

June 12, 2014

Mr. Lee Doney
President and CEO
PSEC Secretariat
2nd Floor, 880 Douglas Street
Victoria, BC V8W 2B7

Sent via Email

Dear Mr. Doney:

I confirm that the information contained in the attached report accurately states the executive compensation paid out in fiscal 2014 and is in compliance with the compensation plans approved by PSEC.



Bruce Morrison, Board Chair



Selkirk College
Executive Compensation Disclosure Statement for 2013/2014
June 10, 2014

Compensation Philosophy

CEO's compensation

The CEO's compensation is established by the Board, upon recommendation of the Board's Human Resources Committee and is within previously approved benchmarked salary limitations established by the provincial government in 2007. Final approval for the CEO's compensation package rests with PSEC.

Board policy B80 – "President/CEO Compensation Review" – sets the general criteria that the Board will consider to determine the CEO's compensation package (see below.) The Board formally assesses the President's performance on an annual basis, based on goals and objectives that are an integral part of the College's Service Plan. The Service Plan is widely distributed, internally and externally, and a record of achievement against the plan is produced and distributed annually.

Other Senior Executive Compensation

Base compensation for other executives is structured as a five-step scale. Subject to satisfactory performance, employees move up one step each year until they reach the maximum available for the position. The base salary for the scale was established in 2002 as a percentage of the CEO's compensation in place at the time. The salaries have not changed since then, except that general salary increases available to unionized employees have also been paid to all exempt staff, including senior executives, but excluding the CEO. The college has not increased senior executive compensation as dictated by government policy.

Policy B80: PRESIDENT/CEO COMPENSATION REVIEW

The compensation package for the President/CEO position shall be adequate to attract and retain highly qualified and competent individuals to lead Selkirk College. The Board will review the President's compensation package annually following the completion of the President's performance evaluation as per policy B50.

In determining annual changes to the total value of the compensation package, the Board will consider the following criteria:

- Government limits and guidelines for president's compensation.
- Level of compensation granted to presidents at post-secondary institutions of comparable size and nature as Selkirk College in B.C. and other Canadian provinces.
- Level of achievement of performance targets and overall satisfaction of the Board with the President's performance in the previous year.
- Any performance bonus which may be determined as per section (3).

➤ Annual changes in cost of living expenses (inflation) as measured by the consumer price index (CPI) for BC.

➤ Other criteria the Board may deem appropriate.

The Board may, after consulting with the President, offer a performance bonus as part of the total compensation package. The bonus will be paid out if the President has met specific, measurable, time-based targets that are reasonable and achievable.

The Board's Human Resource Committee will lead the compensation review process and make recommendations to the Board.

Notes:

Angus Graeme, President & CEO