



June 8, 2012

Mr. Paul Straszak
President and CEO
Public Sector Employers' Council

Dear Mr. Straszak,

On behalf of the Royal Roads University Board of Governors, I am pleased to confirm that I have reviewed and approved the university's 2011/12 Executive Compensation Disclosure and accompanying compensation philosophy. This report reflects actual salaries and benefits consistent with compensation packages that were previously approved by PSEC. No new policies, actions, or decisions were made after the end of the 2011/12 fiscal year that would affect a clear representation of this information.

Sincerely,

J. Peter Meekison, OC, LLD, PhD
Chancellor and Board Chair
Royal Roads University



Public Sector Executive Compensation Reporting - Fiscal Year 2011/2012

Royal Roads University (RRU) has a unique mandate as Canada's only public university focused on advancing the careers of working professionals. Reflecting the principles of transparency, fairness and equity, RRU's compensation framework is aligned with the university's strategic vision, its business model and its ability to pay. Executive compensation, as with other employee groups, is linked to performance-based outcomes.

In relation to human resources practices and compensation philosophy, RRU strives to provide base salaries targeted to the median range of the relevant labour market (comparable sized organizations and universities across Canada) in which we compete for talent. Depending upon the role, this may be local, regional, national or international and may be organizations in the public and/or private sector.

RRU compensation plans or substantive changes to existing 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.

The compensation package for the president is approved by PSEC, and a salary increase shall only be applied when approved by PSEC.

The compensation packages for the other senior executives are aligned accordingly to the president's compensation which is the university's maximum compensation. Their salary increases consist of PSEC approved economic and market adjustments along with performance based increases consistent with the university's management group.

RRU provides the same group benefit package to all its employees. The president and other senior executives participate in the College Pension Plan which is mandatory at RRU for "senior administration /management" employees and all academic staff.

No new policies, actions, or decisions were made after the end of the most recently completed fiscal year that would affect a fair understanding of the compensation of the president and senior executives.

Merit bonuses are awarded to the president and other senior executives as re-earnable lump sum bonuses based on the achievements of the university, combined with individual performance. Vacation leave is set forth in the executive's individual contract and is comparable to other academic organizations, with the maximum vacation set at six weeks.

Academic leaves (sabbatical) are provided to certain executives at the successful completion of the initial five-year term of employment. The executive shall be entitled to a six-month sabbatical to be paid at the maximum salary level of a full professor in the effect at that time.

Royal Roads University

Executive Compensation Report (April 1, 2011 to March 31, 2012)

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)		
Position	Name	Salary	Incentive Plan ¹	Benefits ²	Pension	All Other Compensation Total	Total	Previous Year 2010-11 Total	Year 2009-10 Total
President and Vice Chancellor	Allan Cahoon	\$224,600	\$26,952	\$11,319	\$21,612	\$38,196 ³	\$322,679	\$324,117	\$287,952
Vice President Academic and Provost	Steve Grundy ⁶	\$178,124	\$13,707	\$12,758	\$16,051	\$20,826 ⁴	\$241,466	\$194,707	\$193,733
Vice President and Chief Financial Officer	Dan Tulip	\$180,859	\$16,277	\$12,195	\$17,341	\$41,238 ⁵	\$267,910	\$258,346	\$224,514
Vice President, Marketing, Recruitment and Business Development	Cyndi McLeod	\$170,000	\$15,300	\$12,243	\$16,280	\$0	\$213,823	\$213,424	\$155,816

Notes:

¹ Incentive Plan payments based on performance evaluation of prior fiscal year. 2010/11 re-stated accordingly.

² Includes all employer-paid contributions to statutory and non-statutory benefits.

All other compensation includes:

	³	⁴	⁵
Vacation Payment	\$26,013	\$8,702	\$29,238
Deferred Leave	\$12,182	\$12,182	
Car Allowance			\$12,000

⁶ Assumed Vice President position in 2011/12 fiscal year