reasonable and not excessive compensation for the President (and any other highly compensated employees and consultants of the Foundation).

The annual process for determining compensation of such individuals is as follows:

The Foundation shall, through either the full Board or a specially formed executive/compensation committee, annually evaluate the President on his performance, and ask for his input on matters of performance and compensation.

Board Approval. The either the full Board or a specially formed executive/compensation committee will obtain research and information to make a recommendation to the full board for the compensation (salary and benefits) of the President (and other highly compensated employees or consultants) based on a review of comparability data. For example, the executive/compensation Committee will secure data that documents compensation levels and benefits for similarly qualified individuals in comparable positions at similar organizations. This data may include the following:

1. Salary and benefit compensation studies by independent sources;
2. Written job offers for positions at similar organizations;

3. Documented telephone calls about similar positions at both Foundation and for-profit organizations; and

4. Information obtained from the IRS Form 990 filings of similar organizations.

Concurrent Documentation. To approve the compensation for the President (and other highly compensated employees and consultants) the Board must document how it reached its decisions, including the data on which it relied, in minutes of the meeting during which the compensation was approved. Documentation will include:

- a) A description of the compensation and benefits and the date it was approved;
- b) The members of the board who were present during the discussion about compensation and benefits, and the results of the vote;
- c) A description of the comparability data relied upon and how the data was obtained; and
- d) Any actions taken (such as abstaining from discussion and vote) with respect to consideration of the compensation by anyone who is otherwise a member of the board but who had a conflict of interest with respect to the decision on the compensation and benefits.

Independence in Setting Compensation: For the purposes of approving executive compensation, a Chair of the board or a specially formed executive/compensation committee shall be a volunteer who is not compensated by the Foundation. The Chair and the Board will operate independently without undue influence from the President.

For the purposes of approving executive compensation, no member of the board or a specially formed executive/compensation committee will be a staff member, the relative of a staff member, or have any relationship with staff that could present a conflict of interest.

The President shall be absent from any and all meetings of the Board or a specially formed executive/compensation committee concerning executive compensation.