

Preamble:

Section 3(15) of the College Pension Plan Joint Trust Agreement (JTA) provides that:

The Board may, from the pension fund, pay

- (a) to a member of the board or a person appointed to a committee of the board an allowance for reasonable travel and other expenses necessarily incurred in carrying out the business of the board,
- (b) to a member of the board or a person appointed to a committee of the board, if the person is not receiving remuneration from any source for acting as a member or on a committee, remuneration that is consistent with treasury board guidelines, and
- (c) to an organization, if the organization is the source of remuneration paid to a member of the board or person appointed to a committee of the board, remuneration for the services of the member or person at the rate set by the board under paragraph (b).

Remuneration Policy:

Subject to the approval of the Board, a board or committee member may receive remuneration from the pension fund if the member is not receiving remuneration from any other source, as determined by this policy, for acting as a member of the board or a committee. For clarity, a committee member may, in accordance with section 5(5)(c) of the JTA, be a person other than a member of the board.

Receiving remuneration from any other source is deemed to have occurred if the following three conditions are met:

1. The trustee or committee member receives pay for the time spent at board and committee meetings, and
2. The trustee or committee member receives pay for time spent preparing for board and committee meetings, and
3. The trustee or committee member does not routinely work additional hours with no additional pay as a direct consequence of having diverted some work time to board work.

Any member of a board or committee claiming remuneration shall complete a Direction for Member Remuneration form prior to submitting any claim. Annually, the board's Secretary will review the Direction for Member Remuneration forms and bring any concerns to the attention of the Board Chair.

Board and committee members will be issued a T4 or T4A tax form, as appropriate, at calendar year end. Board members desiring a T2200 tax form will apply to the Chair for authorization. The Chair will apply to the Vice Chair for T2200 authorization.

Board and committee members are not covered by general government terms and conditions of employment as a result of their appointments to the College Pension Board of Trustees or a committee of the College Pension Board of Trustees.

Remuneration rates, board member remuneration, and trustee remuneration directions will be disclosed annually in the College Pension Plan Annual Report.

Remuneration Rates:

Remuneration will be paid at the following rates effective January 1, 2019:

| | |
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| Annual Trustee Stipend | \$4,164 |
| Per Diem | \$416 |
| Annual Chair Stipend | \$8,328 |
| Annual Vice Chair Stipend | \$6,246 |
| Committee Chair preparation time (one-half per diem per meeting, excluding conference call meetings, for preparation time) | \$208 |

Annual stipends are paid quarterly in arrears and may be prorated by month of appointment. The first quarterly payment will become payable following the first formal board meeting that the board member attends.

Board and committee members are entitled to receive a per diem when attending board meetings, BC Public Sector Pension Conferences, committee meetings, interplan committee meetings, trustee orientation and workshop sessions provided by the secretariat, BC Pension Corporation, and BC Investment Management Corporation, or other formal meetings of the board or a committee. The Chair and Vice Chair are entitled to receive per diems when attending meetings related to the duties and responsibilities of the position.

Per diems for committee meetings and Committee Chair remuneration for preparation time will be paid by the board which appoints the committee member.

Calculation of Per Diem Payments

For meetings lasting four hours or less in a day, board and committee members will be entitled to one-half of the established per diem rate unless the member, at his or her discretion, requests re-imburement for a full per diem.

Committee Chairs may be paid an additional one-half per diem for committee meeting preparation, excluding teleconference meetings.

For meetings lasting more than four hours in a day, board and committee members will be entitled to a full per diem. Board and committee members agree to waive remuneration for meetings which are held by teleconference and are fewer than 90 minutes in aggregate for the day.

Calculation of Annual Increase to Remuneration

The remuneration rates above will increase each January 1st by the same percentage as that granted to retired members to provide cost of living benefits under the College Pension Plan at the same date. The annual increase will be calculated in the following manner:

Step 1

Use the lesser of the annual average CPI or the predetermined index cap as the multiplier.

For 2019, use the predetermined index cap of: 2.07%

Multiply the pension increase percentage by the unrounded annual board member stipend value from the previous year to obtain the new annual board member stipend.

Step 2

Round the annual board member stipend to the nearest dollar divisible by 4 into even dollars.

Step 3

Calculate the annual Chair stipend by multiplying the annual board member stipend by 2.

Calculate the annual Vice Chair stipend by multiplying the annual board member stipend by 1.5.

Step 4

Calculate the per diem by multiplying the annual board member stipend by 0.1 and rounding it to the nearest dollar.

Revised: December 10-11, 2018

Effective: January 1, 2019