

CapilanoCollege

June 25, 2008

Mr. David Shepherdson
CEO
Post-Secondary Employers' Association
422 – 1333 West Broadway
Vancouver BC V6H 4C1

Dear Mr. Shepherdson:

The Board of Capilano has approved the following Statement of Compensation, Philosophy, Practice and Process at its meeting on June 24, 2008.

The total compensation packages should be designed to allow the organization to attract, retain and motivate qualified individuals.

In dealing with compensation, the Board reviews external market data provided by the Post-Secondary Employers Association and other appropriate sources, and advice it may receive from independent compensation experts. However, the Board receives direction from the government, and as a result the Board has no independent compensation policy that it can apply at this time.

The Board recognizes that government policy ensures that total compensation is compared to institutions within the post-secondary sector and the broader public sector in British Columbia. Further, the Board recognizes the need to relate any incentive pay and bonuses, of which Capilano has none, to the institution's service and performance plans.

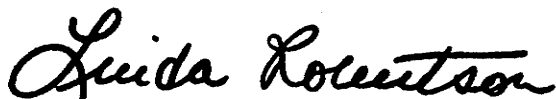
Executive compensation is determined with reference to a job evaluation plan and annual salary ranges for specific positions, and the benefit provisions established in our Human Resource Policies as previously approved by the Government.

For purposes of this report, total compensation includes: base salary, pension and other benefits, and perquisites.

The Capilano Board has passed a motion regarding executive compensation. It reads:

THAT the Board accept the Executive compensation statement as presented; and
THAT the Board accept the Executive Compensation Disclosure Statement as presented.

Sincerely yours,



Linda K. Robertson, BA, LLB, LLM
Board Chair

cc: Chris Trumpy, Deputy Minister and Chief Executive Officer, PSEC Secretariat

Capilano College
Executive Compensation
For the year ended March 31, 2008

Name & Position Title (1)	Annual Base Salary	Bonus (2)	Incentive Plan Compensation Paid (3)	Pension (4)	Other Compensation (5)	Total Compensation	Prior 2 Years (6)
Dr. Greg Lee <i>President</i>	167,833.00	-	-	16,095.30	20,612.64	204,540.94	
Mike Arbogast <i>VP of Human Resources</i>	124,050.00	-	-	11,466.65	17,514.31	153,030.96	
James Cooke <i>VP Student & Institutional Support</i>	124,050.00	-	-	11,824.97	16,126.37	152,001.34	
Jacalyn Snodgrass <i>VP Education, Academic & Arts Program</i>	124,050.00	-	-	11,669.78	16,281.56	152,001.34	
Cindy Turner <i>VP Finance and Administration</i>	124,050.00	-	-	11,607.47	16,343.87	152,001.34	
Catherine Vertesi <i>VP Education, Intl & Management Program</i>	124,050.00	-	-	11,415.83	16,535.51	152,001.34	

(1) If there had been more than one incumbent in the position, for each named individual details with respect to the term employed, extraordinary payments made (e.g., severance pay or administrative leave paid-out), or other relevant information would be included.

(2) Capilano has no bonuses.

(3) Capilano has no incentive program.

(4) This is simply the employer paid pension portion as there is no supplementary pension plan benefit that is over and above that provided by the registered pension plan.

(5) This includes all statutory employer payments (e.g., CPP, EIC, WCB) and health and welfare benefits (other than pension).

(6) For 2008, it is only required to report for the fiscal year ending 2007/08 – specifically, as at March 31, 2008), but thereafter it is expected that the prior 2 years' total (required in year 3) be reported for purposes of comparing changes on a year over year basis.