



REPORT TO

**STUDENT ACHIEVEMENT AND
WELL BEING, CATHOLIC
EDUCATION AND HUMAN
RESOURCES COMMITTEE**

**REVISED-FEEDBACK FROM EXECUTIVE
COMPENSATION PUBLIC CONSULTATION
NOVEMBER 29-DECEMBER 29, 2017**

Then the king consulted the sages who knew the laws (for this was the king's procedure toward all who were versed in law and custom. Esther 1:13

Created, Draft	First Tabling	Review
January 4, 2018	January 11, 2018	Click here to enter a date.

Eric Roher, External Legal Counsel

RECOMMENDATION REPORT

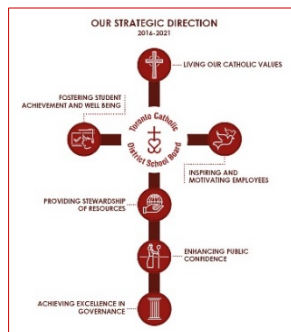
Vision:

At Toronto Catholic we transform the world through witness, faith, innovation and action.

Mission:

The Toronto Catholic District School Board is an inclusive learning community uniting home, parish and school and rooted in the love of Christ.

We educate students to grow in grace and knowledge to lead lives of faith, hope and charity.



Rory McGuckin
Director of Education

D. Koenig
Associate Director
of Academic Affairs

A. Sangiorgio
Associate Director
of Planning and Facilities

L. Noronha
Executive Superintendent
of Business Services and
Chief Financial Officer

A. EXECUTIVE SUMMARY

Ontario Regulation 306/14 *Executive Compensation Framework*, the Regulation, established under the *Broader Public Sector Executive Compensation Act 2014* sets out the requirements that designated broader public sector employers, such as the TCDSB, must meet when determining executive compensation programs. The TCDSB submitted its proposed Executive Compensation Program to the Ministry of Education on September 29, 2017, however the Ministry notified the Chair of the Board on November 3, 2017 that it did not approve this initial submission, and offered suggested revisions.

The Board submitted its revised Executive Compensation Program on November 10, and learned that the Ministry approved the TCDSB Program on November 24, 2017.

As per the Regulation, the Ministry was provided two days' notice that the TCDSB would post its proposed Executive Compensation Program on its public website commencing on November 27, 2017. The Communications Department informed all stakeholders through the regular channels about the public consultation, commencing on November 29, 2017 until December 29, 2017. The Program was posted on November 29, 2017 and on December 29, 2017, public access to the Program on the TCDSB portal ended.

This report will provide information about, and an assessment of the relevant public feedback in accordance with Ministry direction concerning the following:

- i. Total number of comments received;
- ii. Number of comments that were generally supportive of the Program, and the number of comments that were not;
- iii. Name of any organizations that commented;
- iv. A summary of any common themes; and
- v. If necessary, what the designated employer did to address the feedback.

The cumulative time required to prepare this report was 8 hours

B. PURPOSE

1. As per the Regulation, this report will provide an assessment of the public consultation process.

C. BACKGROUND

1. **September 29, 2017** – the Board submitted its Executive Compensation Program to the Ministry of Education for approval, seeking an upgrade to a Level 7 Board within the framework.
2. **November 3, 2017** – The Chair received notification from the Ministry of Education that the TCDSB's Program was not approved on the basis that TCDSB was not deemed to be a Level 7 Board, and that one of the comparators was missing.
3. **November 9, 2017** – At Corporate Services, Strategic Planning and Property Committee in Double Private, the Board approved a revised TCDSB Executive Compensation Program for re-submission to the Ministry of Education at the earliest opportunity.
4. **November 10, 2017** – The TCDSB revised Program was submitted to the Ministry of Education.
5. **November 24, 2017** – The Ministry of Education notified the TCDSB Chair that the Board's revised Program was approved, and provided a reminder of the next stage in the process: public consultation.
6. **November 27, 2017** - As per the Regulation, the Ministry was notified that the TCDSB would post its proposed Executive Compensation Program on its public website on November 29, 2017, thus providing two days' notice.
7. **November 29, 2017** – The Communications Department informed all stakeholders through its regular channels about the public consultation being launched. The TCDSB Executive Compensation Program was posted, with information about how to provide feedback.
8. **November 29-December 29, 2017** – Public feedback was provided via the special Executive Compensation e-mail account.

