

Recruitment and Compensation

Employment at will: All staff at the Massachusetts Housing Partnership (MHP), including the Executive Director, are employees at will and may be terminated at any time without cause.

Job Descriptions and Performance Evaluations: All employees, including the Executive Director and senior management, have written job descriptions and supervisors are expected to conduct performance evaluations annually. The Executive Director meets with the board's Human Resources and Compensation Committee at least annually for a review of his or her performance and the agency's overall performance.

Salaries and Salary Comparability: Compensation of all employees at MHP, including the Executive Director and senior management, is guided by pay ranges and competitive market data reviewed and approved by the board's Human Resources and Compensation Committee based on the recommendations of an outside compensation consultant. The salary ranges for the Executive Director and senior executive team are approved by the full Board of Directors. MHP does not provide any across-the-board step or cost of living increases and does not provide any guaranteed raises or bonuses to its employees. MHP's variable compensation plan and retirement plan are considered in reviewing pay comparability and establishing appropriate salary ranges. MHP's salary grades and ranges are available on request.

Merit-based Recruitment: Appropriate salary grades and ranges have been established for all existing MHP positions. The grade and salary range for a new position is established before candidates are recruited. MHP uses an open and competitive hiring process that includes posting vacant positions on MHP's web site and advertising positions on employment search sites and professional association web sites appropriate to the position. MHP may use search firms at its discretion. Vacant positions are widely advertised and recruitment is not limited to local candidates. At the discretion of the Executive Director, external advertising and recruitment may be waived when there is a qualified internal candidate for non-management positions and the position has been posted internally. The Executive Director may approve other exceptions to these recruitment policies on a case-by-case basis by making a written determination that such an exception is reasonable and in MHP's best interest.

Executive Director: The Executive Director of MHP may be terminated with or without cause and receives the same benefits as all other MHP employees. In the event of termination without cause, the Executive Director would be paid his regular salary and MHP contributions to the 403b retirement plan for six months and would continue to receive existing coverage under MHP's health, dental, disability

and group life insurance plans at the expense of MHP for 18 months pursuant to an employment and separation agreement.

Paid Leave: MHP provides employees with a paid time off (PTO) allowance according to a schedule based upon years of service. PTO may be used for vacation, sickness, or personal days. MHP does not provide a sick leave allowance. No more than seven weeks of PTO may be carried over at the end of any calendar year and any unused PTO is paid out by MHP at the termination of employment as required by law.

Retirement: MHP has a defined contribution 403(b) retirement plan and matches employee contributions up to 10 percent of salary, of which 6.2 percent is made in lieu of Social Security contributions. MHP contributes an additional 2 percent of salary to the retirement plan for all employees with at least two years of service. MHP employees are not part of the defined-benefit state retirement plan and do not earn credit toward Social Security benefits during their years of service at MHP.

Variable Compensation: MHP has a variable compensation plan that is included in its annual budget which is approved by the Board of Directors. Variable compensation may be distributed at the end of the fiscal year at the board's sole discretion based on MHP's financial performance and achievement of agency-wide, team and individual goals during the previous fiscal year. Agency goals are adopted annually by the Board of Directors and performance against those goals is reviewed by the board quarterly. The variable compensation payments, if any, must be approved by the board based on recommendations from the Human Resources and Compensation Committee. Variable compensation payments to the Executive Director, if any, must be expressly approved by the Board of Directors.

Independence from Management: The Human Resources and Compensation Committee meets at least annually without any staff present to discuss the Executive Director's performance and to recommend compensation for the Executive Director and senior executive team for approval by the Board of Directors.