

May 27, 2021

Mr. John Davison
President & CEO
Public Sector Employers' Council Secretariat
Suite 210, 880 Douglas Street
Victoria, BC V8W 2B7

Dear Mr. John Davison,

On behalf of the Royal Roads University Board of Governors, I am pleased to confirm that I have reviewed and approved the university's 2019/20 Executive Compensation Disclosure. The RRU Board of Governors is aware of the executive compensation paid in the 2020/21 fiscal year.

The compensation information being disclosed in this report is accurate and reflects all compensation paid by Royal Roads University, including actual salaries, performance-based incentive payments, and statutory and non-statutory benefits, in accordance with approved compensation plans during the year ended March 31, 2021, and in compliance with government executive compensation guidelines.

There has been no compensation paid by the RRU Foundation and there are no university subsidiaries, or any other organization related to or associated with Royal Roads University. There have been no pre- or post-employment payments made during the 12-month period before or after the term of employments.

Yours truly,

A handwritten signature in black ink, appearing to read 'Nelson Chan', with a stylized, cursive script.

Nelson Chan,
Chancellor and Board Chair
Royal Roads University

cc. Ken Dawson, Executive Director, Labour Strategy and Coordination, Public Sector Employers' Council Secretariat
cc. Blair Littler, Vice President Research Universities' Council of British Columbia



Public Sector Executive Compensation Reporting – Fiscal Year 2020/21

Compensation Philosophy

Royal Roads University (RRU) has a unique mandate in the public post-secondary sector, focused on providing demand-driven, high-quality, effective education and research that contribute to economic prosperity, social advancements and environmental sustainability, and aligns with the labour market needs of British Columbia. RRU offers relevant applied and professional education, providing continuous opportunities to learn and transform lives and careers.

RRU is guided by a business model that ensures long-term financial sustainability. Consistent with this model the Board of Governors has set a financial framework that attempts to ensure that the university's cost structure does not exceed 95% of revenues in any given year.

The university's HR strategy is fully integrated with its business plans to ensure that RRU maintains an efficient, flexible and affordable workforce, taking a deliberate approach to organizational design so that it is structured, at both the managerial and business-unit levels, to achieve alignment and ensure outcomes and long-term objectives are met.

Through this strategy the university promotes an organizational culture of high-performance and customer focus, fosters an engaged and healthy workforce, and provides a transparent, equitable and affordable framework for its total rewards strategy.

Fundamental to both its business philosophy and its position on total rewards, RRU strives to maintain its competitiveness in relation to the appropriate benchmarks in the external labour market, and link compensation to performance-based outcomes. Compensation decisions are informed by and framed with Government policy and directives. Within this context RRU's compensation plans also consider financial performance and are evaluated on an annual basis ensuring that they are aligned with the university's long-term financial sustainability.

RRU's approach to compensation planning considers the composition of the university's entire workforce: excluded and exempt employees (who comprise more than 70% of the total workforce), the Canadian Union of Public Employees Local 3886 (CUPE), the Royal Roads University Faculty Association (RRUFA), numerous contracted associate faculty, and other contractors. Specific compensation plans for CUPE and RRUFA are articulated by their respective collective agreements.

RRU compensation plans require university Board of Governors approval, University Public Sector Employers' Association (UPSEA) approval, and Public Sector Employers' Council (PSEC) approval prior to implementation.

RRU provides the same group benefit package to all its employees. Participation in the College Pension Plan is mandatory at RRU for senior administration/management employees and all academic staff. Similarly, all other regular employees must participate in the Municipal Pension Plan.

The current [RRU Compensation Philosophy and Plan](#) was refreshed and approved October 2020.

Executive Compensation

RRU has not paid any other compensation to the President or any senior executive other than as fully disclosed in the attached annual executive compensation disclosure report.

- **President**

The President's total compensation package, as reflected in the PSEC approved contract was signed May 8, 2018 and came into effect January 1, 2019 and remains in effect through December 31, 2023 inclusive. Effective July 9, 2019, with PSEC support and following assessment of the President's performance for 2018-19, the RRU Board of Governors' Chair and Chancellor approved a 2% base salary increase for the President.

- **Executive**

Consistent with the terms and conditions set out in individual contracts, lump sum merit pay can be awarded to executives as re-earnable lump sum amounts based on the achievements of the university, combined with individual performance.

Since 2017, with PSEC approval, Royal Roads has addressed performance-based compensation for the Executive and Senior Management groups with a combination of a base salary adjustment and a portion of compensation paid in a lump sum merit payment.

Academic leaves (sabbatical) may be provided within the terms and conditions set out in individual contracts, as approved by PSEC, to executives responsible for the academic program. Such leaves are taken at the successful completion of the contracted term of employment sabbatical and are to be paid at the maximum salary level of a full professor in effect at that time.

