



Pediatric Dermatology Research Alliance

Executive Compensation Policy

Last approved March 2026.

The Executive Committee of the Pediatric Dermatology Research Alliance, Inc. (PeDRA) has general oversight of the organization's human resource plan. Specific duties include yearly evaluation of the chief executive of the organization. The Executive Committee may choose to engage the full Board of Directors or outside resources to support this.

Compensation Framework

1. Chief executive compensation will consist of a base salary and incentive.
2. Yearly Incentive:

The board will review the performance of the organization and chief executive on a yearly basis. Based on this review, the chief executive can earn an incentive each year, not exceeding 25% of annual salary. Incentive will depend on the following:

- A. Organization operating revenue
- B. Positive evaluation by Executive Committee using multiple perspectives for input
- C. Incentive will be determined after audit and paid mid-year

3. Salary Increases

Every two years, base salary may be increased beyond cost-of-living adjustments. Increase will be based on:

- A. Prior year incentive payments
- B. Market analysis of comparable organizations
- C. Alignment with overall organizational strategy

4. If organization operating revenue decreases for two consecutive years, the board will review chief executive compensation and may adjust salary.

Implementation

The Executive Committee will oversee an annual landscape analysis of similar executive salaries utilizing publicly available information and other methods as deemed appropriate. They may request support from the chief executive to accomplish this.

The Executive Committee will meet annually, independent of the chief executive, to discuss performance relative to the position description. During these deliberations, the Committee may also consider input obtained from other volunteer leaders, staff, professional advisors, grant recipients, and other informed community leaders. It is preferred that these deliberations be conducted by teleconference or in-person, but they may be conducted by email if necessary.

Once a consensus is reached regarding performance, a similar discussion is held concerning compensation relative to the annual benchmark and established objectives. A simple majority of the Executive Committee is required to approve the annual compensation to be offered. The PeDRA President will then meet with the chief executive and other representatives from the Executive Committee (not required) to discuss and document strengths, weaknesses, and goals for the upcoming year. Compensation will also be discussed and documented. Any changes to compensation may be implemented by the chief executive or other staff member with oversight and written approval from the Treasurer.

PeDRA shall evaluate chief executive compensation using the process detailed above at least once every two years. Every year, the Board of Directors may approve up to a 3% cost of living adjustment to the chief executive compensation as part of the annual budget approval process.