



NORTHERN LIGHTS COLLEGE
OFFICE OF THE BOARD OF GOVERNORS
11401 – 8TH Street Dawson Creek, B.C. V1G 4G2
Telephone 250-782-5251, Toll free 1-866-463-6652
Fax 250-782-5233
nlc.bc.ca

April 20, 2016

CEO & President
Public Sector Employers' Council Secretariat
2nd Floor, 880 Douglas Street
Victoria, BC V8W 2B7

RE: 2015-2016 Executive Compensation, Northern Lights College

Northern Lights College is in compliance with our individual PSEC-approved compensation plan and complies with the PSEC reporting guidelines.

The Board is aware of the executive compensation paid in the prior fiscal year.

The compensation information being disclosed is accurate and includes all compensation paid by the employer. It also includes the value of any pre or post-employment payments made during the 12-month period before or after the term of employment.

A handwritten signature in black ink, appearing to read "John Kurjata", written over a horizontal line.

John Kurjata
Chair
Board of Governors, Northern Lights College

NORTHERN LIGHTS COLLEGE TOTAL COMPENSATION PHILOSOPHY

Purpose / Rationale

The College's compensation program is intended to assist in recruiting, motivating and retaining a qualified management and exempt group, by providing tangible rewards to enable the College to attain its corporate goals and objectives.

Scope

This policy applies equally to all exempt employees of Northern Lights College excluded from membership in a bargaining unit.

Objectives

Northern Lights College's compensation program objectives are:

- to attract competent and capable management and exempt staff that share a passion for education;
- to assist in retaining the services of a high quality management and exempt group;
- to provide compensation that encourages superior performance;
- to promote individual and team performance and the overall achievement of the College's strategic plan;
- to provide fair and equitable compensation in accordance with the authority and accountability of the employee's position;
- to assist the College in reinforcing its commitment to professional development for its exempt staff for succession planning, retention and other purposes.

Governance and Administration

The NLC compensation plan is reviewed on an ongoing basis by the compensation committee comprised of staff within the excluded management team and lead by the Executive Director of Human Resources & Organizational Development. The committee's authority is limited to making recommendations to the President/CEO who retains the decision making authority. The President is prohibited by Executive Limitation from making changes to his own compensation package, and as such he is the sole exception to the above plan. The President negotiates changes to his compensation package directly with the board.

The Northern Lights College President/CEO is responsible for approving our overall compensation philosophy in addition to ensuring annual compensation reporting and disclosure is completed in accordance with the Board policies, Government policy and

legislation. The senior executive team is responsible for the day to day oversight and administration of the programs. Total compensation programs may be amended from time to time, as determined by the College, and as approved by the President and the Minister.

The Board of Governors is responsible for ensuring Northern Lights College is in compliance with our overall compensation philosophy and complies with the PSEC reporting guidelines, and is aware of the executive compensation paid in the prior fiscal year. The College President/CEO

Guiding Principles

Northern Lights College's exempt staff members are responsible for leading the College's major functions and ensuring the overall effectiveness and efficiency of a wide range of service delivery, to its student body and the broader North Eastern British Columbia communities. The College endeavors to provide the opportunity to its employees to gain fulfillment in important and rewarding careers, recognizing that the College operates in a competitive environment where qualified and competent staff are valued by many organizations.

The College's compensation practices follow these guiding principles:

- *Performance-Related:* Northern Lights College values the contribution of its entire exempt staff toward the attainment of its strategic and operating objectives and provides compensation that is commensurate with such contributions. The College's compensation program supports and promotes a performance-based organizational culture.
- *Differentiation and Flexibility:* a primary feature of the College's compensation program is to align individual managers and operating units with the College's overall strategy. Within a broad framework, the College's compensation program provides it with the necessary flexibility to make compensation decisions consistent with the need for internal equity, the variation in scope and authority for positions, as well as the need to adapt to changes in the external market.
- *Accountability:* the College makes its compensation decisions objectively using clear and well documented rationale to ensure the appropriate expenditure of public funds.
- *Openness and Transparency:* the College communicates the basic principles and 'mechanics' of its compensation program in an open, honest and direct manner. This principle does not involve the distribution of specific market survey data, or making public personal and individual compensation information.

- *Affordability and Sustainability:* the College's total compensation programs are designed and administered in a fiscally responsible manner that ensures that costs are affordable and sustainable over time, and balanced against market forces.

Comparator Groups

Northern Lights College recognizes that a compensation policy needs to consider all elements of a total compensation program and believes that it is important to consider both internal and external factors when making compensation decisions.

Internally, importance is placed on recognition of job value/content through a formal job evaluation methodology, as well as assessments of individual leaders' demonstrated competencies and performance, to ensure that the relative internal value of work is fairly recognized.

Externally, Northern Lights College monitors first, the Provincial Public Service and similar post-secondary and other public sector labour markets to continually assess compensation trends and levels, with a focus on those organizations with which it competes for talent. authorization required. Second, in specific circumstances and programs, the College may review compensation trends in targeted industry or other sectors, or other provinces / geographic jurisdictions.

