

## **COMPENSATION POLICY FOR SENIOR ADVANCEMENT PROFESSIONALS**

*March 2010 – Proposed Changes*

### **COMPENSATION POLICY FOR ADVANCEMENT PROFESSIONALS**

This policy covers the compensation program for Professional/Managerial advancement positions including Senior Development Officers and Program Managers throughout the University of Toronto and it will be administered and maintained through the Advancement Compensation Committee. All other terms and conditions of employment for such employees are contained within the document *Policies for Professionals/Managers* and/or the general University policies.

### **SALARY RANGES**

There are two broad band salary ranges for Advancement Professionals. The salary range for positions classified as 1AP is structured with a minimum and a maximum. The salary range for positions classified as 2AP is structured with a minimum and no maximum. Movement through the salary range is based solely on performance.

Salary ranges are published annually in an appropriate manner.

### **STARTING SALARIES & PROBATIONARY PERIODS**

Starting salaries must be approved, taking into account market data on comparable positions, both within and external to the University, as well as the individual applicant's experience, skills, abilities, qualifications and anticipated contribution. Newly appointed Advancement Professionals shall be considered probationary until successful completion of a probationary period, which will be a minimum of 6 months and may be up to 12 months of active employment. The length of the probation is to be determined by the hiring manager taking into consideration an individual's experience and qualifications in relation to the requirements of the position.

### **ANNUAL SALARY ADJUSTMENT PROGRAM**

Salaries will be reviewed on an annual basis, with adjustments to be made effective July 1. Individual salaries may be reviewed and adjusted more frequently as appropriate. Increases will be awarded solely on performance, related to quantitative and qualitative measures of effort invested and achievement of goals, as set out in an annual planning document. The actual amounts for each component of the annual program will be set annually by the Advancement Compensation Committee.

For employees classified as 1-AP, a regular part of the annual compensation package will include an incentive payment component, not additive to base salary. The amount of this 'at risk' payment will be determined annually based on the achievement of pre-established and agreed upon contracted deliverables, established each year and documented in an annual planning document. The amount awarded will be a percentage of a fixed dollar value set annually by the Advancement Compensation Committee. These payments are not pensionable.

For employees classified as 2-AP, a regular part of the annual compensation package will include an incentive payment component, not additive to base salary. The amount of this 'at risk' payment will be determined annually based on the achievement of pre-established and agreed-upon contracted deliverables, established each year and documented in performance management document. The amount awarded will be a percentage of the employee's base salary set annually by the Advancement Compensation Committee. Although such payments vary in amount based on a given year's achievements, they are considered, for pension purposes, to be included in the calculation of the total annual compensation.

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All employees subject to this policy will be held to consistently high standards of performance; the achievement of goals and objectives will be subject to rigorous review on a regular basis, normally quarterly with the Vice President, Advancement or his designate and at least annually with the Vice President, Advancement or his designate and the Division Head.

Individuals on probation on July 1 who have not successfully completed six months of employment are not eligible for the annual salary adjustment or incentive pay until the following July 1 after successful completion of probation. Individuals on probation as on July 1 who have successfully completed six months of employment will be eligible for an annual salary adjustment pro-rated to reflect their length of employment but are not eligible for incentive pay.

### **EMPLOYMENT CONTRACTS**

Each individual at the 2-AP level will have a unique, mutually agreed-upon employment contract with the University outlining the particulars of her/his appointment and compensation arrangements, such as base salary, probationary period, incentive pay, severance arrangements, based on factors including divisional requirements, goals, strategy and status.

### **PROMOTIONAL INCREASES**

A staff member will be eligible for a promotional increase when his/her position is reclassified from 1-AP to 2-AP or when s/he moves to a position classified at 2-AP. The amount of the increase in salary should reflect the higher level of the position.

A staff member may be eligible for a base salary increase if he/she takes on additional on-going responsibilities but remains within the current salary band.

The creation of any new AP positions is to be approved through the Vice President and Chief Advancement Officer on behalf of the Advancement Compensation Committee.

### **APPROVAL PROCESS AND THE ADVANCEMENT COMPENSATION COMMITTEE**

Starting salaries, promotional increases, OTO lump sum payments, position titles and objectives must be approved by the Vice President and Chief Advancement Officer on behalf of the Advancement Compensation Committee, in accordance with the *Policy on Appointments and Remuneration* and the regulations of the Senior Appointments and Compensation Committee.

The Advancement Compensation Committee, chaired by the Vice President of Human Resources and Equity, will consist of the Vice President and Chief Advancement Officer, the Assistant Vice President of Advancement, two division heads and a designated Human Resources Professional. Annually, the committee will be responsible for determining the base salary increase amounts and incentive lump-sum payments for the annual salary adjustment program.

The committee will also be responsible for: monitoring the advancement function from an institutional compensation perspective, assessing external salary market data and employment trends in the advancement field; ensuring consistent performance standards and expectations; reviewing promotions and hiring salaries; reviewing anomalies and recommending adjustments as required; approving all annual salary adjustment increases and for 2-AP positions, incentive lump sum payments; monitoring increases and incentive payments for all advancement staff; and reporting or seeking approval, as required for salary increases for advancement employees in accordance with the *Policy on Appointments and Remuneration* and the regulations of the Senior Appointments and Compensation Committee.