



April 21, 2017

Ms. Christina Zacharuk
CEO & President
Public Sector Employers' Council Secretariat
880 Douglas Street, Suite 210
Victoria, BC V8W 2B7

Dear Ms. Zacharuk,

Further to the 2016-2017 Public Sector Executive Compensation Reporting Guidelines, I am writing to confirm the following:

- The appropriate committee of the Board of Governors, the Executive Committee, is aware of the executive compensation paid by The University of British Columbia in the 2016-2017 fiscal year.
- The compensation information being disclosed is accurate and includes all compensation paid by the University. 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.
- As Chair of the University's Board of Governors and Executive Committee, I verify such compensation was within approved compensation plans, and complies with guidelines.

If you have any questions or comments, please do not hesitate to forward them to me c/o Ms. Reny Kahlon, Director, Board of Governors Secretariat.

Yours truly,

Stuart Belkin
Chair, UBC Board of Governors



Public Sector Executive Compensation Reporting – Fiscal Year 2016/17
Compensation Philosophy of The University of British Columbia

The University's compensation philosophy is outlined below. However, in fiscal year 2016/17 the government-imposed "salary constraint" for public sector management, including at universities, continued. This was effective September 13, 2012, and remains in place at the date of completing this report.

[1] Material principles and underlying policies and decisions for compensation provided to the President and senior administrators for the most recently completed fiscal year

- The overarching principle of compensation is to retain and attract outstanding employees who will contribute to and further UBC's excellence within British Columbia, Canada, and the world. Within that fundamental guiding principle, the compensation plan for senior administrators is based on the following foundational principles:
 - Performance** – Compensation programs support and promote a performance-based (merit) organizational culture.
 - Differentiation** – Differentiation of salary is supported where there are differences in the scope of the position within an organization, responsiveness to market conditions (some skills, competencies and professional designations are more costly), and/or due to superior individual team contributions.
 - Accountability** – Compensation decisions are objective, aligned with UBC's commitments to equity and improving the diversity of its workforce, and based upon a clear and well documented business rationale that demonstrates the appropriate expenditure of public funds.
 - Transparency** – Compensation programs are designed, managed, and communicated in a manner that ensures the program is clearly understood by employees and the public while protecting individual personal information.
- As one of the highest ranked universities in Canada, and one of the top 40 universities in the world, UBC seeks to retain and attract the best senior administrators it can by remaining competitive in its compensation practices with other large research-intensive universities, in particular the University of Toronto and the University of Alberta, and with the global market for senior administrator talent generally.

THE UNIVERSITY OF BRITISH COLUMBIA



- The compensation framework is designed to reward sustained performance.
- In recent years, UBC had to introduce an element of housing assistance into the compensation framework to attract senior administrator talent to Metro Vancouver, particularly UBC's location at the end of a peninsula surrounded by Vancouver's most expensive real estate.
- Higher compensation values are often provided to senior academic roles such as the President, Provost and VP Academic, Deputy Vice Chancellor & Principal at UBC Okanagan, and Vice President Research to recognize that they have augmented their core academic roles with very senior administrative responsibilities, and to provide incentives for faculty members to undertake these significant administrative roles.
- Compensation values for senior administrative roles reflect a weighting of public and private sector values, with a clear weighting in favour of the public sector, and more particularly UBC's university competitors in Canada and internationally.
- As approved by the Public Sector Employers' Council (PSEC), the President's arrangement represents the organization's maximum compensation, and all other senior administrators will not normally exceed 90% of that of the President.
- Pension and benefit arrangements should mirror those of the employee group that most closely approximates the nature of the role. For academic senior administrators, benefits mirror those received by faculty members. For non-academic senior administrators, benefits mirror those received by management staff.
- Annual performance reviews, as described below, are primarily driven by performance, and increases are typically provided as a recurring addition to base salary. This is intended to recognize the prior year's performance and the promise of future performance. In addition, there is a review of internal equity across senior administrator positions.



Responsibility for Senior Administrator Compensation

- The responsibility for senior administrator compensation rests with the Executive Committee of the UBC Board of Governors after receiving recommendations from the President for all senior administrators reporting to the President. The foundation of the process is each senior administrator's development of performance objectives at the outset of the performance period. These performance objectives align with the University's strategic priorities and operational imperatives. Actual performance is reviewed against objectives, together with the setting of the next year's objectives. The President is not reviewed for annual salary increases; rather, the salary is established in the employment agreement approved by PSEC and the responsible Minister.

[2] Changes Since Fiscal Year End

- No new policies, actions, or decisions were made after the end of the most recently completed fiscal year that would affect a fair understanding of the compensation of the President and senior administrators for the last fiscal year.

[3] Incentive Plan Performance Targets and Objective Identifiable Measures Related to the Pursuit of Performance Targets

None.

[4] Leaves

- Vacation and academic leaves are provided to the President and senior administrators. These relate to UBC's compensation philosophy in that they comprise an important part of the total compensation package to attract and retain outstanding senior administrators. The maximum vacation permitted is six weeks. Academic leaves are provided as an incentive, common across universities, for faculty members to assume academic senior administrator roles. During these term positions they do not accrue service towards study or sabbatical leaves that they would normally receive as a faculty member under their collective agreement.



