

SUBJECT: EXECUTIVE COMPENSATION**1. Purpose**

To establish a policy framework and process for the annual performance review of Senior Executive Officers of the University and for resulting changes in executive compensation consistent with the requirements of the Public Sector Employers Council of British Columbia (PSEC).

2. Scope

The policy applies to the positions of Provost, Vice-President Administration and Finance, Vice-President Research, and Vice-President External Affairs.

3. Authority/Responsibility

The responsibility for administering the policy resides with the President and Vice-Chancellor. Final authority for proposed compensation changes resides with the Board of Governors of the University of Northern British Columbia on the advice of the Executive Committee of the Board.

4. Performance Review

Prior to the June meeting of the UNBC Board of Governors, the President will review the performance of the Senior Executive Officers of the University and, discuss with each performance goals and objectives for the coming year. The evaluation of performance will normally be based on achievements relating to agreed-upon goals and objectives of the previous year and on the President's overall evaluation of each officer's contribution to the work of the President's Executive Council.

The President will provide a summary review of the individual performance evaluations, in confidence, to the Executive Committee of the Board prior to the June meeting of the Board.

5. Annual Compensation Adjustments

In recommending compensation adjustments for each of the executive officers covered by this policy, the President will be guided by the terms and conditions specified in the letters of appointment for each officer individually and by any requirements imposed by the Government of British Columbia through the PSEC.

Those executive officers who hold academic appointments at UNBC will be compensated in accordance with the general provisions of the UNBC/UNBC FA Agreement with respect to annual General Wage Increases (GWIs) and Career Development Increments (CDIs).

Those executive officers who hold staff appointments at UNBC will be compensated in accordance with the general provisions of the agreements between UNBC and the UNBC Directors Group or Exempt Group, whichever provides the highest value, with respect to GWIs. They will also be assigned a salary range with the opportunity, over a reasonable period of time, not to exceed five years, to move to the top of the range based on fully satisfactory performance.

In recommending compensation increases for the Senior Executive Officers of the University, the President shall rank their performance as exceptional, highly satisfactory, satisfactory, or requiring improvement. The category of evaluation should be reflected in the President's recommendation on individual salary adjustments. Currently the Senior Executive Officers who hold academic appointments are eligible to receive from one to five CDIs depending on performance. This provision is retained. Recommended CDIs should correlate to **performance as follows**:

Requires improvement	0-1
Satisfactory	2-3
Highly Satisfactory	4
Exceptional	5

6. Overall Executive Compensation Review

It is in the interest of UNBC to pay competitive salaries in order to attract and retain Senior Executive Officers. To ensure the competitiveness of UNBC salaries the Board, through the Compensation Committee of the Board, and drawing where possible upon studies undertaken by PSEC, The University Public Sector Employers Association (UPSEA), the Canadian Association of University Business Officers (CAUBO), or other such agencies, should review UNBC senior executive total compensation in relationship to those of other Canadian universities of comparable size and mandate and adjust the terms and conditions of each officer's respective letter of appointment accordingly. Any overall compensation adjustments must respect any limitations imposed by PSEC requirements.