**Key Questions for Boards re: CEO salary**

1. Can we replace the current CEO with another great CEO with our current salary level?
2. Is the CEO happy w/ the pay? If not, what number will create happiness?
3. Consider the happy number. Does the CEO provide the value? Has there been the growth and performance to justify it?
4. Also: is there a threat of losing the CEO to a more competitive offer, or because the CEO feels undervalued?
5. Remember: if the happy number seems large, the cost of replacing a CEO is typically much larger, almost always well over $100K (lost opportunity, search fees, hiring risk, etc.). Typically, a high performing CEO is well worth most reasonable retention offers. We see too many boards take a penny pinching stance to salary which has the opposite effect of being very risky and expensive.

See below for nonprofit CEO salary distribution by organizational size in markets like Seattle or Austin.