



Terms of Reference Human Resource & Compensation Committee

1. Purpose

The Human Resource & Compensation Committee (the “Committee”) is responsible for assisting the Board in ensuring that BC Assessment’s long term ‘People Strategy’ includes the appropriate human resource strategies, practices and business requirements that:

- Attract, retain and motivate high calibre and engaged staff so as to encourage optimal performance and achievement of BC Assessment’s strategic plan and statutory mandate;
- Are consistent with BC Assessment’s human resource needs;
- Motivate management to pursue BC Assessment’s statutory mandate and organizational success consistent with Government direction and policy; and
- Establish a compensation framework that responds to individual competence and performance.

2. Accountability

The Chair of the Committee will report to the Board at each Board meeting on the matters before the Committee. Minutes of the Committee’s meetings will be made available to all Directors through the Board Portal once approved by the Committee.

3. Composition

The Committee will be comprised of no less than three members. Those members will be familiar with good practices in human resources, including executive compensation, human resources planning, labour relations, recruitment and evaluation.

The Chair of the Committee is appointed by the Board on recommendation of the Board Chair, following consultation with the CEO. Members of the Committee will be appointed by the Board Chair. The Vice President, People will provide staff support to the Committee.

4. Orientation

The Corporate Secretary, in collaboration with the Chair of the Committee, will make arrangements for an orientation process for all new Human Resource & Compensation Committee members.

5. Meetings

A quorum for any meeting of the Committee will be at least half of the members of the Committee.

Meetings will be held at the call of the Chair in accordance with the Committee Timetable that appears in **Appendix A**.

The CEO, Vice President, People and Corporate Secretary may attend all meetings of the Committee.

There will be a recording secretary for all Committee meetings.

6. Independent Advice

The Committee may at any time, through the Corporate Secretary and following approval of the Board Chair, engage independent consultants to assist the Committee with its duties. Without limiting the foregoing, the Committee may, if deemed advisable, periodically appoint an independent consultant to advise on BC Assessment's Management Compensation Plan.

7. Duties and Responsibilities

The Human Resource & Compensation Committee has the following duties and responsibilities.

7.1. People Strategy & Risk Oversight

The Committee oversees BC Assessment's long term People Strategy which aims to attract and retain the right staff to enable BC Assessment to continue to meet its mandate and the expectations of its customers. The Committee also oversees any risks associated with the People Strategy.

7.2. Employment of the Chief Executive Officer

The Committee makes recommendations to the Board on all aspects of the employment of the CEO. The Committee:

- Recommends to the Board the process to be undertaken to recruit the CEO including the composition of the search committee;
- Through the Board Chair, liaises with the Public Sector Employers Council (PSEC) Secretariat and the Minister/Ministry Responsible regarding the parameters of the CEO's employment terms;
- Reviews and recommends to the Board annual compensation for the CEO, including: salary, re-earnable incentive awards, perquisites, benefits, and other remuneration;
- Reviews and recommends the CEO's annual Performance Development Plan to the Board; and
- Recommends the CEO evaluation process to the Board, and leads and oversees the implementation of that evaluation process.



7.3. Employment of Executive and Management

The Board has delegated to the CEO the responsibility for the employment of all other Executive and Management positions in the organization, and provides oversight to the CEO in exercising those responsibilities.

The Committee reviews the CEO's recommendations on the terms and conditions of employment and severance arrangements for Executive positions.

7.4. Executive and Management Compensation

The Committee:

- Reviews and recommends to the Board the compensation philosophy and guidelines for the CEO and Executive and Management, including: salary, incentive awards, perquisites, benefits and other remuneration;
- Ensures that the compensation philosophy is in keeping with PSEC guidelines and government direction and links compensation to short-term and long-term performance, aligned with BC Assessment's mandate and corporate strategy;
- Through the Vice President People, works with PSEC and the Ministry Responsible to develop a compensation plan for the Executive and Management of the organisation; and
- Reviews the CEO's recommendations regarding annual compensation for the Executive including salary, re-earnable incentive awards, perquisites, benefits and other remuneration.

7.5. Employment of non-management staff and Labour relations

The Committee:

- Ensures the bargaining strategy for non-management staff supports BC Assessment's vision, mission, values and corporate strategy and is consistent with the Government-approved mandate;
- Recommends to the Board the general terms upon which management will be authorized to negotiate collective agreements;
- Through the Vice President of People, liaises with PSEC as required on matters related to labour relations and collective agreements; and
- Provides oversight to the CEO in his or her responsibility for hiring and setting the terms and conditions of employment for all non-management staff at BC Assessment.

7.6. Succession Planning

The Committee:

- Reviews and recommends to the Board a succession plan to deal with planned or unplanned departure of the CEO;



- Provides overall guidance, context and oversight to the CEO in their responsibility for succession planning for the organization; and
- Annually reviews and verifies for completeness, succession and development plans for the Executive, with the CEO.

7.7. Organizational Structure

The Committee reviews any significant changes to organizational structure recommended by the CEO and makes recommendations on these changes to the Board.

7.8. Human Resource Policies

The Committee reviews BC Assessment's significant human resource policies for consistency with the organization's vision, mission, values and strategy, and makes recommendations, as appropriate, to the Board. In particular, the Committee ensures that Standards of Conduct Policy defines the expected standards of behaviour for BC Assessment employees, board members and contractors. And, that those expectations are consistent with government direction.

7.9. Disclosure

The Committee is responsible for approving the public disclosure of any information relating to human resources, including public disclosure of Executive compensation.

7.10. Committee Evaluation

The Committee annually reviews its Terms of Reference to ensure that they continue to meet best practice and the needs of the Board.

As part of the annual Board evaluation process facilitated by the Governance Committee, the Committee will assess its performance in carrying out its duties.

Appendix A

Committee Timetable

The below timetable reflects key items for consideration by the Committee that arise on an annual basis. Actual meeting agendas may vary as isolated matters arise. The actual committee work plan is reviewed and determined on an annual basis.

Human Resource and Compensation Committee Timetable												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Reviews and recommends to the Board the succession plan for the CEO				X								
Reviews and verifies for completeness the succession for Executive positions				X								
Reviews and recommends to the Board the current year CEO Performance Development Plan				X								
Reviews and recommends to the Board the current year Corporate Secretary Performance Development Plan				X								
Reviews Bi-Annual People Strategy Report				X						X		
Reviews year-end People Metrics				X								
Receives CEO's self evaluation against previous years' PDP				X								
Receives Corporate Secretary's self evaluation against previous years' PDP				X								



Human Resource and Compensation Committee Timetable

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Facilitates Board Survey of CEO's previous years' performance				X								
Facilitates Board Survey of Corporate Secretary's previous years' performance				X								
Approves previous years' Statement of Executive Compensation				X								
Approves previous years' Board Remuneration Disclosure				X								
As part of the annual Board evaluation process, facilitated by the Governance Committee, the Committee assess its performance in carrying out its duties							X					
Receives and recommends to the Board the CEO's performance evaluation							X					
Receives and recommends to the Board the Corporate Secretary's performance evaluation							X					
Reviews and recommends to the Board the annual compensation for the CEO							X					
Reviews Terms of Reference										X		
Identifies BC Assessment's significant human resource policies requiring review in the next annual year										X		