

**SPECIAL POLICY COMMITTEE MEETING  
REVISED AGENDA**

Date: October 11, 2018  
Time: 7:00 pm  
Location: Catholic Education Centre - Board Room  
802 Drury Lane  
Burlington, Ontario

---

**Pages**

1. Call to Order
  - 1.1 Opening Prayer (H. Karabela)
2. Approvals
  - 2.1 Approval of Agenda
  - 2.2 Approval of Minutes
3. Action Items
  - 3.1 Policy I-45 Transparency and Accountability in Executive Compensation (P. Marai) 1 - 11
4. Discussion Items
5. Information Items
6. In-Camera
7. Motion to Excuse Absent Committee Members
8. Motion to Adjourn/Closing Prayer (P. Marai)

## Special Policy Committee Meeting

## Action Report

Policy I-45 Transparency and Accountability in Executive Compensation	Item 3.1
October 11, 2018	

### Purpose

To provide for the consideration of the Policy Committee newly developed *Policy I-45 Transparency and Accountability in Executive Compensation*, for approval.

### Commentary

At the October 17, 2017 Regular Board meeting, the following motion was unanimously carried.

*BE IT RESOLVED, that the Halton Catholic District School Board develop an executive compensation policy by March 2018 that includes but is not limited to a framework of compensation for the Director and Executive Officers; and that provides Trustees with final approval on all changes to annual compensation.*

Trustees met at the Dec. 12, 2017; February 27, 2018; April 10, 2018; May 8, 2018; June 12, 2018 and Sept 11, 2018 Policy Committee Meetings to discuss key points to be included; and have developed *Policy I-45 Transparency and Accountability in Executive Compensation* in response to the above resolution.

*Policy I-45 Transparency and Accountability in Executive Compensation* was forwarded for stakeholder consultation from September 19, 2018 – October 10, 2018. The results are attached as Appendix A.

*Policy I-45 Transparency and Accountability in Executive Compensation* is attached for review and consideration by the Policy Committee.

### Recommendation

The following recommendation is presented for the consideration of the Board:

Moved by:
Seconded by:
<b><i>That, the Policy Committee recommends that Policy I-45 Transparency and Accountability in Executive Compensation, be forwarded, along with amendments, to the October 16, 2018 Regular Board Meeting for approval at second reading.</i></b>

Report Prepared by: P. Marai  
Chair of the Policy Committee

Report Submitted by: P. Marai  
Chair of the Policy Committee

## Stakeholder Comments

### Policy I-45 Transparency and Accountability in Executive Compensation

From: MM

Stakeholder Group: HCDSB Staff

**COMMENTS/RESPONSE:**

I believe everyone is entitled to be compensated accordingly, as such our SOs are deserving of the proposed salary increase

~~~~~

From: D Haller

Stakeholder Group: Halton Catholic Ratepayer

**COMMENTS/RESPONSE:**

What other Board in the Province has this kind of policy?

Doesn't the government control all of this anyway?

What additional transparency is required beyond the Sunshine list, which has been in operation for over 20 years?

This is a waste of time and Board resources, but typical of your recent behaviour.

~~~~~

From: Sheila DeSousa

Stakeholder Group: HCDSB Parent

**COMMENTS/RESPONSE:**

I have read and understand the Policy

~~~~~

From: Tiffanie Stewart-Pascoal

Stakeholder Group: Catholic School Council

**COMMENTS/RESPONSE:**

Reviewed and approved.

