



Memorandum to: Members of the Business Board

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

Date: January 27, 2009 for February 8, 2010

Re: **Report of the Senior Appointments and Compensation Committee for 2008-2009**

A. Background

Policy Context

The following report covers activities of the Senior Appointments and Compensation Committee (SACC) during the academic year 2008-2009 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 2008-2009, 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: salary and benefits for Confidential and Professional / Managerial staff and the July 1, 2009 merit increases for faculty, librarians and research associates.

C. Faculty

(1) Academic Salary Report

The President and Provost presented the required annual *Academic Salary Report 2008-2009* to the Committee in February, 2009. The purpose of the *Report* is to present summary data showing current salary ranges for University of Toronto faculty by academic rank. In order to allow comparisons with other institutions, two sets of comparative data were presented for the Committee's consideration. Data for Canadian universities were drawn from the University and College Academic Staff Survey (UCASS) that provides salary information for full-time teaching staff at Canadian universities. For US public universities, data from the Association of American Universities Data Exchange (AAUDE) were used, allowing comparison of faculty salaries (for all professorial ranks) with AAU public peers.

(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 anticipated in our last report, the Committee received the *Principal and Decanal Salaries Report: 2007-2009*.

(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. This year, however, in light of the economic crisis the executive group voluntarily agreed to a 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>
2008-2009				
Academic	1	1	4	0
Non-academic	0	0	1	0
2007-2008				
Academic	3	1	0	0
Non-academic	0	0	0	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 2008-2009, no 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 2008-2009, no recommendations were brought forward for approval.

(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. As the administration committed to do, a two-year report (covering 2006-07 and 2007-08) was presented at the Committee's February meeting.

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. Consistent with the PM 8 and 9 compensation freeze, the Committee did not consider annual compensation adjustments for the Secretary of the Governing Council. The University Ombudsperson also declined any consideration of an increase in her stipend.