



## EXECUTIVE COMPENSATION REPORTING

2008-2009

This report has been prepared to meet the requirements of the Public Sector Employers Act to disclose all compensations provided to the Chief Executive Officer and the four highest paid named executives for the services they provide to the organization.

The Act requires that disclosure be made for executive officers whose total compensation for the reporting year was \$150,000 or more but whose base compensation was not less than \$125,000. In 2008-2009, only the CEO's base compensation was over \$125,000.

### CEO's compensation

The CEO's compensation is established by the Board, upon recommendation of the Board's Human Resources Committee and is within previously approved benchmarked salary limitations established by the provincial government in 2007. Final approval for the CEO's compensation package rests with PSEC.

During 2008-09 the President and CEO total compensation increased by 10.4% from the previous year. In recommending and approving this increase the Board considered the following factors:

- The change in Ministry guidelines for CEO allowable compensation, which occurred in October 2007.
- The level of compensation granted to presidents at post-secondary institutions in B.C.
- And Ms Luscombe's achievements as President and CEO since she last received a compensation increase in April 2006 including meeting or exceeding her annual goals and objectives.

Board policy B80 – "President/CEO Compensation Review" – sets the general criteria that the Board will consider to determine the CEO's compensation package. (See attached policy.) The Board formally assesses the President's performance on an annual basis, based on goals and objectives that are an integral part of the College's Service Plan. The Service Plan is widely distributed, internally and externally, and a record of achievement against the plan is produced and distributed annually.

### Other Senior Executive Compensation

Base compensation for other executives is structured as a five-step scale. Subject to satisfactory performance, employees move up one step each year until they reach the maximum available for the position. The base salary for the scale was established in 2002 as a percentage of the CEO's compensation in place at the time. The salaries have not changed since then, except that general salary increases available to unionized employees have also paid to all exempt staff, including senior executives, but excluding the CEO.

### Summary Compensation Table

Name and Position	Annual Base Salary	Bonus & Incentive Plan	Pension	Other Compensation*	08/09 Total Compensation	Previous Year
Marilyn Luscombe, President and CEO	\$159,429	N/A	\$14,337	\$23,961	\$197,727	\$179,083

\* Other compensation consists of the following benefits and perquisites:

**Benefits**

Statutory benefits: EI, CPP, WCB \$ 3,314

Non-statutory benefits: Dental, Medical, Extended Health , Long and Short-term  
Disability, Accidental Death and Dismemberment, Life Insurance \$ 3,738

**Total benefits** \$ **7,052**

**Perquisites**

Sabbatical\* (3 months – available once after 5 years of employment) \$ 7,909

Monthly travel allowance \$ 9,000

**Total perquisites** \$ **16,909**

\*Sabbatical taken in 2007-08 but costed over five years.

## **Policy B80: President/CEO Compensation Review**

The compensation package for the President/CEO position shall be adequate to attract and retain highly qualified and competent individuals to lead Selkirk College. The Board will review the President's compensation package annually following the completion of the President's performance evaluation as per policy B50.

In determining annual changes to the total value of the compensation package, the Board will consider the following criteria:

1. Government limits and guidelines for president's compensation.
2. Level of compensation granted to presidents at post-secondary institutions of comparable size and nature as Selkirk College in B.C. and other Canadian provinces.
3. Level of achievement of performance targets and overall satisfaction of the Board with the President's performance in the previous year.
4. Any performance bonus which were agreed upon as per section (3).
5. Annual changes in cost of living expenses (inflation) as measured by the consumer price index (CPI) for BC.
6. Other criteria the Board may deem appropriate.

The Board may, after consulting with the President, offer a performance bonus as part of the total compensation package. The bonus will be paid out if the President has met specific, measurable, time-based targets that are reasonable and achievable.

The Board's Human Resource Committee will lead the compensation review process and make recommendations to the Board.

Note: No performance bonuses or incentive plans have been developed to date.