~~~~~

From: -----

Stakeholder Group: HCDSB Staff

**COMMENTS/RESPONSE:**

Public executive compensation metrics should include other, non-cash "benefits" such as home technology/accommodations and cellular phone benefits which combined can amount to significantly to overall compensation.

~~~~~

From: HEU

Stakeholder Group: HCDSB Union

**COMMENTS/RESPONSE:**

RE: Policy I-45 Transparency and Accountability Executive Compensation.

"Changes to the executive compensation envelope shall go out for public consultation" is concerning.

The employee relationship is not with the public and therefore negotiating terms of employee contracts, including compensation should not be "negotiated nor reviewed" with the public. The terms should remain confidential prior to executive employee contracts being signed.

Additionally, the 'Proposed Executive Compensation Report for Ontario's Publicly Funded School Boards' appears to be fairly prescriptive and outlines how compensation packages are calculated.

Regarding the posting of executive compensation packages on the board website, this appears to be a duplication of the "Sunshine List" (Public Sector Salaries Disclosure).



# Halton Catholic Supervisory Officers Association

4104 Fairview Street #153  
Burlington, Ontario  
L7L 4Y8

Dear Chair Rabenda,

Thank you for your email inviting Supervisory Officer input regarding proposed Policy I-45 – Transparency and Accountability in Executive Compensation. We are hopeful that this communication represents a desire on the part of Trustees to enter into a meaningful and respectful dialogue concerning our compensation and terms and conditions of employment.

On behalf of the Halton Catholic Supervisory Officers Association (HCSOA), here are our concerns with the proposed policy:

Foremost, the timing of the proposed policy does not align with current legislation and the process being undertaken by the Government of Ontario, to provide Boards with direction concerning executive compensation by June 2019. On August 13, 2018, the Ontario government filed Ontario Regulation 406/18 (the "New Regulation"), and revoked Regulation 304/16, under the Broader Public Sector Executive Compensation Act, 2014. The New Regulation replaces the recent executive compensation programs with strict restraint measures similar to those under predecessor legislation. The effect of the New Regulation is that Part II.1 of the Broader Public Sector Accountability Act, 2010, the legislation that has operated since 2012, is no longer in effect and is instead replaced by the compensation framework under the New Regulation. All designated employers are now subject to the compensation framework set out in the New Regulation, including those who had compensation frameworks approved and those who did not. The government has also committed to reviewing and revising the New Regulation by June 7, 2019. It is not clear why the Board would attempt to develop and implement a new policy based on a revoked regulation that is no longer in effect, and that directly contradicts the New Regulation which does not allow for any of the compensation elements outlined in the proposed policy.

Secondly, the proposed policy violates the Education Act with respect to performance appraisals of Supervisory Officers. As stated in the Education Act, the role of the Board of Trustees is to "establish policies and guidelines respecting the roles and responsibilities of board members, directors of education, supervisory officers, principals, superintendents and other officials," and that "every board shall monitor and evaluate the performance of the board's director of education, or the supervisory officer acting as the board's director of education." In addition, "Every Supervisory Officer appointed by a board is responsible to the board through the chief executive officer for the performance of the duties assigned". As such, the performance appraisals of Supervisory Officer's are the responsibility of the Director of Education and not the Board of Trustees. The proposed policy unnecessarily politicizes an operational responsibility of the Director of Education to conduct performance appraisals of Senior Staff.

This is what the LORD Almighty said: 'Administer true justice; show mercy and compassion to one another.'

Zechariah 7:9



# Halton Catholic Supervisory Officers Association

4104 Fairview Street #153  
Burlington, Ontario  
L7L 4Y8

Thirdly, the proposed policy would grant the Board of Trustees the power to approve individual Supervisory Officer's salaries. This proposed practice would be in violation of the Education Act. Regulation 406/18 under the Broader Public Sector Executive Compensation Act, 2014, which came into effect August 10, 2018, under the new Provincial Government, which states that each employer's board of directors, is responsible for any required adjustments to the pay envelope. It does not give the Board of Trustees the ability to dictate the pay of individuals. The distribution of the compensation pay envelope is the responsibility of the Director of Education.

Fourthly, the proposed policy jeopardizes Supervisory Officer pensions with the introduction of "performance based pay" as an aspect of compensation. Performance based pay is not pensionable in the Ontario Teacher's Pension Plan, although is in the Ontario Municipal Employees Retirement System. This creates a fundamentally inequitable situation and is a disincentive for experienced Supervisory Officers to apply from other boards and incentive for experienced Supervisory Officers within our board to apply elsewhere. This directly contradicts the primary purpose of the proposed policy, which is state as "to encourage practices that attract, retain and reward high-performing employees."

Fifthly, the proposed policy represents a departure from the well-established practice whereby the Director of Education meets with Supervisory Officers at Administrative Council to review their compensation and terms and conditions. This process has historically happened after other employee group bargaining and contracts have concluded.