9. **December 29, 2017** – Access to the Executive Compensation e-mail account was ended.
10. **January 4, 2017** – the feedback was reviewed and this report was prepared with input from External Legal Counsel.

D. EVIDENCE/RESEARCH/ANALYSIS

1. As per the Regulation, this report will provide information about, and an assessment of the relevant public feedback in accordance with Ministry direction concerning the following:
 - i. Total number of comments received;
 - ii. Number of comments that were generally supportive of the Program, and the number of comments that were not;
 - iii. Name of any organizations that commented;
 - iv. A summary of any common themes; and
 - v. If necessary, what the designated employer did to address the feedback.
2. Copies of all feedback received are provided in **Appendix A**.
 - i. **Total number of comments received;**
 - Seventeen (17) responses were received from the public
 - ii. **Number of comments that were generally supportive of the Program, and the number of comments that were not supportive of the Program:**
 - a. One (1) comment was erroneous in that it was sent from a Chinese organization, apparently dealing with health issues. (Appendix A1)
 - b. One (1) comment was from an internal staff member, bringing attention to a caller who wanted anonymity in the process. (Appendix A2)
 - c. Two (2) comments suggested anonymity of the responder would have been preferred. (Appendix A3, A4)
 - d. Zero (0) comments were in favour of the program
 - e. Thirteen (13) comments were opposed to the Program. (Appendix A5 – A17)
 - iii. **Names of Organizations that commented**

- Other than the erroneous message from an organization in Asia, there were no comments provided by organizations.

iv. Summary of Common Themes

Below is a summary of the common themes, most being in opposition to the Executive Compensation Program:

- Increases for the highest paid employees is not fair compared to lower salaries paid to other employees;
- Increases for executives should mirror increases for other TCDSB employee groups;
- Disappointment with the proposed increases given previous years of budget cuts and deficits. Where is the money coming from?
- Opposed to the increase (5 responses);
- Question posed about why other TCDSB non-union staff are not included in the Executive Compensation Program;
- Agree that to attract diverse, talented people to the organization, the job must reflect a competitive salary;
- Focus on improving middle management employees' compensation package - who is advocating for this employee group? Should review middle management for the number of women and visible minorities employed;
- Opposed to providing executives with increases in order to attract talent. Increases for all employee groups should be commensurate. The increases do not reflect our Catholic principles.

v. Actions taken by the designated employer to address the feedback

- Each school board is responsible for addressing relevant public feedback provided about its proposed Executive Compensation Program. Pending the outcome of this report, a plan to address the feedback can be developed.

3. As per Ministry Memo 2017: B11, each school board must submit its proposed Executive Compensation Program to the Ministry, along with summaries of the public feedback received and any changes to the program since the Ministry review of November 24, 2017. (**Appendix B**).

4. The Ministry will review the submission with respect to public consultation and will make a determination whether to approve the selected comparator organizations and the proposed maximum rate of increase to the executive salary pay envelope.
5. Once Ministry approval is received, the Board of Trustees will determine whether to adopt the proposed Executive Compensation Program, and then post its finalized Executive Compensation Program on its website.
6. On November 2, 2017, the Regulation was amended and the Broader Public Sector Executive Compensation Guide was updated to include further clarification on the implementation of Executive Compensation Programs. The updated Regulation provides that if the finalized Program is posted before February 28, 2018, the Board may administer increases to its envelope retroactively to September 1, 2017.
7. Once the Board's proposed Program is approved by the Ministry under Regulation 304/16, the Ministry and the Treasury Board have agreed to fund the annual increase in pay envelope for the Board for three years and will provide the funds in a protected GSN allocation to the Board.

