



MEMORANDUM

Date: June 12, 2020

Date Last Updated: June 17, 2019

To: Chair and Board of Governors
From: President
Subject: **MONITORING REPORT – EL-2c Compensation and Benefits**

With respect to employment, compensation, and benefits to employees, consultants, contract workers and volunteers, the President shall not cause or allow jeopardy to fiscal integrity or public image.

I believe that this statement is fully interpreted below.

The President shall not:

1. Change the President's own compensation and benefits.

Compliance will be demonstrated when a review of payroll and benefits records show that no changes have been made to the President's compensation and benefits unless consistent with a letter from the Chair of the Board of Governors.

EVIDENCE:

A review of the above-noted records by the Manager, Accounting Services show that the President's compensation and benefits are unchanged since the President's initial hire as evidenced in the employment contract signed by the Chair of the Board, dated August 22, 2018.

I therefore report compliance.

2. Establish current compensation and benefits that deviate materially from the geographic or professional market for the skills employed.

Compliance will be demonstrated when staff can verify that they are compensated per the appropriate collective agreement or administrative salary schedule. Compliance will also require that compensation conform to the *Public Sector Compensation Restraint to Protect Public Sectors Act, 2010*, which froze the salaries and benefits of designated positions of the college as of March 31, 2012.

EVIDENCE:

Unionized employees' salary schedules and benefit coverage descriptions are contained in their respective collective agreements. Consequently, employees can verify their wages and benefits against their collective agreements; which are available on the College's intranet site.

The administrative employees' salary schedule is posted on the College's intranet site; this enables administrative employees to verify their salary against the salary schedule. The Administrative Terms and Conditions for administrative employees is also on the intranet site so that administrative employees can check their benefits against the agreed to terms and conditions.

Testing of the payroll was performed as part of our third party annual audit for the fiscal year 2019/2020 and no issues were identified. This test ensures employees are input into the system with the correct salary/wage amount per employee contract and disbursed accordingly. No deviations have been reported as a result of the 2019-2020 audit.

An annual compliance report is submitted to the Treasury Board pursuant to Section 7.18 of the Broader Public Sector Accountability Act, 2010, S.O. 2010, Chapter 25.

I therefore report compliance.

3. Create obligations over a longer term than revenue can be reasonably projected.

I interpret this to mean that budget is considered when hiring and/or replacing any vacant or new positions or entering into contractual arrangements. Therefore, compliance will be demonstrated when the College budget process considers available resources when making staffing or contract decisions.

EVIDENCE:

Collective agreements typically extend for two to three years in the college environment. The current faculty collective agreement is a four-year term commencing October 1, 2017 and ending September 30, 2021. The current support-staff union agreement is for a 4-year term that commencing September 1, 2018 and end August 31, 2022.

The College's process for replacing staff includes approvals by the supervisor, the appropriate Vice President, the Manager of Financial Planning and the Executive Director, Organizational Effectiveness. The process for increasing the complement requires a Senior Team Briefing Note, subsequent discussion at the Senior Team and the authorization of the President.

The College follows the Broader Public Sector Procurement Directives for the acquisition of independent consulting and contracting services. All contracts must be put on a purchase order and include specified scope, milestones and deliverables under the contract along with authorized approvals and budget codes.

Steering Committees are established for major infrastructure projects to plan and monitor progress, such as the Student Wellness Centre project. MTCU special projects funding also require audits. The audits have disclosed no significant over-spending.

I therefore report compliance.

MOTION:

THAT we accept the monitoring report for Policy EL-2c Compensation and Benefits, showing full compliance with a reasonable interpretation of the policy.

ATTACHMENTS:

Attachment 1 - Internal Review of Presidential Compensation

Respectfully submitted,

Kathleen Lynch
President

ATTACHMENT 1



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June 3, 2020

To the Members of the Board of Governors of
The Confederation College of Applied Arts and Technology
("The Board of Governors")

Re: Internal Review of Presidential Compensation

In accordance with Section 1 of the Monitoring Report – EL-2c Compensation and Benefits, I have obtained details of the salary and benefits paid to/on behalf of the President for fiscal 2020 to verify that the President's compensation and benefits are consistent with the Board approved employment contract. These procedures were performed to assist the Board of Governors assess compliance with the "Executive Limitations for Policy Governance" of The Confederation College of Applied Arts and Technology.

As a result of the procedures performed, I confirm that:

- The salary paid to the President agrees to the employment contracts as documented by the most recent compensation change letters approved by the Board.
- The performance bonus paid to the President agrees to the compensation change letter approved by the Board.
- The benefit premiums paid by the employer were in accordance with the available benefits listed in the employment contracts.

The procedures performed do not constitute an audit of the "Executive Limitations for Policy Governance" of The Confederation College of Applied Arts and Technology. This report is solely for submission to the Board of Governors and is not intended to be and should be used by anyone else for any other purpose.

Respectfully,

A handwritten signature in black ink, appearing to read "Brad Halabisky".

Brad Halabisky CPA, CGA
Manager, Accounting Services
Confederation College