

Sectoral Total Compensation Survey

The next triennial sectoral survey of total compensation paid to exempt staff in the K-12 public education sector is scheduled to occur this year (snapshot date September 1, 2011). The survey, in Excel format, will be distributed to Secretary Treasurers by mid-June, with anticipated distribution for the survey analysis report in January 2012. The updated survey results and report will serve to provide up to date compensation data to all districts, which will assist in applying the compensation framework articulated in the sectoral exempt staff compensation management plan (Policy 95-06, *Compensation and Employment Standards for School District Employees Not Subject to a Collective Agreement*), and district-specific exempt staff compensation plans.

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 2010-2011 (year ending June 30, 2011). 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 that 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 the BCPSEA *Template Disclosure Form*, including a sample attestation letter.

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 14, 2011**.

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.

This reporting requirement remains in force and effect. **To facilitate ease of reporting on an ongoing basis, the PSEC Secretariat has replaced the current paper-based Senior Employee Compensation Report Form with an electronic, web-based form of data collection and reporting for senior employee compensation information.**

Effective immediately, the senior employee compensation information should be submitted through this web-based repository system, the Senior Employee Compensation (SEC) database. The SEC

database will track compensation information through the complete lifecycle of a senior employee's employment including hiring, changes to the terms and conditions of the existing contract, and cessation of employment.

Please log on to <https://pseclrrs.gov.bc.ca/SEC> and submit a request for a user id or account set-up. There will be one account set-up per employer but the PSEC Secretariat can accommodate more account requests for larger employers. Your account information will be sent via e-mail provided in the user information form that you submit. After the account is set up, employers can add a new employee or update the existing employee information (please note that employers need to enter all employees for the first time in the database).

Once an electronic form is submitted from an employer to the PSEC Secretariat via the SEC database, you will receive acknowledgement of receipt of the form. After reviewing the form, the PSEC Secretariat will either accept the submission or return the form to the employer for further information/clarification. Once accepted, the record becomes the active record — all previous information is historical and archived for the senior employee. Please note that PSEC relies on the employer for the accuracy of the information contained in the report.

Employers will be able to use the SEC database to view their historical and active records. This form of reporting will streamline the submission of senior employee compensation reports in an effective, efficient, and environmentally friendly manner. The online reporting forms contain numerous help buttons that will assist users in completing the forms.

If you have any database-related questions, or foresee any difficulty in making the transition to the electronic system, please contact Pratibha Bhatnagar at the PSEC Secretariat at 250 356 0156 or email pratibha.bhatnagar@gov.bc.ca.

Districts should proceed to set up their user accounts in the SEC database (<https://pseclrrs.gov.bc.ca/SEC>) and enter the required information for all current senior employees **no later than Wednesday, September 14, 2011.**

For Action

- **Exempt Employment Termination:** If the employment of any exempt employee was terminated during the 2010-2011 school year, please complete the attached Exempt Employment Termination Summary Report Form and submit as soon as possible.
- **Executive Disclosure:** The Executive Disclosure Compensation Report is required to be updated for 2010-2011 with submission by **Wednesday, September 14, 2011.**
- **Senior Employee Compensation Reporting:** Districts should proceed to set up their user accounts in the Senior Employee Compensation (SEC) database (<https://pseclrrs.gov.bc.ca/SEC>) and enter the required information for all senior employees **no later than Wednesday, September 14, 2011.**

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

Submissions and Questions

Please forward all Executive Disclosure Reports and Exempt Employment Termination Summary Reports to the attention of Deborah Stewart, Senior Human Resources Consultant, at the BCPSEA office. If you have any questions on these reports or the Senior Employee Compensation (SEC) database established by the PSEC Secretariat, please contact Deborah at 604 730 4506 or deborahs@bcpsea.bc.ca.

Attachments:

Public Sector Executive Compensation Report *Template Form*
Exempt Employment Termination Summary Report Form