E. METRICS AND ACCOUNTABILITY

1. Submission of the final TCDSB Executive Compensation Program to the Ministry of Education for approval.
2. A subsequent report will be submitted to the Board in Spring 2018 in preparation for the 2018-2019 year.

F. STAFF RECOMMENDATION

That Trustees submit the required documentation to the Ministry of Education with respect to the public consultation process and request the Ministry's approval of the proposed TCDSB Executive Compensation Program.

TCDSB Executive Compensation Process Feedback

The following comments have been taken verbatim from the Executive Compensation website. All names of respondents have been redacted, and any detailed information that could potentially identify a respondent has been removed. It is a requirement to provide responses to the individuals who provided feedback.

Each response is provided below under general categories:

ERRONEOUS COMMENT

A1

<http://coduyen.info/mh/17/mhbb-71.pdf>

<http://stralife.com/thetruth.aspx>

INTERNAL STAFF COMMENTING ON THE PROCESS

A2

I just received a call from a teacher, regarding the invitation to provide feedback for the proposed Executive Compensation program.

There is concern that the platform being used is unfair in that it requires providing your work email, and this is seen as a deterrent to providing feedback. There is also questions as to why there is not an anonymous survey option.

The teacher mentioned that this topic was brought up at a meeting this week and committed to sharing feedback at the Board level. I advised her that it would be shared with the Director's office.

After initially requesting to be anonymous, the teacher agreed to share her information as they would like a response regarding this inquiry.

CONCERN WITH PROCESS - ANONYMITY

A3

After reviewing the document and discussing with my colleagues, the general sentiment is that it is intimidating to send feedback via email. Please consider a forum where one can choose to provide anonymous feedback. This would be more welcoming and effective.

TCDSB Executive Compensation Process Feedback**A4**

This forum should not be on our work email. Persons who wish to give comments or criticisms will inevitably fear reprisals in other repercussions. Therefore, I suggest that the opportunity to provide such comments be available by way of anonymity.

COMMENTS OPPOSED TO THE EXECUTIVE COMPENATION PROGRAM**A5**

I would suggest that the compensation package mirror the increases that other Board employees receive. If there are differences than I would say go with the highest one. This would send a clear sign that we are in this together.

A6

If the pay envelope for executives at the TCDSB can increase by 5% per year, then the pay for teachers should increase by 5% per year. Otherwise, the executive pay envelope should increase in parallel to that of teachers in the board.

A7

...Since this email was sent, I have already received four calls from staff stakeholders who want to provide feedback on this proposal but fear reprisal if they do so. Two of them were teachers who aspire to become Administrators, one was an Educational Assistant, the other was a supervisor who hoped to make their way up the leadership ladder one day. In light of the various anonymous mechanisms available such as Survey Monkey, I do not understand why that type of software was not utilized in this process to get this feedback.

I personally do not have a problem about openly providing feedback about this proposal.... I am very disappointed in the fact that an increase is being sought especially given the budget cuts and the salary freezes many of us had to endure (including myself) because of financial mismanagement in the past. I love my job and I do the best I can... Am I bitter? Not anymore, but I am not going to be silent about my view that anyone that does not have an education background or education based portfolio is not valued within this organization. Subject matter experts, like myself, the lawyers within this organization and the many other specialists are grossly underpaid in comparison to the private sector. I accept that

TCDSB Executive Compensation Process Feedback

because I am committed to working for an organization that espouses Catholic values. That is why I remain a part of the TCDSB, not because of my salary. I hope my comments are duly considered.

