



# OKANAGAN COLLEGE EXECUTIVE COMPENSATION PHILOSOPHY, PRACTICE AND PROCESS GUIDELINES

**Fiscal 2008-2009**

Prepared: Friday, June 12, 2009

**Introduction:** The purpose of this report is to provide full disclosure pursuant to the amendments to the *Public Sector Employers Act* respecting the Chief Executive Officer and next four highest paid Executives within Okanagan College.

**Total Compensation:** For the purposes of this report, total compensation includes: base salary, performance pay, pension, group insurance benefits and other perquisites (e.g. RRSP).

**Philosophy:** Executive compensation is determined with reference to the job evaluation plan; annual salary ranges for specific positions and benefits established by the Human Resource Policy approved by the Government (and subject to change from time to time with the approval of the Government).

**Process:**

**President:** The President's performance management and compensation is the responsibility of the Presidential Review Committee under the leadership of the Board Chair. This Committee is lead by the Board Chair and also includes the Chair and Vice-Chair of the Human Resource Committee. This Committee is responsible for conducting the President's annual performance evaluation, establishing goals for the coming year and making recommendations to the full Board on any changes to the compensation.

The annual process involves (1) annual performance evaluation (performance on previous year's goals, including self-assessment by President, survey of Board members and assessment by Committee), (2) establishment of new goals for forthcoming years including actions, performance measures, targets and constraints and discussion of any changes to compensation package, and (3) the Sub-Committee produces a report on the evaluation, compensation recommendations and the draft President's goals for the upcoming year. Board considers and approves the recommendation(s).

**Vice-Presidents:** The President is responsible for the performance management of the Vice Presidents, which includes setting annual goals including measurements and targets.

Okanagan College is in the process of instituting a comprehensive performance management system for its entire Management Team. This system is based on the process described for the President.

**Relation of Goals to Compensation:** Compensation change is dependent on performance in meeting previous year's performance measures and targets, including AVED enrolment targets and institutional budget. Currently, the President's compensation level has been set according to the PSEA guidelines which were in force two years ago.

**Performance Pay:** There will *not* be a performance payout for 2008-2009 due to the conditions explained above.

**Summary Compensation Table**

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Name and Principal Position	Annual Base Salary Received (\$\$\$)	Bonus (\$\$\$)	Incentive Plan Compensation Paid (\$\$\$)	Pension (\$\$\$)	*Other Compensation (\$\$\$)	**Total Compensation (\$\$\$)	Previous Years Totals 2007/2008 (\$\$\$)
James Hamilton President	\$ 162,830	\$ -	\$ -	\$ 14,657	\$ 26,051	\$ 203,537	\$ 203,482
Andrew Hay Vice-President, Education	\$ 140,642	\$ -	\$ -	\$ 12,602	\$ 14,527	\$ 167,770	\$ 161,366
Robert Eby Vice-President, Finance & Administration	\$ 132,730	\$ -	\$ -	\$ 11,857	\$ 14,653	\$ 159,239	\$ 135,858
Steve Koehle Vice-President, Students	\$ 137,707	\$ -	\$ -	\$ 12,325	\$ 14,567	\$ 164,599	\$ 155,599
Totals:	\$ 573,908	\$ -	\$ -	\$ 51,440	\$ 69,798	\$ 695,146	\$ 656,305

**\*Other Compensation - includes statutory employer payments (e.g. CPP, EI, WCB), health and welfare benefits and car allowances)**

**\*For President only - includes deferred benefits of \$7,565 so that total benefits equal 25% of salary as per contract (e + f = 25% of b)**

**\*\*Total Compensation - based on 26.1 pay periods in 2008/2009 fiscal year**