

SD No. 19 (Revelstoke) Public Sector Executive Compensation Report Fiscal 2010-2011

The Board of Education encourages and adopts practices that enable the district to attract and retain high-performing employees, who are critical to the delivery of quality public education programs to students in School District No. 19 (Revelstoke).

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 job satisfaction — not only traditional, quantifiable elements such as salary and benefits (compensation), but also more intangible elements such as career opportunities, learning and career development, work challenge and supportive culture (job satisfaction). This 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-performing 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 (to the extent that BC school boards recruit from and lose employees to these jurisdictions, this segment of the labour market is weighted to Alberta and Ontario consistent with the industry-standard definition of labour market.)
3. Other public sector organizations
4. Selected private sector organizations.

The Board's approach includes:

- Consideration of all components of the total compensation 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.

In balancing external competitiveness with internal equity, the Board typically has determined that the reference point for executive and exempt total compensation ranges from the 50th to the 100th percentile of the relevant comparator labour market, dependent on the position and the level of experience, education and demonstrated competency of the individuals

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 may include an annual vehicle allowance, a reasonable per-kilometre mileage rate and/or provision for the coverage of business insurance.

- Annual base salary

Annual base salary is considered in the context of the total compensation package. Generally, base salary is targeted between the 50th to the 100th percentile of the comparator labour market. The base salary structure is a single rate structure.

- Vehicle allowance/Mileage reimbursement

To facilitate the need to visit schools, other district worksites and education partners, the Board provides an annual vehicle allowance to the Superintendent, which is set at a basic level and lower than the vehicle allowances provided to Superintendents in other jurisdictions.

Other senior management positions receive mileage allowances based on a district per-kilometre rate. This is not considered a taxable benefit.

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, medical leave, employee and family assistance program, etc. consistent with such benefits as offered in the K-12 sector generally. Exempt positions are required to enrol and pay for their own long-term disability plans.
- **Pension benefits** — executive staff are enrolled in either the Teachers Pension Plan or the Municipal Pension Plan.
- **Paid time off**, including an annual vacation entitlement of thirty (30) days. Pursuant to the *Public Sector Employers Act*, carry forward of unused accumulated vacation is not permitted. If, however, the individual employment contract does allow for carry forward of unused accumulated vacation, then such vacation may be carried forward for one year only and at the end of that year, the unused accumulated vacation must be used in full.

In addition, executive staff may receive additional paid time off annually, in recognition of attendance at meetings during evenings and weekends. This additional time off may range between seven (7) and ten (10) days per year.

- **Other vehicle-related payments**, including insurance and maintenance.

The Superintendent and other senior management are reimbursed, as necessary, for the addition of business insurance to their personal vehicles.

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 Secretary-Treasurer is based on placement at the appropriate pay band in the structure reflective of labour market competitiveness and internal equity. Placement and progression through the steps on the pay band is dependent upon competency growth and performance. The maximum point on the pay band typically represents the job rate for the position, defined as the salary that should be paid to an incumbent who has established him/herself as meeting all the goals and expectations of the position in an exemplary manner. New hires are generally not placed at the job rate on commencement of employment, although due to the key leadership roles and responsibilities, such individuals are generally recruited at a highly competent level and are often placed at the mid to higher points in the pay band reflective of the required competence, qualifications, and experience.

The salary structure for the remaining senior management positions (Principals, District Principals and Vice-Principals) 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 for the Superintendent of Schools 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.

The decision whether to grant a salary increase for the Secretary-Treasurer is at the discretion of the Board and subsequent approval of the British Columbia Public Sector Employers' Association. 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.

The decision whether to grant a salary increase for the remaining senior management positions (Principals, District Principals and Vice-Principals) is at the discretion of the Board and subsequent approval of the British Columbia Public Sector Employers' Association. In determining whether a salary increase is warranted, the Board considers such factors as external competitiveness and internal equity including the maintenance of salary differentials through the organization. Increases are considered within the Board's overall compensation budget, unless they are funded through the Labour Market Adjustment funding provided by Public Education Negotiating Framework Compensation Plan – Exempt Staff (PENFCP).

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 (\$)	Pension (\$)	All Other Compensation (\$)	Total (\$)	Previous 2 Years Totals
(a)	(b)	(c)	(d) *	(e)	(f)
Anne Cooper, Superintendent of Schools	\$127,347	\$18,161	\$15,646	\$161,154	2008-2009 = \$153,214 2009-2010=\$155,662

Notes:

*This amount includes vehicle allowance/business insurance of \$1,609, a one-time payout of unused vacation time, employer-paid CPP and EI benefits premiums and employer-paid health and welfare benefits premiums.