

## Compensation Reporting — Compliance with Legislative Provisions

The *Public Sector Employers Act* contains provisions around reporting on compensation matters for executive and exempt employees. The Public Sector Employers' Council (PSEC) has requested that we work with school districts in order to fulfill the intent of these legislative provisions.

### 1. Public Sector Executive Compensation Disclosure Reporting

Boards of Education are required to complete the Public Sector Executive Compensation Disclosure Report for fiscal 2009-2010 (year ending June 30, 2010). This executive compensation disclosure process was brought into effect in 2008 through the enactment of amendments to the *Public Sector Employers Act*; boards completed the first executive compensation reporting at the close of the fiscal year 2007-2008.

The enhanced disclosure requirements apply to chief executive officers and the next four highest paid executives, where these positions hold an annual base salary of \$125,000 or more. **It should be noted that where the Superintendent does not earn an annual salary of \$125,000 or more, there is still a requirement to file a disclosure report for that position.**

Boards will want to refer to their reports filed last year to ensure that the text portion of the report continues to match the approach to executive compensation and make any applicable amendments.

**Please note an additional requirement for this year's report:** The disclosure report must include an attestation letter from the Board Chair or designate to confirm the Board is aware of the executive compensation paid in the relevant fiscal year and to verify that the compensation was within the approved compensation plan(s).

For ease of reference, attached is a revised version of the BCPSEA *Template Disclosure Form*, including a sample attestation letter. The revised *Public Sector Executive Compensation Reporting Guidelines*, dated February 2010, are also attached for reference.

Completed disclosure forms must be delivered in electronic format to the attention of Deborah Stewart at the BC Public School Employers' Association office no later than **Wednesday, September 15, 2010.**

BCPSEA will then deliver the disclosure forms for all districts to PSEC. PSEC will post the disclosure forms for the public school sector on their website, consistent with the approach for executive disclosure for all other public sector organizations. School districts are also required to post the executive disclosure report on their websites.

## 2. Exempt Employee Termination Reporting

There is an ongoing obligation to report terminations of exempt employees. Each time an exempt employee is terminated and provided notice and/or severance, the employer is required to complete and forward an Exempt Employment Termination Summary Report, with all pertinent documents, to BCPSEA. The Exempt Employment Termination Summary Report is **not** required for employees who voluntarily resign.

A copy of the Exempt Employment Termination Summary Report is attached. If you have terminated any exempt employees and not yet filed the report, please complete and submit, along with all the required documentation, to the attention of Deborah Stewart at the BCPSEA office as soon as possible.

## 3. Senior Employee Compensation Reporting

Under sections 14.6 and 14.7 of the *Public Sector Employers Act*, all public sector employers in British Columbia are required to provide reports specifying the terms and conditions of employment for their "senior employees," along with copies of the senior employees' employment contracts. By Order in Council 1030 dated November 28, 2002, "senior employee" is defined as any employee employed by a public sector employer who earns over \$125,000 in base salary.

This Report Form, copies of employment contracts, and any other relevant supporting documentation (policies, contract amendments, severance letters, settlement agreements, etc.) must be provided to the PSEC Secretariat in the following instances:

- **New Hire** — Within 15 days after a new contract of employment is entered into with a new senior employee.
- **Changes to Terms and Conditions of Employment** — Within 15 days of a change to any term or condition of a senior employee's employment (including where an employee becomes a "senior employee" by virtue of a salary increase, etc.).
- **Termination of Employment** — Within 15 days of the termination of a senior employee's employment.

Although this reporting requirement remains in force and effect, BCPSEA is currently working with the PSEC Secretariat to facilitate electronic reporting (eliminating the paper-based report) and will provide an update to districts in the near future.

### For Action

- If the employment of any exempt employee was terminated during the 2009-2010 school year, please complete the attached Exempt Employment Termination Summary Report Form and submit as soon as possible.
- The Executive Disclosure Compensation Report is required to be updated for 2009-2010 with submission by Wednesday, September 15, 2010.

Your assistance in meeting these statutory reporting requirements is very much appreciated.

## Submissions and Questions

Please forward all submissions to the attention of Deborah Stewart, Senior Human Resources Consultant, at the BCPSEA office. If you require additional information, please contact Deborah at 604 730 4506 or [deborahs@bcpsea.bc.ca](mailto:deborahs@bcpsea.bc.ca).

Attachments:

Public Sector Executive Compensation Reporting Guidelines, February 2010

Public Sector Executive Compensation Report *Template Form 2010*

Exempt Employment Termination Summary Report Form