



Memorandum to: Members of the Business Board

From: Richard B. Nunn
Chair of the Governing Council

Date: March 28 for April 2, 2011

Re: **Report of the Senior Appointments and Compensation Committee for 2010-2011**

A. Background

Policy Context

The following report covers activities of the Senior Appointments and Compensation Committee (SACC) during the academic year 2010-2011 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 2010-2011, the Committee comprised the following:

Chair, Governing Council	John F. (Jack) Petch
Vice-Chair, Governing Council	Mr. Richard B. Nunn
Chair, Business Board	Mr. W. David Wilson
Member, Business Board	Ms Melinda Rogers
Alumni Member, Governing Council	Ms Elizabeth Vosburgh
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 one compensation framework and recommended its approval to the Business Board: Program Enhancements for Professional / Managerial and Confidential Staff. The decision was 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. The last UTFA arbitration award was issued in October 2010 and set out an award covering the period 2009-10 and 2010-11 and which was staged over four periods (July 2009, Jan 2010, July 2010 and Jan 2011). As a result of the staged implementation, there was a delay in getting the final data file for analysis. The report is currently in preparation and will come forward to the May or June 2012 committee meeting.

(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, the report is currently in preparation and will come forward to the May or June 2012 committee meeting.

(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.

The Committee considers the President's recommendations for annual adjustments for members of the vice-presidential group. Following a number of years of the President's and Vice-Presidents' voluntary compensation freeze, merit adjustments were recommended this year for the Vice-Presidents. The decision was 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.

(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>
2010-2011				
Academic	0	1	1	
Non-academic	0	2	0	
2009-2010				
Academic	2	1	0	0
Non-academic	3	1	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 2010-2011, three 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. One minor title change was presented for information: Assistant Vice-President, Alumni and Stakeholder Relations was revised to be Assistant Vice-President, Alumni Relations to reflect more closely the scope of the position.

(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 for July 1, 2010 at its meeting of January 25, 2011.

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.