

School District No. 23 (Central Okanagan) 2010/2011 Public Sector Executive Compensation Report

The Board of Education encourages and adopts practices that enable the district to attract and retain qualified, high-performing employees, who are critical to the delivery of quality public education programs to students in School District No. 23 (Central Okanagan).

A key component of this approach is the development and maintenance of a framework for executive and exempt staff compensation that is rational, defensible, competitive and able to be effectively administered.

Compensation Philosophy

The Board's compensation philosophy is based upon a set of principles that guide development, maintenance, and decision-making. At its core is an integrated view of compensation and rewards — not only traditional, quantifiable elements such as salary and benefits, but also more intangible elements such as career opportunities, learning and career development, work challenge, and supportive culture. This total rewards model further integrates with plans that establish the Board's overall education, business, and human resources strategies and objectives.

Inherent in the Board's compensation philosophy are the following objectives:

- To attract and retain qualified, experienced, motivated, and high-potential employees who are committed to the Board's overarching goal of delivering a high-quality public education experience to our students.
- To support employees through the provision of meaningful career growth and development opportunities, and a performance-based organizational culture.

Labour Market Comparators

Key to the compensation philosophy is the need to maintain a meaningful level of competitiveness with the external labour market. Consistent with industry standards, "labour market" is defined in the British Columbia Public School Employers' Association (BCPSEA) sectoral exempt compensation management plan (Policy 95-06, *Compensation and Employment Standards for School District Employees Not Subject to a Collective Agreement*) as:

- The recruitment pool for these employees
- The destination sector for these employees.

The following considerations guide articulation of the relevant labour market:

- Degree of recruitment from these jurisdictions
- Transferability of skills
- Comparability of qualifications and experience
- Comparability of authority and consequence of error.

For executive and exempt staff positions in the BC K-12 public education sector, the relevant labour market is:

1. Other BC school districts (primary labour market)
2. Other Canadian school districts
3. Other public sector organizations
4. Selected private sector organizations.

The Board's approach includes:

- Consideration of all components of the total rewards model.
- Consideration of the relevant labour market for compensation comparison purposes.
- Linking pay ranges to neutral, relevant factors (e.g., required skill level, required competencies, job content, required qualifications).
- Ensuring appropriate relationships exist between positions in the district's compensation hierarchy.
- Considering the ways in which appropriate organizational and individual performance measures may be linked to the administration of the compensation system.

The Board's total compensation package for executive staff is comprised of the following elements.

Cash compensation

Total cash compensation includes annual base salary and monthly vehicle allowance or leased vehicle.

- Annual base salary

Annual base salary is considered in the context of the total compensation package set within the compensation guidelines established by BCPSEA.

- Vehicle allowance or leased vehicle

Due to the diverse geography of the district and the need to visit schools and other district worksites, the Board provides a monthly vehicle allowance or leased vehicle to the Superintendent, Assistant Superintendent and Secretary-Treasurer. The monthly vehicle allowance or allowable leased vehicle value is set at a level competitive with the vehicle allowances provided to Superintendents, Assistant Superintendents and Secretary-Treasurers.

Non-cash compensation

The non-cash elements of the total compensation package include:

- **Health and welfare benefits**, such as basic medical, extended medical, dental, group life, short-term and long-term disability, employee and family assistance program, etc. consistent with such benefits as offered in the K-12 sector generally.
- **Pension benefits** — executive staff are enrolled in either the Teachers Pension Plan or the Municipal Pension Plan.
- **In addition executive staff receive:**
 - Long service Recognition: Upon retirement a payment based on the following criteria:
 - One week of final compensation for every year employed with School District No. 23 to a maximum of twenty (20) weeks compensation provided the employee has reached the age of 55.
 - Paid time off: Including an annual vacation entitlement of 30 days. Pursuant to the *Public Sector Employers Act*, carry forward of unused accumulated vacation is not permitted.
 - Compensatory time: Up to 5 days of paid time off annually in recognition of attendance at meetings during evenings and weekends.
 - Sick leave: 18 days per year accumulated to a maximum of 180 days.
 - Professional Development: Payment for courses, seminars, workshops and conferences relating to employment.
 - Employee Assistance Program (EPA): Available to all employees of the School District.
 - Leaves: Additional leaves as mutually agreed upon between the employee and the employer.

