

SCHOOL DISTRICT NO. 22 (VERNON)

BOARD OF EDUCATION
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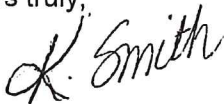
November 10, 2016

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

Dear Ms. Zacharuk:

This will confirm that the Board of Education of School District No. 22 (Vernon) is aware of the total compensation paid to executive staff during the 2015-2016 fiscal year and further, that we verify the amount of compensation paid was within the compensation plan as approved by the Board and as reported in the Summary Compensation Table .

Yours truly,



Kelly Smith
Board Chair
/lj



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Public Sector Executive Compensation Report 2015-2016

The Board of Education encourages and adopts practices that enable the district to attract, retain, incent, and reward qualified, high-performing employees who are critical to the delivery of quality public education programs to students in School District No. 22 (Vernon)

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.

The Board is only authorized to approve compensation for the Superintendent of Schools without the approval of BCPSEA and PSEC. Under the current compensation freeze by BCPSEA and PSEC for other exempt staff, the Board has not been able to administer and maintain a framework consistent with this framework and the following philosophy.

Compensation Philosophy

The Board's compensation philosophy should be based upon a set of principles that guide development, maintenance, and decision-making. At its core is an integrated view of compensation and rewards — 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 (rewards). This total rewards 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-potential 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 should be:

1. Other BC school districts (primary labour market)
2. Other Canadian school districts (To the extent that BC school districts recruit from and lose employees to these jurisdictions, this segment of the labour market is weighted to Alberta and Ontario (and to a lesser extent, Saskatchewan) consistent with the industry-standard definition of labour market.)
3. Other public sector organizations
4. Selected private sector organizations.

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 monthly (*or annual*) vehicle allowance (*or leased vehicle or employer-provided vehicle, etc.*).

- Annual base salary is considered in the context of the total compensation package. The base salary structure is a single rate structure
- Vehicle allowance / Leased Vehicle

Due to the diverse geography of the district and the need to visit schools and other district worksites, the Board provides either a monthly vehicle allowance or a leased vehicle to the Superintendent and other executive positions. The monthly vehicle allowance is set at a level competitive with the vehicle allowances provided to other Superintendents in districts of similar size and geography.

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, short-term and long-term disability, employee and family assistance program.
- **Pension benefits** — executive staff are enrolled in either the Teachers' Pension Plan or the Municipal Pension Plan.
- **Retirement benefits** - on retirement, provided the employee has a minimum of five (5) years of service with the Board, the Board shall pay to the executive staff one (1) weeks' pay for every year of service, to a maximum of 20 weeks.
- **Paid time off**, including an annual vacation entitlement of 35 days. Pursuant to the *Public Sector Employers Act*, carry forward of unused accumulated vacation is not permitted unless the individual employment contract allows 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, paid out, or a combination of the two.

- In addition, executive staff receives 10 days of paid time off annually, in addition to annual vacation entitlement, in recognition of attendance at meetings during evenings and weekends.

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.

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. The elected Board is accountable to the public for 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 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
Joseph Rogers, Superintendent	\$ 169,642	\$ -	\$ 17,142	\$ 26,540	\$ 14,474	\$ 227,797	\$ 222,278	\$ 164,019
Sterling Olson, Secretary Treasurer	\$ 117,787	\$ -	\$ 16,651	\$ 16,400	\$ 8,133	\$ 158,971	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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)
Sterling Olson, Secretary Treasurer	\$ 8,133	\$ -	\$ -	\$ -	\$ 8,133	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

Joseph Rogers, Superintendent

Sterling Olson, Secretary Treasurer

Start date August 24, 2015