

2015-01

June 18, 2015

By E-mail: Three Pages plus attachments

Reporting Requirements — Compliance with Legislative Provisions

The *Public Sector Employers Act* requires ongoing 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. Annual Public Sector Executive Compensation Disclosure Reporting — Including District-Specific Excel Workbook

Background

Boards of Education are required to complete the Public Sector Executive Compensation Disclosure Report for fiscal 2014-2015 (year ending June 30, 2015). 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 disclosure requirements apply to chief executive officers and the next four highest paid executives, where these positions are paid an annual base salary of \$125,000 or more. **It should be noted that even if 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.**

It should also be noted that a position filled or function being performed by a direct or indirect contractor who meets the disclosure requirements referenced above is to be disclosed. Footnotes may be employed in the disclosure report to clarify the individual's status as a contractor.

Reporting Process

Attached with this bulletin is a district-specific Excel Workbook prepared by the PSEC Secretariat to assist employers in providing compensation disclosure information in a consistent format that will be more accurate, efficient, and reflective of the [Executive Compensation Disclosure Guidelines](#).

The Excel Workbook includes a Summary Compensation Table at Tab 4, pre-loaded with executive compensation disclosure information that was provided by the district last year (reporting year ending June 30, 2014), as prepared by the PSEC Secretariat.

ALL tabs in the Excel Workbook must be completed and the Summary Compensation Table at Tab 4 must be copied and pasted into your district's executive disclosure report for 2014-2015. The Excel Workbook provides further details and instructions.

Boards should also review their prior year's report to ensure that the text portion of the report continues to match the approach to executive compensation and make any applicable amendments.

Please also 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, the BCPSEA *Template Disclosure Form 2015* including a sample attestation letter is also attached.

Submission Process to BCPSEA

Please submit the district's completed documents, which must include:

- The annual disclosure report, which should incorporate the copied and pasted Summary Compensation Table from Tab 4 of the Excel Workbook
- The attestation letter signed by the Board Chair (or designate)
- The completed Excel Workbook

to the BCPSEA office to the attention of:

Deborah Stewart, Senior Human Resources Consultant, deborahs@bcpsea.bc.ca

as soon as possible but no later than **Friday, October 9, 2015**.

BCPSEA will then provide all districts' disclosure documents to PSEC in accordance with the process established by 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 (or link to the PSEC website). BCPSEA will advise Secretary Treasurers by e-mail when PSEC anticipates posting the disclosures to their website (typically mid-December).

2. Senior Employee Compensation Reporting — PSEC Database

Background

Further to our e-mail correspondence to districts dated May 7, 2015, under sections 14.6 and 14.7 of the *Public Sector Employers Act*, all public sector employers in British Columbia are required to report the terms and conditions of employment for their "senior employees," and provide 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 \$125,000 or more in base salary.

This reporting, including 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 via the [PSEC Senior Employee Compensation \(SEC\) Database](#). Districts should proceed to update information in the database on an ongoing basis as necessary, in accordance with the criteria as outlined above.

All districts should by now have created an account and uploaded the required information.

Employers are able to use the SEC database to view their historical and active records. If you have any database-related questions, please contact Pratibha Bhatnagar at the PSEC Secretariat at 250 356 0156 or email pratibha.bhatnagar@gov.bc.ca.

For Action

- **Executive Disclosure:** The Executive Compensation Disclosure Report is required to be updated for 2014-2015 (year ending June 30, 2015) with submission to BCPSEA as soon as possible but no later than **Friday, October 9, 2015**. As noted above, please note that districts must submit to BCPSEA the Report, the attestation letter signed by the Board Chair or designate, AND the district-specific Excel Workbook.
- **Senior Employee Compensation Reporting:** There is an ongoing requirement to update and maintain the information for Senior Employees in the PSEC Senior Employee Compensation (SEC) database (<https://pseclrrs.gov.bc.ca/SEC>).

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

Submissions and Questions

Please direct any questions, and forward all Executive Compensation Disclosure reporting documents, to:

Deborah Stewart, Senior Human Resources Consultant, 604 730 4506, deborahs@bcpsea.bc.ca.

Attachments:

- Public Sector Executive Compensation Report *Template Disclosure Form 2015* including Sample Attestation Letter from the Board Chair
- District-specific Excel Workbook