



SFU

BOARD OF GOVERNORS

Simon Fraser University  
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April 25, 2016

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Ms. Christina Zacharuk  
President & CEO  
Public Sector Employers' Council Secretariat  
2nd Floor, 880 Douglas Street  
Victoria, BC V8W 2B7

Board Chair  
Bill Cunningham

Chancellor  
Anne E. Giardini, Q.C.

Dear Ms. Zacharuk,

President and Vice-Chancellor  
Andrew Petter

Re: Attestation for 2015-2016 Compensation Report

Members  
Deven Azevedo  
Michael Cordoba  
Jill Earthy  
June Francis  
Jo Hinchliffe  
Julia Kim  
Christopher Lewis  
Katelyn McDougall  
David M. Poole  
Fiona K. Robin  
Peter Ruben  
Patty P. Sahota

This letter is to attest that the Board of Governors of Simon Fraser University has been made aware of the executive compensation paid in the prior fiscal year and is verifying that the compensation provided, as set out in the SFU Public Sector Executive Compensation Reporting Framework for Fiscal Year 2015-2016 (copy attached). This was within the University's approved compensation plan, as per SFU's compensation philosophy for excluded employees, and executive compensation policy (copies attached).

Yours truly,

Bill Cunningham  
Chair  
Board of Governors

attachments



## Part I

# Total Compensation Philosophy for SFU's Excluded Employees

The purpose of this document is to outline SFU's philosophy as it relates to excluded employees' compensation. It is intended to guide the development, maintenance and administration of our total compensation programs based on a balance of best practices, fiscal responsibility, and the core principles as established by the Public Sector Employers Council (PSEC).

It is the objective of the University to pay its employees salaries that are sufficiently competitive in the job market to attract and retain a high caliber of people and recognize the progression of employees as they assume the full scope and responsibility of their positions.

### Core Principles:

- **Total Compensation** - Compensation is planned, developed, communicated and administered as a total rewards package as defined below.
- **Alignment** – to the University's goal of attracting, retaining, and engaging the best qualified employees that align with the values and culture of SFU. And to the degree possible will recognize relevant total compensation plans afforded to employees governed by collective agreements.
- **Performance** – recognition of the importance and value of aligning individual and team based performance contributions to the overall institution's goals.
- **Differentiation** – of salary where there are differences in the scope, complexity, and responsibility of the position.
- **Equity and Fairness**– alignment and consistency with internal structures and process while balancing the need for external market competitiveness. The methodology and process will ensure equal pay opportunity for work of equal value.
- **Affordability** – within the Institution's financial planning framework and mandate.
- **Accountability** – Compensation decisions are objective and based upon a clear and well documented business rationale that demonstrates the appropriate expenditure of public funds.
- **Flexibility** - ability to adapt to changing internal and external conditions.
- **Transparency** – programs are designed, managed and communicated in a manner that ensures the program is clearly understood by employees, the Institution, and the public while protecting individual personal information.

## **Benchmarking**

The salary structure is comprehensively reviewed against a reference group of approximately 30 similarly sized private and public sector organizations in the Lower Mainland and universities across Canada. The University routinely conducts and participates in salary surveys within this reference group of employers and also subscribes to one large external consultant sponsored Canada wide salary survey each year.

Depending on the nature and scope of work, jobs are benchmarked against the following reference group of employers:

- Other Canadian Universities of similar size and type
- Western Canadian universities
- BC universities and colleges
- Large public sector employers (e.g. Provincial crown corporations, health authorities, BC Ferries, Translink, WorkSafe BC)
- Provincial Government
- Municipal governments
- Local school boards
- Private sector organizations for positions in high demand with significant recruitment pressure from the private sector.

## **Administration and Governance**

The total compensation philosophy is developed, maintained, and administered by SFU's Human Resources function, and approved by the University's President and Board of Governors.

