



*Coast promotes recovery of persons with mental illness*

June 8, 2012

Sent via email

Kindrée Draper, Corporate Relations Manager  
Public Sector Employers' Council; and

Pamaljit Gill, Industry Advisor  
Management Compensation  
Health Employers Association of BC

**Re: Compensation Disclosure Requirements for Public Sector CEOs and Senior Executives: 2011-12 Period**

As required, attached is the Senior Executive Compensation Disclosure for Coast Foundation Society (1974) for Coast Executive Director, Darrell Burnham. Mr. Burnham is the only Coast employee with an annual base salary of greater than \$125,000.

Reporting guidelines require an explanation of a year-over-year salary increase of more than 5% compensation. Please note that the compensation increase from 2011 to 2012 is based upon the HEABC Compensation Plan, Executive Director, Range 18.

On behalf of the Board of Directors, I attest that the Board is aware of the executive compensation paid in the prior fiscal year and the compensation provided is within our approved compensation plans.

In addition to the Summary Compensation Table, I have also enclosed a copy of Coast's Policy 1.4 *Chief Executive Officer Performance Evaluation (Executive Director)* for your information.

Sincerely,

Dr. Peter Gibson  
Chair, Board of Directors

Enclosures

**Coast Foundation Society (1974) - 2011/2012 Senior Executive Compensation Disclosure**

**SUMMARY COMPENSATION TABLE**

<b>Name &amp; Principal Position</b>	<b>Salary</b>	<b>Bonus and/or Incentive Plan Compensation Paid</b>	<b>Benefits</b>	<b>Pension</b>	<b>All Other Compensation</b>	<b>Total</b>	<b>Previous Two Years Totals</b>
Darrell Burnham, Executive Director	\$136,188	0	\$13,742.21	\$11,854.71	*\$6,000	\$167,784.92	**2009-2010: n/a  2010-2011: \$154,379.15

\* Car Allowance

\*\* 2009-2010 Salary < \$125,000

Note:

Salary increase of more than 5% compensation from 2010-2011 to 2011-2012 is based upon HEABC, Employer Grade 3, Chief Executive Officers, Executive Director, and Administrators of HEABC Organizations utilizing the Compensation Reference Plan. Executive Director: Range 18, HEABC Reference Plan.



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## Chief Executive Officer Performance Evaluation (Executive Director)      Section A100 - 1.4

### Policy

The Executive Board Officers and the Chair of the Human Resources Committee review the Chief Executive Officer's performance annually using an established process to achieve the following objectives:

- To support the vision and mission of Coast Foundation Society (1974) through performance planning, execution, evaluation, feedback and improvement.
- To support the success of the Chief Executive Officer.

### Procedure

#### **The Board through the Board Executive Officers and the Human Resources Committee will:**

- Establish a process that enables an ongoing dialogue between the Board and the Chief Executive Officer to achieve the organization's objectives.
- Set strategic goals and objectives in consultation with the Chief Executive Officer
  - Linking base job expectations and improvement objectives.
  - Including in the base job expectations, both behaviors and results.
- Use a 360-degree feedback for development.
- Establish and maintain a compensation contract which:
  - Is consistent with the guidelines of HEABC and Coast's Compensation Plan.
  - Links overall performance to compensation.

#### **The Human Resources Committee will:**

- Develop and maintain a position description for the Chief Executive Officer.
- Develop and maintain an employment contract for the Chief Executive Officer.
- Develop an effective performance review and feedback process and revise as necessary. (Please see Appendix A for details)
- Initiate annual performance planning at the beginning of the business planning cycle and complete such process within the subsequent six months. (See Performance Review Schedule – Appendix B)

The procedures and timelines outlined in Appendix A & B will be incorporated into the evaluation process by the Executive Officers.

**The Executive Board Officers** will:

- Discuss the findings of the annual performance review and provide guidance to the Board Chair and the Chair of the Human Resources Committee.
- Make recommendations to the Board on adjustments to compensation and the employment contract.
- Provide feedback to the Human Resources Committee should the tools used in the process require improvements.

**The Board Chair and the Chair of the Human Resources Committee** will:

- Set goals and objectives with the Chief Executive Officer to be achieved by the Chief Executive Officer based on business objectives.
- Construct a development plan based on overall performance.
- Provide opportunities for dialogue and feedback between the parties.

