


Policy Title: REGISTRAR & CEO COMPENSATION PROGRAM: STRUCTURE AND ADMINISTRATION		Policy Section: III Board-CEO Relationship	Policy Number: III-25.05
Approved By: Board of Directors	Date Approved: Nov 9, 2009 by Registrar and CEO Performance Appraisal Sub- Committee	Date Reviewed/ Revised: Dec 12, 2011 May 17, 2016 June 12, 2018 Feb 11, 2022	Chair Signature: 

BACKGROUND

The salary range for the Registrar and CEO is based on comparison with comparable organizations of similar scope, function, size, and strategic challenge along with the principles established by the CMLTO Board in the Registrar and CEO Compensation Program and Principles Policy BCR #III-25.

POLICY

The Executive Committee administers the Registrar and CEO Compensation Program according to the principles in the Registrar and CEO Compensation Program Policy BCR#III-25 and the procedures outlined below.

The annual compensation program for the Registrar and CEO is based on three primary components. Compensation development includes eligibility for:

- 1) A cost-of-living increase on base salary
- 2) A merit increase on base salary
- 3) A performance bonus (not to be added to base salary)

PROCEDURE:

1. Cost of Living

A cost-of-living adjustment will be assessed annually using both Toronto and Ontario cost of living benchmarks. The salary range and the Registrar and CEO base salary will be maintained or increased using this assessment of cost of living and the organization's financial capacity.

2. Registrar and CEO Starting Salary and Merit Increases

2.1 The base salary is determined at the beginning of a Registrar and CEO term based on a general salary range for the position that is set based on the following principles:

- The salary range is designed to recognize the value of the position.



- A hiring range for the Registrar and CEO starting salary level allows for establishment of the initial salary within the range.
- This salary range will be maintained at the upper quartile of the range for comparable positions, in comparable organizations (given the large number of members and the strategic challenges facing the organization).
- An increase in base salary is not automatic, in any one year,
- Movement through the salary range is based on achievement of organizational Ends as outlined in the Board supported annual Registrar and CEO Ends Interpretation.

2.2 Once a base salary level has been established, a merit increase will be assessed and considered annually. The amount of the merit increase will be based on the use of the assessment criteria outlined in the chart below. Merit increases are awarded to the base salary and applied to the next fiscal year.

2.3 Every 3 to 4 years the Registrar and CEO compensation will be independently benchmarked, and a base increase or short terms suspension of a merit increases can be determined based on these benchmarks. This is to ensure the actual Registrar and CEO base compensation remains competitive and appropriate within the sector.

3. Performance Bonus Structure

Eligibility for a performance bonus is based on extraordinary performance in:

- Leadership and communications.
- Achievement of organizational outcomes and milestones as outlined in the Registrar and CEO Ends Interpretation.
- Strong compliance with Executive Limitations.
- Strong support to the Board (see the Framework below).

Determination of the performance bonus is based on the following principles:

- A performance bonus is considered a specific award of a specific amount applying to recognition of extraordinary performance in a particular year.
- The intended purpose of the performance bonus is to reward extraordinary performance and to motivate future performance.
- A performance bonus may or may not be awarded, in any one year as an outcome of the overall annual performance evaluation process.
- The performance bonus is assessed at the end of the fiscal year based on the performance results of that year and, if applicable, is paid in the form of a lump sum payment by the end of that fiscal year.

Compensation Merit Increase and Performance Bonus Assessment Criteria:

The compensation merit increase and the performance bonus are structured on a point system based on the evidence provided in Monitoring Reports and the end-of-year Registrar and CEO performance appraisal summary

The point system is used by the Executive Committee to assess the amount of merit increase and performance bonus that will be awarded, if any, as follows:

COMPENSATION MERIT BASE INCREASE AND PERFORMANCE BONUS ASSESSMENT CRITERIA	MERIT BASE INCREASE ASSESSMENT	PERFORMANCE BONUS ASSESSMENT
Leadership/Communication (0-3 points) 0 = Expected Leadership Demonstrated 1 = Above Average Leadership Demonstrated 2 = Extraordinary Leadership Demonstrated 3 = Breakthrough Leadership Demonstrated	0 1 2 3	Not Applicable Not Applicable 2 3
Ends Achievement (0-3 points) 0 = Ends Interpretation Fully Achieved as Planned 1 = Above Average Ends Interpretation Achievement 2 = Extraordinary Ends Interpretation Achievement 3 = Breakthrough Ends Interpretation Achievement	0 1 2 3	Not Applicable Not Applicable 2 3

COMPENSATION MERIT BASE INCREASE AND PERFORMANCE BONUS ASSESSMENT CRITERIA	MERIT BASE INCREASE ASSESSMENT	PERFORMANCE BONUS ASSESSMENT
Executive Limitations Compliance (0-2 points) 0 = Executive Limitations Interpretation Compliance Fully Achieved 1 = Above Average Compliance and/or Risk Identification 2 = Extraordinary Compliance and/or Risk Identification	0 1 2	Not Applicable Not Applicable 2
Support to the Board (0-2 points) 0 = Board Support Fully Achieved 1 = Above Average Support 2 = Extraordinary Support	0 1 2	Not Applicable Not Applicable 2
Note: Total Potential Points = 10	Total Points =	Total Points =

Merit Increase Calculation:

of points achieved, divided by the total number of points possible, multiplied by 5% of base salary.

Performance Bonus Calculation:

of points achieved, divided by the total number of points possible, multiplied by 5% of base salary.

 i.e. # of points achieved X



total number of points possible	[0.05 of base salary]	= amount of performance bonus
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These calculations represent guidelines and the Executive Committee retains discretion on the application and is able to take into consideration unique/unusual circumstances.