Sixthly, the proposed policy purports to address transparency with respect to executive compensation at the Board. In practice, and as required by the Broader Public Sector Executive Compensation Act, all Supervisory Officer salaries are already available on the annual Ontario Public Sector Salary Disclosure (colloquially known as the "Sunshine List").

In all, we feel that the proposed policy singles out one of the smallest employee groups in the Board for a governance process inconsistent with treatment of other employee groups.

Thank you again for reaching out to us to request our input. We look forward to an ongoing dialogue regarding our compensation and terms and conditions of employment.

Sincerely,

*This is what the LORD Almighty said: 'Administer true justice; show mercy and compassion to one another.'*

*Zechariah 7:9*



# Halton Catholic Supervisory Officers Association

4104 Fairview Street #153  
Burlington, Ontario  
L7L 4Y8

The Members of the Halton Catholic Supervisory Officers Association

This is what the LORD Almighty said: ‘Administer true justice; show mercy and compassion to one another.’

Zechariah 7:9



## **RESPONSE TO BOARD POLICY**

### **Policy I-45 Transparency and Accountability in Executive Compensation**

Name of Stakeholder Responding Group: OECA - HALTON SECONARY UNIT

Name of Respondent (optional): KEITH BOYD

#### **COMMENTS/RESPONSE:**

Is this type of policy found anywhere else in the Province of Ontario? My summary research would indicate that this would be the only policy of its type.

Doesn't the Sunshine List accomplish exactly what this policy is trying to do? If so, isn't it redundant to have this policy?

Is this another example of HCDSB's Trustees forwarding a Political Agenda that has very little to do with good governance or serving the learning needs of the students it serves?

Please forward response by:

**Pat Daly**  
**Director of Education**  
*Halton Catholic District School Board*  
802 Drury Lane, Burlington, ON L7R 2Y2  
**PHONE: (905) 632-6314, extension 120**  
**FAX: (905) 333-4661**  
**or e-mail to [NeumanJ@hcdsb.org](mailto:NeumanJ@hcdsb.org)**

|                                                         |                               |
|---------------------------------------------------------|-------------------------------|
| Transparency & Accountability in Executive Compensation |                               |
| <b>Adopted:</b>                                         | <b>Last Reviewed/Revised:</b> |
| <b>Next Scheduled Review:</b>                           |                               |
| <b>Associated Policies &amp; Procedures:</b>            |                               |

## Purpose

The Halton Catholic District School Board encourages practices that attract, retain, and reward high-performing employees who are effective at implementing the goals set out in the Board's strategic plan.

## Application and Scope

The policy applies to all compensation of senior executives of the Board.

## References

[Broader Public Sector Executive Compensation Act, 2014](#)

[Executive Compensation Report - HCDSB](#)

## Definitions

Cash Compensation: salaries and bonuses provided by reaching stated goals.

Non-Cash Compensation: health and dental insurance, group life insurance, long term disability.

## Principles

The HCDSB is cognizant of our responsibility to set reasonable executive compensation limits that are fiscally responsible and respect ratepayers.

The HCDSB recognizes the necessity of keeping executive compensation transparent.

The HCDSB believes executives must be held accountable for implementing the strategic plan of the Board.

## Requirements

### **Designated Executives**

- Director of Education
- All Superintendents (both academic, business & human resources)

### **Eligible Compensation**

Compensation of designated executives include salary, benefits and performance based pay as decided by the board.

### **Ineligible Types of Compensation**

The following types of compensation are ineligible:

- i) Signing bonuses
- ii) Retention bonuses
- iii) Housing allowances
- iv) Car allowances

### **The Executive Compensation Envelope**

Changes to the executive compensation envelope shall go out for public consultation.

Changes to the executive compensation envelope shall be approved by the Board.

The distribution of the executive compensation envelope, shall be approved by the Board before being implemented by the Director of Education.

### **Approvals of Contracts**

Though the Director is solely responsible for the hiring of all superintendents, contracts will be approved by Trustees before being signed.

The contract of the Director of Education shall be approved by Trustees before being signed.

### **Salary Grids**

The HCD SB may implement a salary grid for executives.

The salary grid shall be approved by Trustees before being implemented.

The annual movements on the salary grid shall be reviewed and approved by the Board once a year, on the recommendation of the director, only after the completion of the performance appraisal of all executives.

### **Annual Objectives**

The Director will draft objectives for each superintendent on an annual basis, in line with the goals and objectives of the strategic plan. The Director will submit these objectives to the Board by the last meeting of each school year for approval by the Board.

The Board will draft objectives for the Director on an annual basis, in line with the goals and objectives of the strategic plan. The Board will approve these objectives at the last meeting of each school year.

### **Performance Appraisal**

The Director shall review the performance of superintendents, and shall submit a written formal in-camera report to Trustees, that outlines superintendent's performance against their objectives. This will come to Trustees as an action item for approval by the last meeting of each school year.

The Board shall review the performance of the Director that outlines the Director's performance against his/her objectives. This will come to Trustees as an action item for approval by the last meeting of each school year.

### **Transparency and Public Feedback**

The HCDSB will post all executive compensation on the public website by August 31 under a section entitled "Executive Compensation".

Trustees will be given a report on The Public Sector Salary Disclosure List, before it is submitted to the province.