A8

A 5% increase of a \$200,000 salary is \$10,000.00, that is almost a \$1000.00 pay increase per month. An 8 hour Caretaker clears approximately \$2600.00 in one month. That increase is almost equal to a 40% increase in pay if a Caretaker was to receive a pay increase the same as this. You might say well you can not compare a caretaker's job to an executive position. No I agree but this amount of money is too much. If you gave a 5% increase to a caretaker it would be only a \$130.00 increase per month. But you are giving an executive 10 times a raise received by a caretaker. Both jobs are needed to operate the school board. So why give such an absorbent amount of money to someone. It displays how the school board is willing to pay a few people increases in pay which other do not receive. Under the teachings of the catholic institution it preaches that treat others as you would want to be treated. There is no equality or fairness in trying to justify paying an executive person so much. Economically it will cost more and the money has to come from somewhere. It means you have to cut caretaker's positions to subsidize a pay increase for an executive. Not very Christian is it? There is no money tree and to say the other executives in other boards make more, well maybe they do but we can not afford it. Our buildings are getting older and need repairs. Management has cut hours for cleaning schools. Budgets are under the microscope so where do you justify giving a select few absorbent pay cheques. Please think it over and be reasonable. You can not get blood out of a stone. saying you don't want to lose such talented people is not going to fly with everyone. We weren't born yesterday. Take a smaller wage or find another job. Don't try to justify taking a gold plated salary. It does not make economic sense, and we can't afford it. Fiscal restraint must be considered. A business in the public sector could not even consider doing this. If you give a raise like this there will be a backlash from taxpayers.

A9

I am wondering why non-union management staff is not included as part of this compensation package because they also have had their salaries frozen for some time.

It is also indicated that the board of trustees is implementing a performance related pay strategy for all its executives. I am wondering what factors will be used to

TCDSB Executive Compensation Process Feedback

judge performance? In other organizations, performance has been measured by parameters which would likely affect the level and quality of programs and services provided for our students and families such as the amount of cost-cutting achieved, reduction in staffing levels, and achieving financial efficiencies without regard to the full impact of such changes.

I would welcome further discussion to answer my questions and queries.

A10

As you mentioned in the email, the Executive Compensation Program is to ensure a transparent and consistent approach to executive compensation. It seems to me that this does not equal to more money. I don't agree with increasing the salaries and benefits of the executives. Are we really attracting people we want to attract to a school board by giving them more money. These are decisions that affect the children in our care. May I respectfully suggest that if there is any extra money it is best put back into the classrooms to support and provide programs for our children. After all, isn't that what we are all about.....

A11

I am a teacher of 25 plus years with the board. I don't assume to be knowledgeable about executive compensation. I do appreciate the information provided and the invitation to respond. The article quotes cost of living statistics in general. Should an executives cost of living increase not be connected to the rest of the boards staff increases? Is one persons job worth greater stability than all others? I agree that to attract diverse, talented people to this important job it must reflect a competitive salary. I pray that our gospel values help you to make this decision.

A12

Based upon the information provided to us via the Weekly Communication 'Newsletter', I understand that employees may provide input regarding the Executive Compensation Review.

I am thinking that the source of this feedback will be kept confidential? I would like to remain anonymous please.

I would suggest that well before an executive review take place that a compensation review of non-unionized Management take place as we have had our salaries frozen for 6+ years (with a minor 1% adjustment last year).

TCDSB Executive Compensation Process Feedback

It is middle management that the majority of work falls to and this is not unique to just my position. Middle Management compensation has fell out of competition with outside, comparable organizations.

It seems that it is often the CEOs and Presidents of companies that often ask for salary reviews on their own behalf and then pay themselves bonuses, etc. (in the private sector). Yet who is there to advocate for middle management?

It is those Superintendents and Executive employees that middle management report to that have the power to address compensation discrepancies for this group but it never seems to happen. As a non-union group, there is little voice for us.

It's important to attract skilled, talented middle management because this is where the specialized services land—Capital Department positions (architects, engineers, electricians, maintenance specialists), Early Years (child care, Early ON), Finance, etc.

Within these positions, there is very little opportunity to move up so employees will leave for more lucrative positions outside of the Board if their positions are not properly compensated. The Board needs to retain these specialists by recognizing their skills and compensating accordingly.

There should be a review of middle management to see how many women and visible minorities are in place and fairly compensated in comparison to males in similar positions and with similar responsibilities.

