



POLICY

POLICY	Board Remuneration Policy
NUMBER OF POLICY	CO-23-30
DATE OF POLICY	February 17, 2023
APPROVED BY	The Board

POLICY STATEMENT

The Board of Engineers and Geoscientists BC works together to govern the organization, playing an essential role in ensuring the organization fulfills its mandate and lives its values. Individually and collectively, Board members, both directly elected and those appointed by government, contribute to Engineers and Geoscientists BC at the highest level, and in so doing make an important contribution to the protection of the public and the integrity of the professions of engineering and geoscience in British Columbia.

Engineers and Geoscientists BC aspires to attract qualified individuals and recognizes the considerable time and energy necessary by Board members in order to fulfill their obligation to oversee the organization and serve the public. Each year, Board members are required to attend six Board meetings, an orientation session, planning sessions, and a number of workshops. In addition, each Board member is required to serve on at least one Board Sub-Committee, to travel as necessary and to prepare thoroughly for each meeting. Where possible, in-person attendance at meetings is highly encouraged.

Remuneration is an important component in recognizing the significant time commitment. Remuneration differs from a salary in that Board members are not *employed* by Engineers and Geoscientists BC, but rather are elected or appointed to the Board.

PURPOSE

This Policy details how Board members (including the Board Chair) are compensated for their contributions to Engineers and Geoscientists BC. This Policy applies to the Board Chair, Board Vice Chair, Immediate Past Board Chair and all Board member positions, including Government Appointed Board members.

APPLICATION AND SCOPE

REMUNERATION PHILOSOPHY

Engineers and Geoscientists BC provides remuneration to its Board members in order to:

1. Affirm the Board member's responsibilities and the professional nature of the work that Board members are expected to perform.
2. Attract and retain qualified individuals to serve as Board members.
3. Partially compensate Board members for their time and lost opportunity costs and be seen as "value received" for value given.
4. Recognize the different levels of time and responsibility associated with Board Chair, Vice Chair, Immediate Past Chair and Board member positions.
5. Recognize an element of public service.
6. Reflect that regardless of how Board members come to sit on the Board, their role and responsibilities are the same and remuneration should be consistent to Board members performing similar roles.

CURRENT REMUNERATION

Board Chair:

1. The Board Chair is entitled to a flat-fee annual retainer consisting of \$35,000. This compensates the Chair for the Board and Sub-Committee meetings they attend, their preparation for Board and Committee meetings, meetings with external parties (e.g., Engineers Canada, Geoscientists Canada, other regulators, etc.), managing Board issues and meetings with the CEO.
2. The Board Chair does not receive meeting fees. While the Board Chair is paid a flat fee for their contribution, their workloads are expected to vary considerably depending on their level of involvement, Committee memberships, Board role and other factors.

Board members:

1. All Board members are entitled to the following fee:

Meeting Fee	
Meetings under 4 hours	\$250
Meetings of 4 hours or more	\$500

2. Board members will be paid a meeting fee for attendance at mandatory meetings (regardless of number and format, whether in-person or virtually), orientation and education sessions, and the annual general meeting. Appendix A sets out the activities that are considered mandatory responsibilities of a Board member and by which a meeting fee is payable. There will be no remuneration for any other activity unless otherwise approved by the Board Chair, the CEO or CFAO.

3. The Board Chair or the Committee Chair, as the case may be, will have discretion to determine that no meeting fee be payable in relation to a short meeting. In making their determination, the respective chairs will consider the amount of preparation required and the length of the meeting.

SETTING AND REVIEWING REMUNERATION

The Board is authorized to set their own remuneration. The Board appreciates that there is an inherent conflict in setting compensation amounts that they will ultimately benefit from. To manage this conflict, the Board has established a comprehensive process to ensure that a clear, fair, reasonable, transparent, and easily administered process is in place.

The Board will review its compensation every two years, or earlier if there is a material change to the complexity of the current role profile. As part of the review, the Board may consider whether the:

1. Policy remains aligned with the Board's values around the design of the remuneration scheme.
2. Remuneration philosophy continues to serve the Engineers and Geoscientists BC.

With support from the Director, Corporate Governance & Strategy, the Governance Sub-Committee reviews this policy, as guided by the remuneration philosophy and guiding principles (as set out in Appendix B), as part of the budget cycle of the review year, and provides its recommendations to the Board for approval as part of the operating budget approval process. The Governance Sub-Committee may consider additional questions related to Board member remuneration, as determined by the Board.