### **Elements of SFU's Total Compensation Plan:**

#### Salary

- Base Pay
- Merit /Incentive Pay (for President)

#### Benefits

- Leaves including vacation, sick, and maternity/parental
- Health and welfare benefits including medical, extended health, life and disability insurance, employee & family assistance programs
- Relocation provisions
- Education and professional development
- Pension



## Part II

# Executive Compensation Policy

### A. POLICY

The guiding principles of the compensation program for executive officers of Simon Fraser University are as follows:

#### 1. General Principles

- 1.1 Compensation levels must achieve a balance between fair value for work and the University's ability to pay.
- 1.2 Compensation levels reflect a measurement of job worth based on a composite of the skill, effort, responsibility and working conditions required to perform the work.
- 1.3 Compensation levels must be competitive within the external market from which it recruits. The external market includes local, provincial and national public and private sector employers, including similar positions at other North American universities.

#### 2. Relationship to Performance

Other than general salary increases, adjustments to compensation are based on clearly defined individual and organizational goals that are reviewed annually.

#### 3. Compliance with Legal Obligations

Compensation policy and practices comply with the statutory obligations of the *Employment Standards Act*, the *Human Rights Act*, the *Public Sector Employers Act* and any other employment related legislation.

#### 4. Compensation on Termination

There is no notice or pay in lieu of notice for termination from the University for cause. When an executive officer is required to discontinue his/her appointment for any reason other than cause and returns to his/her former position within the University, no notice or pay in lieu of notice is paid. Termination of employment from the University for reasons other than cause will be compensated consistent with the *Public Sector Employers Act*, the *Employment Termination Standards Regulations* and prevailing legal values for executive termination.

The maximum amount of notice upon termination without cause for executive officers (non-inclusive of vacation owed) is eighteen months as prescribed by the Employment Termination Standards regulation (B.C. Reg. 379/97). Factors considered as part of the guideline include age, employability and length of service. In addition, up to one year of out-placement counseling service is paid for by Simon Fraser University. The President and Vice-Chancellor may approve arrangements for the orderly transition of benefit coverage on an individual case-by-case basis. Where there is a Board-approved contract addressing termination arrangements with an executive officer, the contract provisions will apply.

## 5. Conflict of Interest

Consistent with Policy GP37 Conflict of Interest, compensation decisions are made free of conflict of interest.

## 6. Full Disclosure

Simon Fraser University makes regular and full public disclosure of the compensation of each executive officer.

## 7. Business Expenses

Business expenses are governed by the Administrative policy for travel and business expenses ([AD 3-2 Travel and Business Expenses](#)).

## B. PROCEDURE SUMMARY

Compensation for executive officers is based on the preceding guidelines and is recommended for approval to the Compensation Committee of the Board of Governors. Final approval rests with the Board of Governors.

### DEFINITIONS

**Compensation:** means salary and other forms of cash payments (including stipends and allowances), vacation, leaves with pay, employer-paid benefits, loans, vehicle use, car allowances, housing, tuition waivers, professional fees and any other benefit received by an executive officer from Simon Fraser University.

**Executive Officer:** means the President and Vice-Chancellor, the Vice-Presidents, Associate Vice-Presidents and Deans.

### APPENDIX

#### Performance Reviews and Salary Advancement for Vice-Presidents and Deans

##### Principle:

A performance review and salary advancement process provides a mechanism for accountability and career advancement.

##### Process:

1. Vice-Presidents and Deans will submit annual goals and objectives for each academic year beginning September 1st.
2. The performance of each Vice-President and Dean will be reviewed each year in July in relation to that year's goals and objectives. When evaluating a Dean, the Vice-President, Academic will consult the Chairs in that Faculty or their equivalent. When a Vice-President or Associate Vice-President is being evaluated, the Deans or their equivalent will be consulted. Based on the results of this annual review, the President, in consultation with the responsible Vice-President as appropriate, shall recommend merit awards expressed as a dollar value increase to base salary to take effect September 1st.
3. The performance review shall result in one of the following assessments:
  - Excellent performance
  - Very good performance
  - Satisfactory performance
  - Needs Improvement

The amount of the merit award shall be commensurate with performance.

4. The merit award pool will be calculated as follows:

1.5 x (the total number of eligible Vice-Presidents and Deans) x (the value of full steps on the faculty salary scale).

5. Consideration of salary anomalies based on either internal and/or external comparisons for an individual Vice-President or Dean may occur at any time, but no more than once in any five-year period.

6. Salary recommendations from the Vice-President, Academic and the President will be submitted annually to the Compensation Committee of the Board of Governors for approval and to the Board of Governors for information.