Compensation Administration

The Board engages in consistent and ongoing administration of the compensation structure to ensure that reality matches philosophy and that equity is maintained. An ongoing system of compensation review ensures that total compensation levels are benchmarked externally against the appropriate labour market and internally against appropriate job evaluation criteria.

The Board works with BCPSEA to obtain information and advice relating to the executive and exempt compensation structures. In addition, the Board utilizes the BCPSEA *Report on Total Compensation Paid to Exempt Employees* — the results of BCPSEA’s triennial survey of total compensation paid to exempt benchmark positions in BC public school districts as well as school districts in Alberta, Saskatchewan, and Ontario, and other relevant public sector employers.

- **Annual base salary administration**

The salary structure for the position of Superintendent of Schools (and other management positions) is a single rate structure, based on the premise that, at the outset of the employment relationship, the individual must be fully competent in all aspects of the position in order to effectively fulfill the duties and responsibilities of the position.

The decision whether to grant a salary increase is at the sole discretion of the Board. In determining whether a salary increase is warranted, the Board considers such factors as performance, competence, external competitiveness, and internal equity including the maintenance of appropriate salary differentials through the organization. Increases are considered within the Board's overall compensation budget.

Accountability

Underlying the Board's compensation philosophy and approach is the understanding that legal and regulatory mandates are considered a baseline for implementing any compensation plan or practice. Compensation administration in the K-12 public education sector operates within the following context:

- the *Public Sector Employers Act*, which establishes the legislative policy framework for exempt staff compensation administration in the public sector,
- the BCPSEA exempt staff compensation management plan (Policy 95-06, *Compensation and Employment Standards for School District Employees Not Subject to a Collective Agreement*), which is an approved compensation plan under the legislation, and
- the Public Education Negotiating Framework Compensation Plan – Exempt Staff (2006-2010).

Under the current compensation administration system in the K-12 sector:

- the Board of Education is solely responsible for the establishment and maintenance of compensation levels for the position of Superintendent of Schools. As elected school trustees, we are accountable to our public and therefore ensure that we adhere to proper human resources practices with respect to executive and exempt staff compensation.
- the Board must submit proposed compensation adjustments for all other executive and exempt positions in the district to BCPSEA for review and approval prior to implementation.

Summary Compensation Table: Fiscal 2010-2011 (year ending June 30, 2011)

Name and Principal Position	Salary	Bonus	Incentive Plan Compensation Paid	Pension	All Other Compensation	Total	Previous 2 Years Totals
Superintendent of Schools Hugh Gloster	\$153,903	-	-	\$22,099	\$25,338*	\$201,340	2009-2010 = \$191,659 2008-2009 = \$162,192
Seconded Superintendent Mike Roberts	\$153,903	-	-	\$22,099	\$12,681**	\$188,683^	2009-2010 = \$190,622 2008-2009 = \$186,969
Secretary-Treasurer Larry Paul	\$136,798	-	-	\$11,559	\$18,899***	\$167,256	2009-2010 = \$164,974 2008-2009 = \$158,484
Assistant Superintendent Terry Beaudry	\$134,248	-	-	\$19,184	\$18,857***	\$172,289	2009-2010 = \$168,820 2008-2009 = #

Notes:

* Includes vehicle lease of \$7,724, employer paid CPP and EI benefit premiums and employer paid Worksafe BC, health and wellness, and dental benefit premiums. Also included is an unused accrued vacation payout of ten days.

** Includes vehicle allowance of \$2,146, employer paid CPP and EI benefit premiums and employer paid Worksafe BC health and wellness, and dental benefit premiums.

*** Includes vehicle allowance of \$8,678, employer paid CPP and EI benefit premiums and employer paid Worksafe BC health and wellness, and dental benefit premiums.

^ The School District is reimbursed by BCPSEA for the employment costs of this employee.

New to the position June 2009, previous position below the compensation reporting threshold.