



May 21, 2019

CEO & President of Public Sector Employers' Council Secretariat
2nd Floor, 880 Douglas St
Victoria, B.C.
V8W 2B7

Subject: Attestation - Compensation Policy Compliance

As the Chair of the Okanagan College Board of Governors, I can confirm that the Board is aware of the executive compensation paid in fiscal 2018/2019 and that Okanagan College is in compliance with:

- 1) The Okanagan College PSEC approved compensation plan; and,
- 2) The Accountable Compensation Direction

Sincerely,

A large, stylized handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke.

Christopher Derickson
Chair, Board of Governors



OKANAGAN COLLEGE
Executive Compensation Disclosure Statement for 2018/2019
Prepared: May 2, 2019

The following report provides an accurate representation of all compensation provided to all employees whose base salary was \$125,000 or greater in the fiscal year 2018/2019.

Compensation Philosophy:

Okanagan College provides exempt employees with a total compensation program that is designed to attract and retain qualified staff. The program aligns with the College's Mission, Vision and Values.

The College's subscribes to the following guiding principles:

1. Performance – compensation programs support and promote a performance based organizational culture.
2. Differentiation - salary differentiation is supported where there are differences in the scope of the position within the College, and/or due to superior individual or team contributions.
3. Accountability - compensation decisions are objective and based upon a clear and well documented business rationale that demonstrates the appropriate expenditure of public funds.
4. Transparency – compensation programs are designed, managed and communicated in a manner that ensures the programs are clearly understood by employees and the public while protecting personal information.

Exempt compensation is targeted at approximately the 50th percentile (median) of the core BC post-secondary and public sector comparator groups. The College's core comparator group includes similar post-secondary and other public sector organizations in British Columbia. When considering other public sector organizations, emphasis will be given to those within the BC Public Service. A secondary comparator group may be used in certain circumstances. The relative scope, responsibilities, and complexities of jobs are considered to ensure compensation levels are fair and equitable. Market competitiveness is balanced with internal equity to ensure that the relative internal value of the work is fairly recognized.

The compensation program is fiscally responsible and ensures that costs are affordable and sustainable over time.

Total Compensation:

The College's Total compensation program includes four main elements:

1. Compensation - fair and equitable compensation based on the scope and breadth of job responsibilities and the education, experience and competencies the employee brings to the position.
2. Benefits - pension and group benefit programs for the well-being of employees and their families.
3. Career Development - support for skill, professional and career development.
4. Work/Life Balance – paid/unpaid leave and other programs to help employees balance their work and personal demands, as well as community service roles.

Total compensation programs may be amended from time to time, as determined by the College, and as approved by the Government. For the purposes of this report, total compensation includes: base salary, performance pay, pension, group insurance benefits and other perquisites (e.g. RRSP).

Process:

President: The President's performance management and compensation is the responsibility of the President Review Committee under the leadership of the Board Chair. This Committee is led by the Board Chair and also includes the 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).

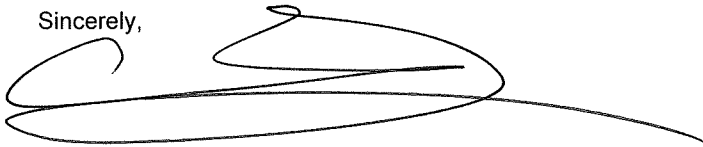
Vice-Presidents: The President is responsible for the performance management of the Vice Presidents, which includes setting annual goals including measurements and targets.

Okanagan College has implemented 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 AEST enrolment targets and institutional budget. The President's compensation level has been set according to the PSEA guidelines.

Performance Pay: There were performance payouts for 2018/2019 due to the approval of the Accountable Compensation Philosophy in 2018.

Sincerely,

A handwritten signature in black ink, appearing to read 'Christopher Derickson', with a large, sweeping flourish extending to the right.

Christopher Derickson
Chair, Board of Governors

Attached: 2018-19 Compensation Table

Okanagan College

Summary Compensation Table at 2019

Name and Position	Salary	Holdback/Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2018/2019 Total Compensation	Previous Two Years Totals Total Compensation	
							2017/2018	2016/2017
James Hamilton, President	\$ 190,754	-	\$ 10,404	\$ 19,552	\$ 18,472	\$ 239,182	\$ 229,198	\$ 218,416
Andrew Hay, Vice President Education	\$ 151,345	-	\$ 10,072	\$ 15,513	\$ 6,045	\$ 182,975	\$ 182,419	\$ 174,971
Charlotte Kushner, Vice President Students	\$ 151,345	-	\$ 10,082	\$ 15,513	\$ 6,045	\$ 182,985	\$ 182,408	\$ 174,854
Curtis Morcom, Vice President, Employee & Corporate Services	\$ 105,231	-	\$ 10,084	\$ 10,786	\$ 3,737	\$ 129,838		
Robert (Bob) Eby, Consultant/Vice President, Employee & Corporate Services	\$ 102,564	-	-	-	-	\$ 102,564	\$ 54,655	

Notes

James Hamilton, President	General Note: The President's compensation plan includes a 25% (of base salary) amount in lieu of benefits. This includes the standard Employer provided benefits (Health, Dental, Pension etc). In addition, the President may choose how he wishes to use or allocate the remaining unused portion of the 25% of benefits in lieu (for example, donations, RRSP contributions, Gym Memberships, Health Care Spending Account etc). Any portion of the 25% benefits that is not allocated/spent is retained by the College for future use or paid out to the President upon request. The payout or other options are considered taxable earnings. Other Note: EI Rebate: \$45; Benefits \$11,427 - distributed as \$5,200 to Health Care Spending Account and \$6,227 to Donations
Andrew Hay, Vice President Education	Other Note: \$45 EI Rebate
Charlotte Kushner, Vice President Students	Other Note: EI Rebate
Curtis Morcom, Vice President, Employee & Corporate Services	General Note: This is a partial year as Curtis Morcom was hired August 20, 2018 and this is reflected in the actual base salary. Other Note: EI Rebate
Robert (Bob) Eby, Consultant/Vice President, Employee & Corporate Services	General Note: The compensation reported is the amount paid based on invoices submitted (Apr 2018 to Dec 2018). There was no set compensation per month or year. Payments were based on days worked. Robert Eby was initially hired in 2017/2018 as a contractor to provide consulting services and to perform some of the duties of the Vice President, Employee and Corporate Services. Contract ended December 31, 2018 after the hire of a permanent VP, Employee & Corporate Services and the conclusion of his other consulting services to Okanagan College.