#### **INTERPRETATION**

Questions of interpretation or application of this policy or its procedures shall be referred to the President and the Chair of the Board of Governors, who will jointly make a decision, which shall be final.

Approved by the Board of Governors: March 27, 2008

## Part III

### Merit Performance Review – President

The Board may award a merit performance bonus to the President after completing each annual review, in an amount, if any, to be determined by the Board acting in its sole discretion. The amount of any such merit bonus will not exceed 20% of the Presidential Salary, subject to any limitations on compensation imposed under applicable legislation, regulations, guidelines or agreements that are applicable.

The merit based review is tied with incentive pay in the following manner:

Key Performance Review Factors have been identified and weighted as follows:

- 25% is based on academic leadership;
- 25% is based on external and internal community relations;
- 20% is based on financial resource management;
- 20% is based on Human Resource Management and Development; and
- 10% is based on General items.

Performance is measured against the President's annual agenda and performance targets.

Approved by the Board of Governors: May 29, 2008

## Part IV

### Summary Compensation Table – Fiscal Year 2015-2016

Name and Position	Salary	Holdback / Bonus/ Incentive Plan Compensation	Benefits	Pension	All Other Compensation (expanded below)	2015/16 Total	2014/15	2013/14
Andrew Petter, President and Vice- Chancellor	\$328,870	\$33,000	\$10,974	\$32,468	\$73,596	\$478,908	\$440,077	\$442,783
Jonathan Driver, Vice- President, Academic	\$249,144	\$ -	\$10,211	\$24,495	\$7,013	\$290,863	\$290,024	\$263,549
Pat Hibbits, Vice- President, Finance & Administration (a)	\$55,195	\$ -	\$1,145	\$9,460	\$53,287	\$119,087	\$306,774	\$283,606
Philip Steenkamp, Vice-President, External Relations (b)	\$169,384	\$ -	\$4,400	\$29,032	\$39,692	\$242,508	\$303,408	\$299,808
Joy Johnson, Vice- President, Research	\$249,144	\$ -	\$10,211	\$24,495	\$16,464	\$300,314	\$167,694	\$ -
Martin Pochurko, Vice-President, Finance & Administration (c)	\$107,324	\$ -	\$10,209	\$18,395	\$3,021	\$138,949	\$ -	\$ -
Joanne Curry, Vice- President, External Relations (d)	\$178,330 (e)	\$ -	\$10,198	\$29,909	\$17,805	\$236,242	\$ -	\$ -

Name and Position	All other Compensation	Severance	Vacation payout	Leave payout	Vehicle / Transportation Allowance	Perquisites / other Allowances	Others
Andrew Petter, President and Vice- Chancellor	\$73,596	\$ -	\$ -	\$ -	\$7,175	\$26,510 (f)	\$39,911 (g)
Jonathan Driver, Vice- President, Academic	\$7,013	\$ -	\$ -	\$ -	\$7,013	\$ -	\$ -
Pat Hibbits, Vice- President, Finance & Administration (a)	\$53,287	\$ -	\$51,669	\$ -	\$1,618	\$ -	\$ -
Philip Steenkamp, Vice-President, External Relations (b)	\$39,692	\$ -	\$34,810	\$ -	\$4,882	\$ -	\$ -
Joy Johnson, Vice- President, Research	\$16,464	\$ -	\$ -	\$ -	\$7,037	\$9,427	\$ -
Martin Pochurko, Vice-President, Finance & Administration (c)	\$3,021	\$ -	\$ -	\$ -	\$3,021	\$ -	\$ -
Joanne Curry, Vice- President, External Relations (d)	\$17,805	\$ -	\$10,792	\$ -	\$7,013	\$ -	\$ -

(a) VP died June 13, 2015 – salary & other expenses were for 2.5 months and payout of vacation

(b) Left SFU on December 1, 2015

(c) Joined SFU in VP position October 15, 2015

(d) Promoted into position on February 1, 2016

(e) Salary was a combination of \$107,515 from previous position as Dean of Lifelong Learning and \$70,815 in new VP External Relations position

(f) On campus presidential residence

(g) Professional fees (\$2,930) and deferred relocation expenses on final sale of former residence as per contract (\$36,980.87)

#### Contact persons:

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