

**2018-03** September 19, 2018

By E-mail: Two Pages Plus Attachment

## **Reminder: Public Sector Employers' Council Secretariat Compensation Reporting — Senior Employee Compensation and Annual Executive Compensation Disclosure**

Further to *Exempt Staff Issues* bulletin No. 2018-02 dated June 27, 2018, 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.

This will be the second year of compensation reporting through the Public Sector Employers' Council (PSEC) Secretariat [Labour Information Gathering and Executive Reporting system](#) (LIGER system).

### **The First Step: Senior Employee Compensation Reporting Module**

- **Districts must first complete the Senior Employee Compensation (SEC) reporting module.** This requires that information for any exempt employee who meets the definition of “senior employee” — an employee who earns an annual salary of \$125,000 or more — is entered into the SEC module.
- There is an **ongoing requirement** to update and maintain the information for Senior Employees in the [LIGER](#) system (the SEC module). **The *Public Sector Employers Act* requires that the SEC module in LIGER be updated within 15 days of any change to a term or condition of the senior employee's employment that relates to compensation.**
- 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.

Please also note that the *Public Sector Employers Act* provides that **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).

## The Second Step: Annual Executive Compensation Disclosure Reporting Module

Once the information for all senior employees is entered into the SEC module of LIGER, districts must complete the Annual Executive Compensation Disclosure (ECD) reporting module.

**Please note** that the ECD module requires completion of information for the “top five” executive officers — this includes the CEO and the next top four earners who are “decision makers.” This would not typically include, for example, school-based principals or other management positions that are not part of the district-level decision-making team.

**Districts must complete their data entry and document uploads into the LIGER system by October 12, 2018.**

**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 and uploading into the ECD module the attestation letter signed by the board chair.

The PSEC Secretariat has prepared the attached *Quick Reference Guide to the SEC and ECD*, which you may find helpful.

Please also refer to the April 2018 [Public Sector Executive Compensation Disclosure Guidelines](#) as published on the [PSEC Secretariat website](#) for more information.

The updated guidelines include the following 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.

## Questions

**Please direct any questions on use of the LIGER system to [LIGERHelp@gov.bc.ca](mailto: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](mailto:dorae@bcpsea.bc.ca).

Attachment: PSEC Secretariat Quick Reference Guide to the SEC and ECD