



NORTHERN LIGHTS COLLEGE
OFFICE OF THE BOARD OF GOVERNORS
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CEO & President
Public Sector Employers' Council Secretariat
2nd Floor, 880 Douglas Street
Victoria, BC V8W 2B7

RE: 2016-2017 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](#)

LINKS TO SUPPORTING FORMS, DOCUMENTS, WEBSITES, RELATED POLICIES

Northern Lights College

Summary Compensation Table at 2017

Name and Position	Salary	Holdback/Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2016/2017 Total Compensation	Previous Two Years Totals Total Compensation	
							2015/2016	2014/2015
Micheal Bryn Kulmatycki, President and Chief Executive Officer	\$ 171,608	-	\$ 4,699	\$ 17,270	-	\$ 193,577	\$ 197,989	
Anndra Elizabeth Graff, Vice President, Finance and Corporate Services	\$ 130,985	-	\$ 9,893	\$ 13,183	-	\$ 154,061	\$ 149,136	
Susanne Hunter, Vice President of Community Relations and Student Services	\$ 48,163	-	\$ 3,513	\$ 4,845	\$ 59,583	\$ 116,104	\$ 57,647	
Loren Lovegreen, Vice President, Academic and Research	\$ 130,985	-	\$ 7,874	\$ 13,183	-	\$ 152,042	\$ 161,587	\$ 95,104

Notes

Micheal Bryn Kulmatycki, President and Chief Executive Officer	
Anndra Elizabeth Graff, Vice President, Finance and Corporate Services	
Susanne Hunter, Vice President of Community Relations and Student Services	General Note: Termination arrangement include lump sum of \$59,583 for 24 weeks severance. The position is currently vacant.
Loren Lovegreen, Vice President, Academic and Research	General Note: Decrease in compensation is mainly due to 26 pay periods this year compared to 27 pay periods in 2015/2016. There are no vacation payouts in this reporting period.