



Memorandum to: Members of the Business Board

From: John F. (Jack) Petch
Chair of the Governing Council

Date: January 25, 2011 for January 31, 2011

Re: **Report of the Senior Appointments and Compensation Committee for 2009-2010**

A. Background

Policy Context

The following report covers activities of the Senior Appointments and Compensation Committee (SACC) during the academic year 2009-2010 as required by the *Policy on Appointments and Remuneration*. The *Policy* and its *Regulation #1*, which addresses decision-making and reporting on compensation, are attached hereto as Appendix A.

Committee Membership

In 2009-2010, the Committee comprised the following:

Chair, Governing Council	Mr. John F. (Jack) Petch
Vice-Chair, Governing Council	Dr. Alice Dong
Chair, Business Board	Mr. Richard Nunn
Member, Business Board	Mr. W. David Wilson
Alumni Member, Governing Council	Mr. Stephen Smith
President	Professor David Naylor

The Secretary of the Governing Council serves as secretary of the Committee and maintains its files. When compensation of the President is discussed, Committee members meet without the President.

B. Compensation Frameworks

Last year, the Committee considered two compensation frameworks and recommended them to the Business Board for approval: the Compensation Policy for Advancement Professionals and the July 1, 2010 Merit Increases for Confidential and Professional and Managerial Staff, Advancement Staff and Research Associates. These decisions were made in the context of and in compliance with the *Public Sector Compensation Restraint to Protect Public Services Act, 2010*, which came into effect at the end of March, 2010.

C. Faculty

(1) Academic Salary Report

The purpose of the annual *Academic Salary Report* is to present summary data showing current salary ranges for University of Toronto faculty by academic rank. No academic salary report was prepared for 2009-2010 since negotiations with the Faculty Association were still on-going. The report of the arbitrator, issued in October 2010, set out the award on compensation for faculty and librarians covering the period 2009-10 and 2010-11.

(2) Principals, Deans, University Librarian, Director, School of Continuing Studies and Director, Transitional Year Program

Under the *Policy*, the President is responsible for approving compensation relative to a set of principles or a framework approved by the Committee from time to time. The President is to make an annual report on decisions made under this authority. As in the case of the Academic Salary Report, no report was prepared because of the ongoing negotiations with the Faculty Association.

(3) Executive Compensation

Under the *Policy*, the President is required to bring to the Committee for consideration his recommendations on the terms and conditions of appointments for Vice-Presidents, Deputy and Vice-Provosts, and other administrative positions above the level of Principal or Dean. Data on the number of initial appointments, renewals and bonuses are summarized in Table 1 below.

Normally, the Committee considers the President's recommendations for annual adjustments for members of the vice-presidential group. No adjustments were recommended this year in light of the President's and Vice-Presidents' voluntary compensation freeze.

(4) Other Compensation Matters

In addition to the decisions noted above, the Committee was consulted on various personnel and policy matters.

Table 1:

	<i>Senior University and Divisional Officers – Initial Appointment</i>	<i>Senior University and Divisional Officers – Renewed Appointment</i>	<i>Market/ Anomaly Adjustment</i>	<i>Special Bonuses</i>
2009-2010				
Academic	2	1	0	0
Non-academic	3	1	0	0
2008-2009				
Academic	1	1	4	0
Non-academic	0	0	1	0

D. Administrative Staff

(1) Appointments

The Committee has the authority to appoint, on the recommendation of the President, Assistant Vice-Presidents, Assistant Secretaries of the Governing Council and Associate Vice-Provosts. During 2009-2010, four recommendations for appointment were brought forward for approval.

Related to its appointment authority, the Committee also has responsibility for approving the creation of Assistant Vice-President (or equivalent) positions. During 2009-2010, four recommendations were brought forward for approval: Assistant Vice-President, Divisional Relations and Campaigns, Assistant Vice-President, Research Services, Associate Vice-President, Research and Associate Vice-Provost, Health Professions Education. The latter two are intended to be held by members of the teaching staff.

(2) Compensation Decisions

For professional and managerial positions (normally in the PM 7, 8 and 9 categories) the President is delegated authority to approve compensation, upon initial appointment, within the range established by policy; approve annual adjustments arising out of performance evaluation processes as established from time to time within policy; and approve one-time-only bonus or stipend arrangements for the assumption of extra duties on a time-limited basis. The Committee received the Administrative Salary Report 2008-2009 at its meeting of October 6, 2009.

In addition to approving compensation arrangements that are outside of established policy, the Committee retains authority to approve, on initial appointment and for subsequent changes, compensation for members of the administrative staff with a direct reporting relationship to the Governing Council. The Committee considered no recommendations for arrangements outside of established policy.