Positions within the exempt grid are reviewed as necessary by the executive team, consistent with our guiding principles. Salary adjustments require Presidential/CEO approval and any required legislative approval where necessary.

Total Compensation

This policy is to be read in concert with the *Terms and Conditions of Employment for Exempt Employees* established by the College which includes four main elements:

- *Compensation* – providing fair compensation for the scope and breadth of job responsibilities and the education, competencies, and experiences that employees bring to their roles;
- *Benefits* – providing security and protection for employees and their families;
- *Career Development* – providing support for skill development, upgrades and other career development activities; and
- *Work / Life Balance* – providing paid time off and other programs to help employees balance their work and personal demands.

Exempt employees are placed in salary pay bands that reflect their duties and responsibilities as evaluated under the College's factor based, point rating *Exempt Employee Job Evaluation Plan*.

LEGISLATED REFERENCES AND COLLECTIVE AGREEMENTS

College and Institute Act [RSBC 1996] c. 52

Public Sector Employers Act [RSBC 1996] c. 384

Summary Compensation Table at FISCAL, 2016

Name and Position (a)	Salary (b)	Holdback / Bonus / Incentive Plan Compensation (c)	Benefits (d)	Pension (e)	All Other Compensation (expanded below)	2015/16 Total	Previous Two Years Totals	
							2014/15	2013/14
Loren Lovegreen, Vice President, Academic & Research	\$ 133,943	\$ -	\$ 7,506	\$ 13,683	\$ 6,455	\$ 161,587	\$ 95,105	\$ -
Nicholas Rubidge, Interim President	\$ 6,021	\$ -	\$ 21	\$ -	\$ 331	\$ 6,372	\$ 78,841	\$ -
Anndra Graff, Vice President, Financial & Corporate Services	\$ 126,164	\$ -	\$ 9,106	\$ 12,895	\$ 971	\$ 149,136	\$ -	\$ -
Bryn Kulmatycki, President & CEO	\$ 170,502	\$ -	\$ 6,229	\$ 17,199	\$ 4,058	\$ 197,988	\$ -	\$ -
Susanne Hunter, Vice President, Community Relations & Student Services	\$ 43,828	\$ -	\$ 4,757	\$ 4,344	\$ 4,718	\$ 57,648	\$ -	\$ -

Summary Other Compensation Table at FISCAL, 2016

Name and Position (a)	All Other Compensation	Severance (f)	Vacation payout (g)	Leave payout (h)	Vehicle / Transportation Allowance (i)	Perquisites / other Allowances (j)	Other (k)
Loren Lovegreen, Vice President, Academic & Research	\$ 6,455	\$ -	\$ 6,455	\$ -	\$ -	\$ -	\$ -
Nicholas Rubidge, Interim President	\$ 331	\$ -	\$ 241	\$ -	\$ -	\$ -	\$ 90
Anndra Graff, Vice President, Financial & Corporate Services	\$ 971	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 971
Bryn Kulmatycki, President & CEO	\$ 4,058	\$ -	\$ 2,278	\$ -	\$ -	\$ -	\$ 1,781
Susanne Hunter, Vice President, Community Relations & Student Services	\$ 4,718	\$ -	\$ 1,204	\$ -	\$ -	\$ -	\$ 3,514

Notes:

Loren Lovegreen, Vice President, Academic & Research	Base salary includes \$3,876.66 earnings for Mar 20 to 31, 2015 that were paid on Apr 10, 2015 but not previously reported on 2014-2015 disclosure. Vacation payout is 91 hours x \$70.93 = \$6,454.63.
Nicholas Rubidge, Interim President	Employee's temporary contract ended on Mar 31/15. Base salary is for Mar 20 to 31, 2015 earnings that were paid on Apr 10, 2015 but not previously reported on 2014-2015 disclosure in error. Vacation payout is \$6,020.56 x 4% vacation pay = \$240.80. Other is payment in lieu of benefits (employer's estimated cost if employee received benefit coverage) = \$89.88 x 1 bi-weekly pay periods = \$89.88.
Anndra Graff, Vice President, Financial & Corporate Services	Employee has been working in this position since Aug 25/14, but her salary did not reach \$125,000 until Apr 1/15. Other is professional dues paid to the CPA Association of BC for the 2015-2016 fiscal year.
Bryn Kulmatycki, President & CEO	New hire effective Apr 1/15. Vacation payout is 24.5 hours x \$92.97 = \$2,277.77. Other is \$1,780.60 in moving allowance. This amount was reimbursed to the employee under the Moving allowance (promissory note) signed on June 24/15 for an amount of up to \$1,780.60.
Susanne Hunter, Vice President, Community Relations	Vacation payout is 17.5 hours x \$68.80 = \$1,204.00. Other includes \$1,984.00 for temporary lodging and \$1,530.25 in relocation expenses paid in the 2015-2016 fiscal year. The temporary lodging was provided to the employee, and relocation expenses reimbursed to the employee under the terms of the employee's signed offer letter. The letter indicates that the College is prepared to reimburse relocation fees up to a maximum of \$20,000.00, reimbursement for a pre-move house visit, and temporary lodging after arrival to take the offered position.