**The Chief Executive Officer** will:

- In consultation with senior management and the Board develop a business plan to implement the improvement objectives set by the Board.
- Report on a quarterly basis, or other frequency set by the Board, on changes, achievements and other issues that arise out of the Performance Review and on other matters that the Board needs to know about.
- Update the objectives.
- Provide and receive feedback on performance with Board Chair.

**The Board Chair** will:

- Report to the Board at an In-Camera meeting the highlights of the review and recommendations for adjustments to compensation or other matters related to the Chief Executive Officer's terms and conditions of employment.
- Advise the Chief Executive Officer in writing regarding changes to the compensation package as approved by the Board. A copy of this letter will be placed in the CEO's personnel file and a copy will be forwarded to the Controller for implementation of the adjustments.
- Advise the Audit & Finance Committee to ensure the increases in salary and benefits are reflected in the annual budget.

**The Board** will:

- Approve all matters related to the Chief Executive Officer's terms and conditions of employment including the employment contract, job description, salary and benefits.



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## References

Board Policy – Executive Limitations – 1.6  
Board Policy – Vision, Mission and Values – 1.1

## Appendix

Appendix A - Performance Review Process for the Chief Executive Officer  
Appendix B – Performance Review Schedule for the Chief Executive Officer

## Appendix A

### **Performance Review Process for the Chief Executive Officer**

1. The Chair of the Human Resources Committee will communicate with the Board Chair, and the Chief Executive Officer to advise them that the performance review process for the Chief Executive Officer is about to begin, and of the process that the Board Officers\* will follow in order to complete the review.
2. The Performance Review Process including the Performance Review Questionnaire and the Review Schedule is discussed by the Board Officers. Amendments and adjustments to the process, the questionnaire and the schedule are made if and as necessary.
3. The Performance Questionnaire is delivered to key Coast managers, selected key staff members, key external contacts and stakeholders,\*\* and board members of the Coast Foundation Society, Coast Mental Health Foundation and Coast Social Enterprise Society who have served for one year or more on any of the three Coast boards. A copy of the Performance Questionnaire is delivered to the Chief Executive Officer accompanied by a written explanation of the process.
4. The completed Performance Questionnaire is returned by the Respondents to the Board Chair and/or the designated representative(s).
5. The returned Performance Questionnaires are analyzed and summarized by the Board Chair and/or the designated representative(s).
6. The results of the Performance Questionnaire are communicated with the Board Officers, permitting the Board Officers to express their views and to suggest amendments to the Board Chair's summarization. The commentary and results may be further annotated and summarized until there is a consensus of opinion among the Board Officers.
7. The results, including a summarization of the Performance Questionnaire and commentary and conclusions developed by the Board Officers, are communicated In-Camera by the Board Chair to the Board. Comments and suggestions made by Board members are taken into consideration in the final rendition of the Performance Plan.



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8. The Board Chair and at least one other Board Officer meet with the Chief Executive Officer to discuss the Performance Review. The Chief Executive Officer is given an overview of the process, the results, and a summary. Further meetings with the Chief Executive officer are scheduled at this time. Comments and suggestions made by the Chief Executive Officer are taken into consideration and may affect the results of the Performance Plan.
  
  9. The Board Chair and at least one other Board Officer meet with the Chief Executive Officer for a second time to establish a Performance Plan. Within the overall context of the Performance Review results and the Coast Strategic Plan, objectives are set, performance measures are identified and timelines are established for the Chief Executive Officer and the Board to complete outstanding tasks.
  
  10. At least three subsequent meetings are convened between the Chief Executive Officer and the Board Officers to review progress arising out the Performance Plan and the Performance Plan discussions which were held earlier with the Chief Executive Officer.

\*For purpose of this process only, the words, “Board Officer(s), will include the Chair of the Coast Board Human Resources Committee.

\*\* Key stakeholders include but are not specifically limited to B. C. Housing, City of Vancouver, Fraser Health Authority, Coastal Health Authority, HEABC, B.C. Ministry of Social Development, Yaffa Housing Society, and City of Surrey.