A Master's Degree should be required, as a minimum, for those in Executive and Superintendent Positions as I believe this is the case in other organizations.

The Board's deficit a few years ago was the responsibility of the Executive and Supervisory Group and yet it is middle management that suffered the consequence when positions were eliminated and management had to take on the extra work.

Most of the Executive and Supervisory positions are filled from within the organization; rarely is someone from 'the outside' brought in. So why does compensation need to be reviewed for this group if we are not competing to secure employees from outside organizations for these positions most of the time? And yet for middle management, it is extremely important to be competitive when it comes to salaries because many are brought in from the 'outside' and we bring our unique training/education and experience into the TCDSB. We are the ones whom need to be retained, valued and regularly evaluated against other organizations when it comes to compensation; so that we don't choose to leave for better opportunities.

The priority should be to evaluate middle management compensation to bring it into 2017/2018 especially due to the 6+ year freeze on salary increases. Executive and Supervisory folks have moved up within the organization and have had the opportunity to improve upon their pay scales. Middle Management usually cannot

TCDSB Executive Compensation Process Feedback

do so and end up stagnant in their positions for their entire career so depend upon job reviews and salary evaluations.

I do agree that the Legal folks should undergo a review as this is a specialty area.

A13

This is my feedback regarding the **Proposed Executive Compensation Program**. **It is outrageous that the** TCDSB is proposing the maximum rate increase for the executives. This means that their Pay cheque will roughly increase \$50 thousand more per year.

As an educator working for the board and earning $\frac{1}{2}$ sometimes $\frac{1}{4}$ or the salary of my fellow colleagues, I am asking why should the TCDSB increase the paycheques of these executives. The board has already deficits yet they seem to find money to put in someone's else pocket: programs are cancelled such ESL, 5th Block, librarians are being replaced by library technicians, the International Languages program every year is always being brought to questioning as it is seen a "bothersome". Why isn't the board invest in those things, paying those deficits instead of filling the pockets who already earn a six figure income?

A14

I have reviewed the material regarding the proposed Executive Compensation Program, and I wish to say, at the outset, that I am completely against such a proposal and fully reject it.

The proposal is patently unfair and wrong. Salary increases have been nominal for front -line teachers and instructors for years, and yet, we are seeking to enrich a small group of executives based on the spurious and unproven notion that we cannot attract talented, conscientious employees without paying them more. Who are you kidding?

The profession of education is a vocation to which each person in the administration of education - from educational assistant to senior executive - is called. Presumably, a strong employee should have these principles top of mind, and not simply the desire to line their pockets. This is the type of person you need to attract. This is the type of person that the TCDSB should be seeking.

TCDSB Executive Compensation Process Feedback

If we follow the reasoning set forth in this proposal, then we should all get salary increases commensurate with senior executives. After all, doesn't the Board want to attract talented, capable teachers, or are such qualities only sought in the higher echelons of the Board?

We are a Catholic Board and, as such, should pursue the virtues of justice and fairness for all. You cannot purport to enrich some, and leave behind others. You cannot propose to benefit the few by taking away from the many. This would be unjust, and therefore, not in keeping with our Catholic principles.

I have hope that I have made myself clear. In no uncertain terms am I in favour of this proposal.

A15

I am totally against this proposed program.

A16

I disagree with the proposed executive compensation program.

A17

After I have read the letter regarding the proposed Executive Compensation Program, I am definitely against to any kind of increase of salary for the executives. I reject it.

I hope my feedback will help to stop this unfair proposal.

Ministry of Education

Office of the ADM
 Capital and Business Support
 Division
 900 Bay Street
 20th Floor, Mowat Block
 Toronto ON M7A 1L2

Ministère de l'Éducation

Bureau du sous-ministre adjoint
 Division du soutien aux immobilisations et
 aux affaires
 900, rue Bay
 20^e étage, Édifice Mowat
 Toronto ON M7A 1L2

**2017: B11**

MEMORANDUM TO: Directors of Education
 Senior Business Officials

FROM: Joshua Paul
 Assistant Deputy Minister
 Capital and Business Support Division

DATE: **September 20, 2017**

SUBJECT: **Executive Compensation – Technical Information to
 Support School Board Program Implementation**

The purpose of this memorandum is to provide technical information about the school board executive compensation program submission and implementation process and additional data that must be submitted with the program. Proposed school board executive compensation programs are due to the Minister of Education by September 29, 2017.

