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**University of Northern British Columbia
Executive Compensation Disclosure Statement for 2014/2015
May 5, 2015**

The following report provides an accurate representation of all compensation provided to the President and the next four highest ranking executive employees whose base salary was \$125,000 or greater in the fiscal year 2014/2015 at the University of Northern British Columbia.

Compensation Philosophy

1. Material principles and underlying policies and decisions for compensation provided to the President and Senior Executives for the most recently completed fiscal year.

The Board's compensation decisions reflect the challenges associated with attracting and retaining exemplary administrative leaders to the north in a competitive national and international environment. Responsibility for determining compensation for the President and Senior Executives rests with the Human Resources Committee of the Board. For positions other than the President's, the Board will consider recommendations made by the President.

The compensation package for the President has been capped as prescribed by the Public Sector Employers' Council (PSEC) and compensation levels for other Senior Executives will be frozen in compliance with 2012 PSEC Compensation Freeze mandate, until such time as the mandate has concluded.

When setting salary levels for Senior Executives, the Board of Governors considers the following factors; 1) compensation of current and/or recent senior staff, 2) recommended ranges provided by PSEC, 3) the designates' current compensation, 4) market survey information from other comparable universities and, 5) other factors that the Board deems to be relevant to the specific position.

Salary increases for the President and Senior Academic Executives were applied to the professional component of their salaries and in a manner consistent with the negotiated Faculty Association agreement. Salary increases for non-Academic Senior Executives shall only be applied where approved by PSEC and will generally be consistent with any economic increase provided to the Senior Management Group. At this time, no increases have been awarded as per the 2012 Compensation Freeze.

Benefit and pension plans are consistent with the employee group to which the Executive is most closely affiliated (i.e. Faculty Association or Senior Management Group). A non-registered supplemental pension arrangement is offered to the Senior Executives where total pension

contributions exceed the contribution limit. The supplemental contribution amount is that which the employer would be required to contribute to the UNBC Pension Plan if there wasn't a maximum limit imposed by the Income Tax Act.

2. New Policies, Actions or Decisions

The Executive Compensation Policy was last updated in June 2009. The purpose was to formalize a policy framework and process for the annual performance review of the Senior Executive Officers and for reporting changes in executive compensation consistent with the requirements of PSEC. The University is in compliance with the 2012 September PSEC directive regarding Executive and Management Compensation Freeze.

3. Bonus and/or Incentive Plan Performance Targets

The University believes in acknowledging and rewarding employees who perform at exceptional levels. For example, UNBC provides awards that recognize meritorious service, teaching and research productivity.

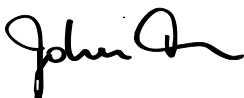
Incentives and/or bonuses, where offered, are intended to reward exceptional performance. Levels shall not be substantive in relation to overall compensation but shall be meaningful. Payment shall be approved by the Board, and are not applied to base salary.

With specific regard to the President and Senior Executive, bonus and incentive payments were not applied during the period of the Compensation Freeze.

4. Leaves

Vacation leaves are set in each Executive's appointment letter, the starting point is five weeks, with the President's ability to recommend increases periodically. This partially acknowledges the time commitment beyond a normal work week of the President and Senior Executives, supports a balanced lifestyle, and is competitive in comparison to other academic organizations.

The President is provided a one year research leave following five years of service. The President's salary during the leave would be equal to the highest salary being paid to a full professor with tenure at the University at the time. For Senior Academic Executives, academic leaves are provided following five years of service. This leave is an acknowledgement that for the period they are in these roles, these academic leaders have forfeited their accrual toward sabbatical leaves that would have occurred as members of the Faculty Association. Senior Academic Executives leaves are at their professional salary level only.



John Turner
Chair, UNBC Board of Governors