Footnote to Summary Compensation Table: UBC Supplemental Arrangement

- The total pension contributions made by the employee and the university in any one year cannot exceed the contribution limit, which is 18% of annual earnings, or \$26,010 for 2016, whichever is less. Salaries exceeding \$185,736 in 2016 would have reached this limit. Excess University contributions are directed to the non-registered supplemental arrangement (SRP).
- The SRP contribution amount is that which the employer would be required to contribute to the Faculty Pension Plan (FPP) if there wasn't a maximum limit imposed by the Income Tax Act.
- The employer is the sole legal and beneficial owner of all assets in the SRP. All assets held in the SRP will be available for general creditors of the employer.
- The employer invests the assets.
- Withdrawals from the SRP are available only at termination, retirement, or death.

Contact for media and other inquires:

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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
Santa J Ono, President & Vice-Chancellor	\$ 295,056	-	\$ 13,132	\$ 28,905	\$ 30,059	\$ 367,152		
Martha C Piper, Interim President & Vice-Chancellor	\$ 102,000	-	-	-	-	\$ 102,000	\$ 241,089	
Helen Mary Burt, Interim VP, Research	\$ 264,667	-	\$ 5,906	\$ 25,540	-	\$ 296,113		
Deborah Buszard, Deputy Vice Chancellor & Principal - UBC-O	\$ 284,200	-	\$ 7,325	\$ 27,073	\$ 5,504	\$ 324,102	\$ 320,198	\$ 319,017
John Hepburn, VP, Research & International	\$ 45,867	-	\$ 594	\$ 4,432	\$ 254	\$ 51,147	\$ 311,416	
Angela Redish, VP Academic & Provost (Pro Tem)	\$ 340,000	-	\$ 7,502	\$ 33,073	\$ 1,575	\$ 382,150	\$ 325,682	
Andrew John Simpson, VP Finance & Operations	\$ 325,000	-	\$ 7,912	\$ 31,573	\$ 1,470	\$ 365,955	\$ 299,029	

Summary Other Compensation Table at 2017

Name And Position	All Other Compensation	Severance	Vacation payout	Leave payout	Vehicle / Transportation Allowance	Perquisites / other Allowances	Other
Santa J Ono, President & Vice-Chancellor	\$ 30,059	-	-	-	-	\$ 322	\$ 29,737
Martha C Piper, Interim President & Vice-Chancellor	-	-	-	-	-	-	-
Helen Mary Burt, Interim VP, Research	-	-	-	-	-	-	-
Deborah Buszard, Deputy Vice Chancellor & Principal - UBC-O	\$ 5,504	-	-	-	-	\$ 5,504	-
John Hepburn, VP, Research & International	\$ 254	-	-	-	-	\$ 254	-
Angela Redish, VP Academic & Provost (Pro Tem)	\$ 1,575	-	-	-	-	\$ 1,575	-
Andrew John Simpson, VP Finance & Operations	\$ 1,470	-	-	-	-	\$ 1,470	-

Notes

Santa J Ono, President & Vice-Chancellor	<p>General Note: Start date in role - August 15, 2016 Perquisite/Other Allowance Note: Benefits and taxable benefits that are permitted annually under the executive's contract, such as health assessments and financial planning, which are used to varying degrees from year to year Other Note: Taxable benefit related to UBC's requirement that the President and his family live in the Norman Mackenzie House on the Vancouver campus</p>
Martha C Piper, Interim President & Vice-Chancellor	<p>General Note: Data for 2016/17 represents a partial fiscal year in the role. End date in role - June 30, 2016</p>
Helen Mary Burt, Interim VP, Research	<p>General Note: Commenced interim VP Research role June 1, 2016 (\$229,167) From April 1, 2016 - May 31, 2016 - AVP Research & International (\$35,500)</p>
Deborah Buszard, Deputy Vice Chancellor & Principal - UBC-O	<p>Perquisite/Other Allowance Note: Benefits and taxable benefits that are permitted annually under the executive's contract, such as health assessments and financial planning, which are used to varying degrees from year to year</p>
John Hepburn, VP, Research & International	<p>General Note: Data for 2016/17 represents a partial fiscal year in the role. End date in role - May 31, 2016 Perquisite/Other Allowance Note: Benefits and taxable benefits that are permitted annually under the executive's contract, such as health assessments and financial planning, which are used to varying degrees from year to year</p>
Angela Redish, VP Academic & Provost (Pro Tem)	<p>General Note: Data for 2016/17 represents a full fiscal year in the role, as compared to 2015/16, which represents a partial fiscal year, as the senior administrator was appointed part way through that fiscal year. Perquisite/Other Allowance Note: Benefits and taxable benefits that are permitted annually under the executive's contract, such as health assessments and financial planning, which are used to varying degrees from year to year</p>
Andrew John Simpson, VP Finance & Operations	<p>General Note: Data for 2016/17 represents a full fiscal year in the role, as compared to 2015/16, which represents a partial fiscal year, as the senior administrator was appointed part way through that fiscal year. Perquisite/Other Allowance Note: Benefits and taxable benefits that are permitted annually under the executive's contract, such as health assessments and financial planning, which are used to varying degrees from year to year</p>