

2020-03 June 30, 2020

By E-mail: Three Pages Plus Attachments

Public Sector Employers' Council Secretariat Compensation Reporting: Senior Employee Compensation and Annual Executive Compensation Disclosure

This is a reminder of the ongoing and annual 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 — see below for further information
- Executive employees — annual executive compensation disclosure for the CEO and next four top decision-makers with a base salary of \$125,000 or more — **see page 2 of this bulletin for information and the reporting timeline.**

Compensation data reporting and uploading of employment contracts is done through the Public Sector Employers' Council (PSEC) Secretariat [Labour Information Gathering and Executive Reporting system](#). Known as LIGER, this system streamlines both the ongoing senior employee compensation reporting requirement and the annual executive compensation disclosure requirement into one integrated online reporting system.

Ongoing and Immediate Requirement to Report: Senior Employee Compensation Reporting

- There is an **ongoing requirement** to update and maintain the information for Senior Employees in the [LIGER](#) system (the Senior Employee Compensation (SEC) module).
- This reporting requirement includes entry of compensation information **as well as uploading of the employment contract and/or other documents** that govern the terms and conditions of employment.
- By [Order in Council 1030](#) dated November 28, 2002, **“senior employee” is defined as any employee employed by a public sector employer who earns \$125,000 or more in base salary.**
- Employers are required to input/update the information for senior employees in the LIGER system within 15 days of a new contract being entered into OR a change to terms and conditions related to compensation. 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 meet the definition of senior employee are made available for public inspection during normal business hours 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.

Annual Executive Compensation Disclosure Reporting for the Year Ending June 30, 2020: By October 9, 2020

Districts must complete their data entry and document uploads for the July 1, 2019 – June 30, 2020 reporting year into the Executive Disclosure module of the LIGER system by **October 9, 2020**.

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 Executive Compensation Disclosure (ECD) module.

The PSEC Secretariat encourages districts to enter their data into the SEC and ECD modules 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 April 2020 [Public Sector Executive Compensation Disclosure Guidelines](#) as published on the [PSEC Secretariat website](#) for more information.

The updated guidelines include the following clarifications:

- Any amounts paid to an executive for acting appointments should be included in the Actual Base Salary space or column, with footnotes to describe the amount, acting position, and timeframe.
- Medical Services Plan (MSP) premiums were eliminated entirely effective January 1, 2020. Moving forward, the new employer paid “premium” for basic medical care coverage is through an Employer Health Tax (EHT). This disclosure year will be the last with MSP premiums

reported, as EHT payments are not considered a part of total compensation and are not required to be reported for disclosure purposes.

- For additional clarification, professional development dollar amounts that have been treated as a reimbursable expense do not need to be disclosed, even if the dollar amounts are drawn down from an allowance provided and if the educational opportunity is related to the responsibilities of the position. This is different from employer-paid professional memberships or dues that also do not need to be disclosed **unless** an employer has elected to pay a membership or fee that is not required for a position —if that’s the case, then the dollar amount must be +included in the “Other” compensation section with a description in the notes that explains this dispensation.

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.

Districts’ final executive compensation disclosure submission consists of three components:

- the attestation letter signed by the board chair, which must be uploaded into the LIGER system
- the compensation philosophy document, which must be uploaded into the LIGER system
- the Summary Compensation tables, which are generated directly from the LIGER system.

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 Dora Eng, Senior Data Analysis and Planning Coordinator, at 604 730 4512 or dorae@bcpsea.bc.ca.

Attachments:

- Sample Attestation Letter by Board Chair
- Template Compensation Disclosure Form