

IEEE Employee Benefits and Compensation Committee Charter

PURPOSE

The Employee Benefits and Compensation Committee (the "Committee") is created by the Board of Directors of the IEEE to ensure the compensation, benefits, and perquisites provided to the Executive Director, highly compensated staff, members of the IEEE professional staff, and any other "disqualified persons" (as defined below) are consistent with and support the business and financial objectives of the IEEE. The Employee Benefits and Compensation Committee shall report to the IEEE Board of Directors.

Specifically, the Employee Benefits and Compensation Committee shall:

1. Review and recommend for approval to the Board of Directors compensation guidelines, benefits whose costs are budgeted, and related matters, including philosophy, policies, programs and long-term planning and financial considerations for the IEEE employees;
2. Assist the IEEE in its role as Administrator for all employee benefit plans of the IEEE governed by the Employee Retirement Income Security Act of 1974 (ERISA), including but not limited to, the 401(k) savings and investment plan, the defined benefit pension plan, the defined contribution retirement plan, the incentive bonus plan, the 457(b) savings plan, the Roth 401(k) savings and investment plan, and health and welfare plans;
3. Review reports from and the recommendations of the IEEE Employee Retirement Savings Plans Staff Committee with regard to investment options, investment management and staff investment education;
4. Review and annually recommend to the Finance Committee the percentage of budgeted funds set aside for salary increases for eligible IEEE staff members;
5. Review and annually recommend to the Finance Committee the amount of incentive bonus funds set aside for eligible IEEE staff members;
6. Prepare an annual report for the IEEE Board of Directors on the Employee Benefits and Compensation Committee (as defined below) paid to highly compensated staff (as defined below);
7. Review and approve the employee benefits and compensation provided to each disqualified person (as defined below) to ensure the relative market reasonableness of the total compensation in comparison to the practices of comparable organizations;
8. Review and approve the employee benefits and compensation provided to each highly compensated member of the IEEE professional staff to ensure the relative market reasonableness of the person's total compensation;
9. Ensure that a rebuttable presumption of compensation reasonableness is established for each individual defined as a disqualified person within Section 4958 of the U.S. Internal Revenue Code; and,
10. Adequately document and maintain a written record of the basis for its decisions concurrently with making the afore-mentioned compensation reasonableness decisions of the Committee.

DEFINITIONS

“Employee Benefits and Compensation Committee” represents the programs, practices and policies that define the IEEE’s strategy and goals to attract, motivate, and retain employees and specific volunteers through compensation, benefits, work-life balance, performance and recognition, and professional development. For the purposes of the Employee Benefits and Compensation Committee and its ability to establish employee benefits and compensation, and to assess market reasonableness, employee benefits and compensation is comprised of base salary, maximum annual bonus, and retirement benefits, including defined contribution retirement plan, 401(k) plan company match, and balances in the defined benefit pension plan frozen on 30 June 2007, and any perquisites provided, including health and welfare plans.

“Highly Compensated Staff,” shall include the IEEE Executive Director and any IEEE employee who holds the title of IEEE controller, director, staff director, executive director of a technical society, managing director, or staff executive, as well as any IEEE employee who does not have one of these titles but who is in the top thirty paid employees.

“Disqualified Persons,” are those individuals (staff or volunteers) either who were, at any time during the past five years, or who are in a position to exercise substantial influence over the affairs of the IEEE, including, but not limited, to voting members of the Board of Directors, the President, Chief Financial Officer and Treasurer. IEEE employees who are relatives of disqualified individuals are also considered to be disqualified.

QUALIFICATIONS FOR COMMITTEE MEMBERSHIP

To be considered for membership on the Employee Benefits and Compensation Committee,

- An individual must be free from conflict of interest per Section 4958 of the Internal Revenue Code, and
- One member must be a sitting member of the IEEE Board of Directors.
- A member-at-large may be a non-member of the IEEE who shall be a professional in the field of human resources, compensation, regulatory compliance, organizational development and/or employee benefits and wellness; such non-members shall be required to sign a non-disclosure agreement.
- Other members must be members of the IEEE.
- The Chair shall be a member of the IEEE who has normally served at least one year on the Employee Benefits and Compensation Committee.

The following individuals may not serve on the Employee Benefits and Compensation Committee:

- The IEEE President
- The IEEE Past-President

- The IEEE President-Elect
- The IEEE_Executive Director
- The Treasurer
- The Chief Financial Officer
- Any other disqualified person receiving compensation from the IEEE

COMMITTEE MEMBERSHIP

The Employee Benefits and Compensation Committee shall be appointed by the Board of Directors and shall consist of no more than six members including

- The Chair of the Committee who shall be an IEEE member who has normally served at least one year on the Employee Benefits and Compensation Committee.
- No more than two members-at-large who may be non-members of the IEEE.
- One member must be a sitting member of the IEEE Board of Directors.

- The rest of the Committee shall be comprised of IEEE members.

To ensure continuity of knowledge and process, Committee members shall serve in staggered two-year terms that begin in January and end on 31 December of the following calendar year. Individuals may be re-appointed to serve one additional term.

MEMBER REMOVAL OR RESIGNATION

Any member of the Employee Benefits and Compensation Committee may be removed from the Committee by the Board of Directors.

Resignation from the Committee shall be made in writing to the Committee Chair with a copy to IEEE President and a copy to the Chair of the Nominations and Appointments Committee.

Vacancies shall be filled by the Board of Directors.

COMPENSATION PROCESS

As noted above, the following individuals may not serve on the Employee Benefits and Compensation Committee:

- The IEEE President
- The IEEE Past-President
- The IEEE President-Elect
- The Executive Director
- The Treasurer
- The Chief Financial Officer

- Any other disqualified person receiving compensation from the IEEE

The individuals listed above who are restricted from Committee membership may present testimony and documentation to the Employee Benefits and Compensation Committee; however, they may not be part of the deliberations or voting of the Committee. For example, it is anticipated that

- The IEEE Past-President shall present information regarding any recommended change in salary for the Executive Director during the prior calendar year;
- The Executive Director or his/her designee shall present information regarding the recommended changes in salaries of the highly compensated staff during the prior calendar year;
- The Executive Director or his/her designee shall present information regarding the recommended changes in salaries and the market reasonableness of cash and non-cash compensation for either a disqualified individual or a highly compensated individual at a time that is out of sequence with annual incentive bonus awards and annual pay raises.
- The Treasurer shall present information regarding the budget and financial condition of the IEEE.
- The Chief Financial Officer or his/her designee shall present information regarding the financial and operational conditions associated with retirement benefits.
- The Staff Director, Human Resources or his/her designee shall present information regarding the financial, operational and qualitative conditions associated with the employee benefits and compensation provided to the IEEE staff.

ANTICIPATED MEETING CALENDAR

It is anticipated that the Employee Benefits and Compensation Committee shall meet face-to-face three times annually, at or prior to the three Board meeting series. Telephonic meetings may be held throughout the calendar year.

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