- Please submit your programs and additional data to the Minister of Education, with copies to the Deputy Minister of Education and myself.
- For your convenience, the following email address can be used to officially submit to those recipients: EDUExecComp@ontario.ca.

As noted in my earlier memorandum to school boards, the *Broader Public Sector Executive Compensation Framework* regulation (O. Reg. 304/16) under the *Broader Public Sector Executive Compensation Act*, sets out requirements that all designated employers, including school boards, must follow when establishing executive compensation programs.

On August 31, 2017, the ministry endorsed the proposed Provincial Executive Compensation Framework. A provincial framework that is supported by both the sector and the ministry is an important first step to assist school boards with developing executive compensation programs that meet the government's regulatory requirements.

The following steps will be taken before a board's compensation program can be adopted. School boards are expected to work closely with the Ministry of Education during the implementation process to ensure that their programs meet regulatory requirements.

- 1) School Board Submits Proposed Executive Compensation Program for Government Review
 - Each school board will submit its proposed executive compensation program to the ministry. The submission will be carefully assessed for completeness and compliance. It must include additional data as outlined below.
- 2) School Board Addresses Government Feedback
 - Each school board must address government feedback in its proposed executive compensation program and receive confirmation of approval to post before posting a program for public consultation.
 - Government feedback could include direction to resubmit a proposed executive compensation program after addressing comments.
- 3) Public Consultation
 - Once the Minister confirms in writing that the submitted program is ready for public consultation, a school board is required to seek public comment by posting its proposed draft executive compensation program on its public-facing website for a minimum of 30 days.
 - A school board must provide notification to the ministry of when it intends to post for public comment two days before posting.
 - Each school board is responsible for addressing the relevant public feedback in its proposed executive compensation program.
- 4) School Board Applies for Minister Approval of Specific Components
 - Each school board must submit its proposed executive compensation program to the Minister along with summaries of the public feedback received and any of the changes to the program since the government review in step 2.
 - Before the proposed executive compensation program can be finalized, the school board, in accordance with the Regulation, must obtain Minister's approval of comparator organizations and the proposed maximum rate of increase to its salary and performance-related pay envelope.
 - School boards that align their proposed executive compensation programs with the ministry-endorsed Provincial Executive Compensation Plan (the framework) will have a streamlined approval process for their comparators.
 - Any approval of the Minister will be provided in a formal letter issued to the board.
- 5) Board of Trustees Approves Decision to Adopt and School Board Posts Final Program

- The school board's Board of Trustees determines whether to adopt the proposed executive compensation program.
- The school board posts its finalized executive compensation program on its website as required by the Regulation.

Additional Data Request

In accordance with the *Broader Public Sector Executive Compensation Program Directive*, and after discussions with Trustee Associations and CODE (see attached letter), the ministry is requesting further data from school boards on salary and performance-related pay by executive for the following: 2015-16, 2016-17 and 2017-18 school years.

A template is attached to assist with the data collection and explains the details of the request. These data are due together with the executive compensation program submission on September 29, 2017.

The ministry remains committed to working with the education sector to develop fair and responsible executive compensation programs that recognize and value the work of all school board executives.

Should you require further information, please contact Cheri Hayward, Director of the School Board Business Support Branch. Cheri can be reached by telephone at 416-327-7503 or by e-mail at cheri.hayward@ontario.ca.

Thank you for your ongoing leadership and support.

Sincerely,

Original Signed by:

Joshua Paul
Assistant Deputy Minister
Capital and Business Support Division

attach: Minister Hunter's letter to Trustee Associations and data template