Royal Roads University

Summary Compensation Table at 2021

Name and Position	Salary	Holdback/Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2020/2021 Total Compensation	Previous Two Years Totals Total Compensation	
							2019/2020	2018/2019
Philip Steenkamp, President & Vice Chancellor	\$ 290,538	-	\$ 11,644	\$ 30,042	-	\$ 332,224	\$ 328,065	\$ 83,235
Cheryl Eason, Vice President & Chief Financial Officer	\$ 210,285	\$ 20,632	\$ 11,999	\$ 21,744	-	\$ 264,660	\$ 247,225	\$ 232,854
Susan Gee, Acting Vice President, Communications and Advancement	\$ 171,330	\$ 11,903	\$ 12,298	\$ 17,715	-	\$ 213,246	\$ 161,460	
Katharine Harrold, Vice President Communications & Advancement	-	\$ 12,945	\$ 3,922	-	-	\$ 16,867	\$ 198,947	\$ 222,755
William Holmes, Acting Vice President, Academic & Provost	\$ 161,000	-	\$ 3,898	\$ 16,691	-	\$ 181,589		
Pedro G Marquez-Perez, Vice President Research and International	\$ 198,787	\$ 19,020	\$ 12,269	\$ 20,555	\$ 3,331	\$ 253,962	\$ 242,312	\$ 236,290
Elizabeth Veronica Thompson, Vice President, Academic & Provost	\$ 50,769	-	\$ 5,482	\$ 5,250	\$ 5,465	\$ 66,966		

Summary Other Compensation Table at 2021

Name and Position	All Other Compensation	Severance	Vacation Payout	Paid Leave	Vehicle / Transportation Allowance	Perquisites / Other Allowances	Other
Philip Steenkamp, President & Vice Chancellor	-	-	-	-	-	-	-
Cheryl Eason, Vice President & Chief Financial Officer	-	-	-	-	-	-	-
Susan Gee, Acting Vice President, Communications and Advancement	-	-	-	-	-	-	-
Katharine Harrold, Vice President Communications & Advancement	-	-	-	-	-	-	-
William Holmes, Acting Vice President, Academic & Provost	-	-	-	-	-	-	-
Pedro G Marquez-Perez, Vice President Research and International	\$ 3,331	-	-	-	-	\$ 3,331	-
Elizabeth Veronica Thompson, Vice President, Academic & Provost	\$ 5,465	-	-	-	-	\$ 3,046	\$ 2,419

Notes

Philip Steenkamp, President & Vice Chancellor	General Note: Royal Roads University provided a 2% performance based increase effective April 1, 2020 for the 2019 performance year. As the executive freeze was implemented on August31, 2020, the executives at Royal Roads University will forgo standard performance based increases for the 2020/21 performance year.
Cheryl Eason, Vice President & Chief Financial Officer	General Note: Bonus relates to performance in 2019/20 fiscal Royal Roads University provided a 2% performance based increase effective April 1, 2020 for the 2019 performance year. As the executive freeze was implemented on August31, 2020, the executives at Royal Roads University will forgo standard performance based increases for the 2020/21 performance year.
Susan Gee, Acting Vice President, Communications and Advancement	General Note: Bonus related to performance in 2019/20 fiscal Royal Roads University provided a 2% performance based increase effective April 1, 2020 for the 2019 performance year. As the executive freeze was implemented on August31, 2020, the executives at Royal Roads University will forgo standard performance based increases for the 2020/21 performance year. This individual received a further 6.8% salary increase on Jan 13/21 date as a result of a contract renewal.
Katharine Harrold, Vice President Communications & Advancement	General Note: On Leave EFF Feb 4/20 Bonus relates to performance in 2019/20 fiscal Royal Roads University provided a 2% performance based increase effective April 1, 2020 for the 2019 performance year. As the executive freeze was implemented on August 31, 2020, the executives at Royal Roads University will forgo standard performance based increases for the 2020/21 performance year.
William Holmes, Acting Vice President, Academic & Provost	General Note: William Holmes acted in the VP, Academic & Provost role from Apr1 2020 – Dec 31 2020, and his compensation under this role is captured in the table above. Following the conclusion of this appointment, William Holmes changed into a faculty position as Associate Professor for the remainder of the reporting period (Jan 1 2021 – Mar 31 2021) with earnings of \$32,304 salary, \$4,189 in benefits, \$3,056 in pension contributions over this period
Pedro G Marquez-Perez, Vice President Research and International	General Note: Bonus relates to performance in 2019/20 fiscal Royal Roads University provided a 2% performance based increase effective April 1, 2020 for the 2019 performance year. As the executive freeze was implemented on August31, 2020, the executives at Royal Roads University will forgo standard performance based increases for the 2020/21 performance year. This individual received a further 4.1% salary increase on Aug 1/20 date as a result of a contract renewal Perquisite/Other Allowance Note: Tuition Assistance Taxable Benefit
Elizabeth Veronica Thompson, Vice President, Academic & Provost	General Note: Appointed to the VP, Academic & Provost position effective Jan04,2021 Perquisite/Other Allowance Note: Housing Taxable Benefit Other Note: Relocation Assistance