

2017-03 July 28, 2017

By E-mail: Three Pages Plus Attachments

PSEC Secretariat Compensation Reporting System and Annual Executive Disclosure Reporting

Further to BCPSEA *Exempt Staff Issues* bulletin [No. 2017-02](#) dated April 26, 2017, this is a reminder of the reporting requirements under the *Public Sector Employers Act* with respect to compensation for executive and exempt employees, which includes reporting for:

- Senior employees — ongoing reporting for all exempt employees whose annual base salary is set at \$125,000 or more
- Executive employees — annual executive compensation disclosure for the CEO and next four top decision-makers with a base salary of \$125,000 or more.

Compensation reporting is now conducted through the PSEC Secretariat's [Labour Information Gathering and Executive Reporting system](#). Known as LIGER, the new system streamlines both the ongoing senior employee compensation reporting requirement and the annual executive compensation disclosure requirement into one integrated online reporting system. Four training webinars on the new system were conducted on May 31 and June 7.

The webinars outlined that the LIGER system replaces the Excel workbook template that had previously been part of the submission process. **However, it should be noted that districts' final executive compensation disclosure submission still consists of three components:** the attestation letter signed by the board chair and the compensation philosophy document (see the templates attached), which the district must upload as separate documents into LIGER; and the Summary Compensation tables, which are generated directly from the LIGER system.

By October 13, 2017: Annual Executive Compensation Disclosure Reporting

Districts must complete their data entry and document uploads into the LIGER system by October 13, 2017.

PLEASE NOTE that the information for a senior employee must be entered into the SEC module in LIGER before that employee can be included in the ECD module — the annual executive compensation disclosure module. The PSEC Secretariat has imported each district's data from the old SEC database into the SEC module in LIGER. Please review and correct/inform the PSEC Secretariat at LIGERHelp@gov.bc.ca if you note any incorrect or missing data.

The PSEC Secretariat encourages districts to enter their data into the ECD module in LIGER as soon as possible to facilitate early review of the draft data. The draft data will be reviewed by BCPSEA/PSEC Secretariat staff and districts may receive questions of clarification and/or requests for amendments arising from that review prior to providing to the board chair for final approval/sign-off.

Please refer to the updated [2017 Public Sector Executive Compensation Disclosure Guidelines](#) as published on the [PSEC Secretariat website](#) for more information.

The updated 2017 guidelines include the following updates and clarifications:

- Clarification that the amounts of employer contributions reported for statutory and non-statutory health benefits are based on premiums and not individual employee benefit usage.
- Confirmation that employers should disclose unused benefits or “flex benefits” in total compensation if they are paid out in cash
- Clarification that employer-paid professional association dues and/or member fees should be reported as a taxable benefit if not required by the position
- Removal of the requirement to explain increases of five per cent or more in total compensation in the fiscal year in light of the overall transition out of the management compensation freeze; please note that as compensation decisions for the position of Superintendent only remain the sole purview of the board of education, the PSEC Secretariat may require additional information regarding increases for this position
- A definition of working notice and how to disclose
- Emphasis and clarification that details are required when reporting non-reimbursable relocation allowances
- A reminder to employers with a bi-weekly payroll cycle that the 2016-17 disclosure year will include 27 pay periods rather than the usual 26 pay periods, which may cause compensation to appear slightly inflated.

Ongoing Reporting Requirements

- **Senior Employee compensation reporting:** There is an ongoing requirement to update and maintain the information for Senior Employees in the [LIGER](#) system. The *Public Sector Employers Act* states:
 - 14.6 (1) For each senior employee, a public sector employer must provide for the chief executive officer of the council a report specifying all the terms and conditions of employment relating to the senior employee's compensation.
 - (2) If any change is made to the terms and conditions of employment relating to a senior employee's compensation, the public sector employer must provide for the chief executive officer of the council a revised report specifying each change made to those terms and conditions.
 - (3) The terms and conditions referred to in subsection (1) and any changes to them must be specified and provided in a form and in a manner acceptable to the chief executive officer of the council.
- 14.7 (1) A public sector employer must file with the chief executive officer of the council a report required to be provided in relation to a senior employee under section 14.6 together with a copy of the written contract of employment, if any, for the senior employee
 - (a) within 15 days after the contract of employment is entered into, and
 - (b) within 15 days of any change to a term or condition of the senior employee's contract of employment that relates to compensation.
- **Employment contracts are public documents:** There is also an ongoing requirement under s. [14.8\(2\) and 14.8\(3\)](#) of the *Public Sector Employers Act* to ensure that the employment contracts of positions that fall under the definition of senior employee are made available for public inspection at the school district office (with personal information deleted).

BCPSEA will continue to work with and assist school districts and PSEC Secretariat staff in meeting these statutory reporting requirements.

Questions

Please direct any questions on use of the LIGER system to LIGERHelp@gov.bc.ca.

Please direct any questions on the general reporting requirements to Deborah Stewart, Director, Employee Relations, at 604 730 4506 or deborahs@bcpsea.bc.ca.

Attachments:

- Sample Attestation Letter by Board Chair
- Template Compensation Disclosure Form 2016-2017
- ECD: LIGER Quick Reference Guide (K-12)