

2015-05 November 6, 2015

By E-mail: Two Pages

Compensation Update

Principal and Vice Principal Positions

Further to *Exempt Staff Issues* bulletin [No. 2015-04](#), dated September 25, 2015, school districts are proceeding to complete the spreadsheet provided to set out their proposal for allocation of the modest increases permitted for principals/vice principals within the government direction on the compensation freeze for 2015 (retroactive to July 1, 2015) and 2016 (effective January 1, 2016).

As we have advised in previous bulletins, it is important to note that:

- allocation of the proposed increases must be differentiated on the basis of demonstrated salary compression or inversion and/or recruitment/retention risks (PSEC has clarified that “compression” will be defined as a differential of less than 10% between a supervisory position and the position supervised)
- transition to the regional salary models will be a phased process and any compensation increases must be consistent with the government direction on the increases available effective July 1, 2015 and January 1, 2016
- the compensation increases are not a general wage increase and must be funded from within existing budgets.

Timeline for Submission

Our objective is to forward the K-12 sectoral submission for principal/vice principal positions to the Public Sector Employers’ Council (PSEC) as early in December as possible. In order to facilitate that timeline, we would appreciate receiving districts’ spreadsheets with the proposed allocations **by November 16, 2015**. This will allow BCPSEA sufficient time to liaise with districts to ensure the proposals meet the PSEC policy parameters and facilitate timely approval by PSEC.

Consultation on Regional Salary Structures

Districts are also continuing their discussions with representatives of the local principals’/vice principals’ association with respect to how the regional salary model will apply in the individual district. It is not expected that districts will finalize their approach at this time; rather, the intent is to ensure that conversations are underway with a view to determining the approach before the end of this school year.

It is important to note that the BCPSEA Exempt Staff Compensation Working Group determined that each individual district should have the flexibility to determine how the regional salary model would best apply in their district. There are a variety of possible approaches that could reasonably be applied, depending on the existing approach to salary structure for principal/vice principal positions in the district, as well as identified issues related to compensation administration that could potentially be streamlined through consideration of a new/different approach as districts transition to the regional model. We understand that some districts are engaging in discussion with other districts in their region

to canvass possible approaches; further, districts should feel free to contact Deborah Stewart (contact information below) at the BCPSEA office for information and discussion.

It is important to note that where a pay range is in place, the expectation is that progression through the range will consider both time and performance in the position, consistent with PSEC policy. As noted in the report of the Exempt Staff Compensation Working Group: *Realities, Risks, and Rewards Taking a Systems Approach to Executive and Exempt Staff Compensation in the K-12 Public Education Sector*, at page 25, BCPSEA will be engaging in discussions with the sector to develop and distribute guidelines in the new year to articulate the criteria for upward movement in a pay range.

Sectoral Exempt Staff Compensation Review Project

Western Compensation and Benefits Consultants continue their work on the market review of compensation for district-based exempt positions. The survey of the external labour market comparator organizations is substantially complete and valuation of the compensation packages for the matching benchmark positions is underway.

This comprehensive market review will ensure development of a revised exempt staff salary structure for each school district — on a total compensation basis — consistent with the relevant comparator labour market and the district's internal organizational structure.

The market survey organizations include:

- 14 municipalities distributed across each of the 7 school district geographic regions
- 3-4 colleges/teaching universities
- the BC Public Service Agency
- 3-4 provincial health authorities
- 4-5 crown corporations/agencies
- BC's 60 public school districts.

Timeline

Given the scope of the Project, at this time we anticipate being in a position to provide districts, by late January:

- the total compensation valuations of each district's current compensation package for the benchmark positions
- the total compensation data for matching benchmark positions in the relevant labour market comparator organizations, and
- the first draft, for discussion, of a suggested revised salary structure.

BCPSEA will then proceed to work with each district to finalize its district-based exempt staff salary structure and, subsequently, to develop the district's proposal for allocation of the modest increases permitted for eligible district-based exempt staff positions within the government direction on the compensation freeze for 2015 (retroactive to July 1, 2015) and 2016 (effective January 1, 2016).

It is important to note that government direction in this regard does not pre-suppose across the board increases for all management employees. Further, transition to the revised salary structures, once approved by PSEC, will be a phased process and any proposed compensation increases must be consistent with the government direction on the increases available effective July 1, 2015 and January 1, 2016.

Questions

Please direct any questions to Deborah Stewart, Senior Human Resources Consultant, at 604 730 4506 or deborahs@bcpsea.bc.ca.