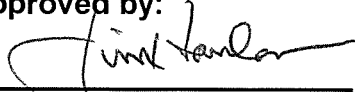


TRIUMF POLICIES AND PROCEDURES

Policy No. 31

Page 1 of 2

<p>SUBJECT ADMINISTRATION OF THE SALARY BUDGET AND COMPENSATION PRACTICES</p>	<p>Date Approved: NOV 6, 2013 Last Revision: New</p>	<p>Approved by:  (Director) CEO/CAO</p>
--	--	--

APPLICABILITY: This policy covers those employees whose salaries are supported through TRIUMF's infrastructure grants that include funding via the NRC Contribution Agreement. While those employees whose salaries are supported through sponsored research are subject to the administrative policies of the institution, salary administration may be dictated by the availability of funds allocated to salaries in the applicable research grant.

SALARY BUDGET

TRIUMF's core operations revolve around a five-year planning cycle, and are supported by the Government of Canada via a contribution through the National Research Council. Increases to the overall salary budget are based on TRIUMF's ability to pay, and are included into the salary budget projections during each 5-year plan cycle. Increases remain a function of funding availability influenced by external considerations including factors such as market rates and inflation experience. An annual budget including proposed salary increases is presented to the BOM for its consideration and approval. The portion of the approved annual salary budget increase to be allocated for merit salary increases and/or honorariums is determined by the Director in consultation with the CFO during the annual budget development. TRIUMF endeavours to compensate competitively and to ensure that the annual increases and/or honorariums are communicated to staff by the Director as early as possible at the beginning of each fiscal year.

COMPENSATION PRACTICES: Competitive salaries, generous benefits, leaves and an attractive pension plan are all part of the total compensation at TRIUMF.

Pay Philosophy

TRIUMF has a performance based pay philosophy, and merit is awarded to those employees who demonstrate strong performance during a given performance review period. Salaries are reviewed annually on July 1st

- **Merit Salary Increase**

As a result of the annual performance review, a merit increase may be awarded in the form of a percent (%) increase or a fixed dollar increase

- **Honoraria**

In lieu of an increase to base salary, a one-time merit honorarium may be awarded as part of the performance based pay program, and forms part of the employee's total annual compensation in the year in which it is awarded.

To ensure consistency across the Divisions, the method for distributing merit increases or honoraria will be determined each year based on funding. A recommendation for the annual distribution method will be recommended by the Human Resources Manager in consultation with the Director and CFO, and agreed to by the Division Heads. It is TRIUMF practice that all Division Head's use the same distribution method so that the process remains equitable for all.

- **Economic Salary Increase**

An economic increase to base pay may be awarded annually in relation to local inflation, when approved by the BOM.

TRIUMF POLICIES AND PROCEDURES

Policy No. 31

Page 2 of 2

ADMINISTRATION OF THE SALARY BUDGET AND COMPENSATION PRACTICES

Notwithstanding the above, additional salary increases may be awarded on completion of probation, upon completion of mandated training, or as otherwise outlined in the salary progression or promotion procedures associated with each job family.

The Director reserves the right to adjust an employee's salary at his/her discretion, based on documented rationale submitted by the Human Resources Manager identifying an internal inequity or anomaly.

Job Families

The ability to differentiate the pay of one occupational group from another is central to the benefits of TRIUMF's job family implementation project. Different occupation groups have different compensation values in the market place and these can be reflected in internal pay ranges associated with the job family. It is the intent of occupational pay ranges to:

- Increase retention of competent employees and identify career paths
- Improve attraction of new employees
- Improve competency/performance based salary management

Pay ranges for jobs within a job family will be based on salary survey information, internal equity, and TRIUMF's ability to pay in relation to the defined market.

Compensation Reviews

It is the responsibility of the Human Resources Manager to continually gather data regarding salaries in comparable sectors and organizations so as to monitor the external salary market associated with these sectors and organizations, and to determine overall competitiveness within TRIUMF. The results of these initiatives may result in adjustments to pay ranges.

Confidentiality: Salaries are part of an individual's employment contract, and are set and adjusted on an individual basis, with regard to a multitude of factors particular to each individual, including position and responsibilities, experience, length of service, performance, and overall contributions to the organization. At TRIUMF, personal salary information is deemed private, and will not be disclosed without consent of the individual, except to direct supervisors, Division Heads, the Director and those TRIUMF employees whose jobs require it, or, if mandated by provincial regulatory requirements for disclosure.

Dissemination of Compensation Data

Pay structures for all job families are available on the HR Website, and TRIUMF makes available to the employee liaison representatives, annual statistical data related to salaries or total compensation, or survey data where applicable.