To support the review, the Director, Corporate Governance & Strategy may assist the Governance Sub-Committee by:

1. Identifying and recommending an appropriate list of comparable organizations;
2. Reviewing the current remuneration scheme in light of any shifts in remuneration with Comparable Organizations or Treasury Board Directives and/or any changes to the role profile and providing analysis on the suitability of the quantum against the guiding principles;
3. Making recommendations regarding changes to the level of remuneration payable to Board members in consideration of operating budgets and financial constraints;
4. Informing and supporting the review as otherwise requested.

The Governance Sub-Committee may make recommendations, providing for remuneration for Board members participating in different capacities within the Board, including, without limitation, as the Board Chair, as chair of a committee of Board members, and in different situations relating to the work of the Board. To inform and support the Governance Sub-Committee's review, the Governance Sub-Committee may seek independent advice, or take such other steps as it determines appropriate.

PAYMENT OF REMUNERATION

Annual retainer and meeting fees are payable in accordance with the following:

1. Annual retainer is paid quarterly in arrears. No payment form is required.
2. In respect of meeting fees, staff support for the Board and Sub-Committee will be responsible for tracking meeting attendance and submitting a payment form to Finance on a quarterly basis on behalf of the Board member.
3. Provided the activity is permitted under this Policy, a payment form is required to be completed by a Board member in order to document any time incurred attending a meeting where minutes, including a record of attendance, are not provided to staff. This payment form requires sign-off from the CFAO.
4. Payments will be made by electronic transfer.
5. The Canada Revenue Agency regulations state that all honoraria payments are considered taxable under the Income Tax Act of Canada and are subject to a T4A slip being issued at each calendar year-end if the total of all payments is more than \$500. As a result, Board members receiving remuneration payments that exceed \$500 in a given calendar year will be issued a T4A for the payment(s) and will be asked to provide their SIN number and mailing address to Engineers and Geoscientists BC.

Any questions or issues regarding remuneration and expenses will be referred to the CEO for resolution.

EXPENSES

While travel time is excluded from consideration of meeting length, Engineers and Geoscientists BC also recognizes that Board members incur travel, meal or entertainment expenses as they carry out their duties during the year.

Board members are entitled to reimbursement for expenses reasonably incurred resulting from their participation on the Board and certain Committees, pursuant to Engineers and Geoscientists BC's Expense Reimbursement Policy. Expense reimbursements are required to be submitted by the Board member using the Expense Reimbursement Form.

CROSS REFERENCE

The following related policies may be referred to for more information:

- CO-18-85 Expense Reimbursement

REVISION AND APPROVAL LOG

September 9, 2022 – Approved by Council (CO-22-91)

February 17, 2023 – Revisions authorized by Board (CO-23-30)

APPENDIX A

Appendix A: Remuneration Eligibility By Event¹

The following table outlines the activity whereby a meeting fee may be claimed by a Board member:

	Meeting Fee(s)
Meetings	
Board or Sub-Committee meeting ²	✓
Board or Committee preparation	✗
Board Wednesday teleconference	✗
Board forum meeting	✓
Board forum preparation	✗
Annual conference ³	✓
Annual General Meeting	✓
Education and Development	
Board member orientation	✓
Board member education	✓
Conferences and Industry Events	
Branch pairings	✗
Branch visits	✗
Branch representative dinner	✗
Branch meeting	✗
Induction ceremonies	✗
Legislature Day	✓

¹ The Board Chair is not entitled to meeting fees.

² Defined as any Board meeting or Board Committee meeting published in the Board calendar, as approved by the Board annually, or any Board meeting or Board Committee meeting added to the calendar during the course of the year. A Sub-Committee meeting is restricted to the meetings of Executive, Governance and Audit Sub-Committees.

³ Typically, a two-day event

Appendix B: Guiding Principles

These guiding principles help Engineers and Geoscientists BC to ensure that its decision-making regarding Board member remuneration is made thoughtfully and holistically.

Guiding Principle(s)	Definition
Attracting Board members	Remuneration is provided to attract candidates that will bring the required/desired skills and experience to the Board
Public Service	Remuneration amounts takes into account the public service nature of the Board member role
Reasonable	Remuneration is provided at rates that are comparable to similar organizations within the same industry, or with organizations of similar size and complexity ('Comparable Organizations'). The rates set out in the BC Treasury Board Directive 2/20 Remuneration Guidelines for Appointees to Ministry and Crown Agency Boards may also be taken into consideration as part of a review.
Recognition	Remuneration is set to recognize aspects of the Board members' contribution or role. To varying degrees, it can recognize the value Board members bring to the organization, the extensive nature and responsibilities of their role, or the time that they give