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September 25, 2014

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

Dear Mr. Doney:

This will confirm that the Board of Education of School District No. 43 (Coquitlam) is aware of the total compensation paid to executive staff during the 2013-2014 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,

Melissa Hyndes  
Board Chair  
School District No. 43 Coquitlam

c: Board of Education  
Thomas J. Grant, Superintendent  
Mark Ferrari, Secretary Treasurer

## **School District No. 43 (Coquitlam)** **Public Sector Executive Compensation Report 2013-2014**

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. 43 (Coquitlam).

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.

### **Compensation Philosophy**

The Board's compensation philosophy is 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, and work challenge. 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 is (the market will vary depending on the position):

1. Other BC school districts (primary labour market)
2. Other Canadian school districts (To the extent that BC school boards 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 approach includes:

- Consideration of all components of the total rewards model.
- Consideration of the relevant labour market for compensation comparison purposes.
- Linking pay ranges to neutral, relevant factors (e.g., required skill level, required competencies, job content, required qualifications)
- Ensuring appropriate relationships exist between positions in the district's compensation hierarchy.
- Considering the ways in which appropriate organizational and individual performance measures may be linked to the administration of the compensation system.

In our recent efforts to compare our salaries to other districts our relevant labour market was larger school districts and those in the metro region.

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 vehicle allowance.

- Annual base salary

Annual base salary is considered in the context of the total compensation package. The base salary structure for senior positions, not including Superintendent and Secretary Treasurer, is a four-step pay band with a range spread of roughly 9% from the minimum to the maximum of the range and 3% between steps in the structure.

Vehicle allowance - \$540.00 per month (Employees receiving vehicle allowance do not receive mileage)

Due to the diverse geography of the district and the need to visit schools and other district worksites, the Board provides a monthly vehicle allowance to the Superintendent and other senior management positions. The monthly vehicle allowance is set at a level competitive with the vehicle allowances provided to Superintendents and other senior managers 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, etc. consistent with such benefits as offered in the K-12 sector generally.
- **Pension benefits** — executive staff are enrolled in either the Teachers' Pension Plan or the District Non-Teaching Pension Plan.
- **Allowances upon leaving the district –**
  - Employees hired to the district prior to January 1, 2003 and who have sufficient banked sick time, are entitled to a retirement allowance and sick leave gratuity pay. The provisions are based on the criteria outlined below:
    - Employees are eligible for 1 month of service recognition after accumulating ten years of service with the Board provided they were hired prior to December 2002. The employee must give at least 3 months notice or a suitable time frame acceptable to the senior administrator prior to retirement.
    - They will receive sick leave gratuity pay to a maximum of 80 days. The employee must be 50 years of age and have been with the board for a minimum of 10 years.
  - NOTE: New employees hired to the district after 2002 are not eligible for the retirement allowance or sick leave gratuity pay. They are however eligible for 3 months of service recognition (upon termination) after 10 years of service with the board.
- **Paid time off Pursuant to the Public Sector Employers Act**, - one third of annual vacation allotment is allowed to be carried forward for one year only. After the year any excess vacation can no longer be used and is not paid out.

The Board also offers a supplementary vacation entitlement based on years of service as follows:

During first year	10 days (pro-rated)
2-6 complete years	15 days
7-14 complete years	20 days
15-18 complete years	25 days
19-20 complete years	30 days

During the 21<sup>st</sup> year and for each additional year after 1 additional day to a max of 5

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

## Compensation Administration

The Board engages in consistent and ongoing administration of the compensation structure to ensure that reality matches philosophy and that equity is maintained. An ongoing system of compensation review ensures that total compensation levels are benchmarked externally against the appropriate labour market and internally against appropriate job evaluation criteria.

The Board works with BCPSEA and an external consultant to obtain information and advice relating to the executive and exempt compensation structures. In addition, the Board utilizes the BCPSEA *Report on Total Compensation Paid to Exempt Employees* — the results of BCPSEA's triennial survey of total compensation paid to exempt benchmark positions in BC public school districts as well as school districts in Alberta, Saskatchewan, and Ontario, and other relevant public sector employers.

### ▪ Annual base salary administration

The salary structure for the position of Superintendent of Schools (and other management positions) is based on placement at the appropriate pay band in the structure reflective of labour market competitiveness and internal equity. The maximum point on the pay band typically represents the job rate for the position.

## 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, and

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. As elected school trustees, they are accountable to our public and therefore ensure that we adhere to 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, 2014								
Name and Position (a)	Salary (b)	Bonus and / or Incentive Plan Compensation (c)	Benefits (d)	Pension (e)	All Other Compensation (expanded below)	2013/14 Total	Previous Two Years Totals	
							2012 / 13 (s)	2011 / 12 (t)
Tom Grant, Superintendent	\$ 191,017	\$ -	\$ 8,887	\$ 30,024	\$ 6,480	\$ 236,408	\$ 231,641	\$ 229,208
Mark Ferrari, Secretary Treasurer *	\$ 94,928	\$ -	\$ 8,763	\$ 9,061	\$ 4,320	\$ 117,072		
Reno Cioffi, Assistant Superintendent	\$ 134,107	\$ -	\$ 9,070	\$ 20,844	\$ 6,480	\$ 170,501	\$ 149,090	\$ -
Julie Pearce, Assistant Superintendent	\$ 138,720	\$ -	\$ 10,000	\$ 21,588	\$ 6,480	\$ 176,788	\$ 174,886	\$ 174,593
Sylvia Russell, Assistant Superintendent	\$ 138,720	\$ -	\$ 6,764	\$ 21,588	\$ 6,480	\$ 173,552	\$ 171,609	\$ 171,445
Patricia Gartland, Assistant Superintendent	\$ 138,720	\$ -	\$ 8,873	\$ 21,588	\$ 6,480	\$ 175,661	\$ 171,418	\$ 85,922
Carey Chute, Assistant Superintendent	\$ 131,391	\$ -	\$ 10,008	\$ 20,406	\$ 6,480	\$ 168,285	\$ 165,611	\$ 27,661
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Summary Other Compensation Table at FISCAL, 2014							
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)
Tom Grant, Superintendent	\$ 6,480	\$ -	\$ -	\$ -	\$ 6,480	\$ -	\$ -
Mark Ferrari, Secretary Treasurer *	\$ 4,320	\$ -	\$ -	\$ -	\$ 4,320	\$ -	\$ -
Reno Cioffi, Assistant Superintendent	\$ 6,480	\$ -	\$ -	\$ -	\$ 6,480	\$ -	\$ -
Julie Pearce, Assistant Superintendent	\$ 6,480	\$ -	\$ -	\$ -	\$ 6,480	\$ -	\$ -
Sylvia Russell, Assistant Superintendent	\$ 6,480	\$ -	\$ -	\$ -	\$ 6,480	\$ -	\$ -
Patricia Gartland, Assistant Superintendent	\$ 6,480	\$ -	\$ -	\$ -	\$ 6,480	\$ -	\$ -
Carey Chute, Assistant Superintendent	\$ 6,480	\$ -	\$ -	\$ -	\$ 6,480	\$ -	\$ -
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**Notes:**

Tom Grant, Superintendent

Mark Ferrari, Secretary Treasurer \* hired October 13, 2013

Reno Cioffi, Assistant Superintendent

Julie Pearce, Assistant Superintendent

Sylvia Russell, Assistant Superintendent

Patricia Gartland, Assistant Superintendent

Carey Chute, Assistant Superintendent