

## **BOARD REMUNERATION POLICY**

### **1. Purpose and scope**

This **Board Remuneration Policy** outlines key principles and rates for remunerating services of:

1. OMVIC Board of Directors (Board)
2. Members of standing, ad-hoc or working committees established by the OMVIC Board including persons who are not OMVIC directors (Committee members)
3. Motor Vehicle Dealers Compensation Fund (MVDCF) Board of Trustees (Trustees) and its Committees
4. The Statutory Director
5. The Chair of the Discipline Committee
6. Members of Discipline and Appeals Committees
7. Any other person that the Board may, at its discretion, appoints to act on its behalf on OMVIC related matters

### **2. Principles**

This policy is based on the following principles:

1. Accountability – OMVIC is accountable for the funds it receives under MVDA 2002 and ensures fiscal prudence. All remuneration and expenses must support business objectives.
2. Fairness – OMVIC's remuneration and expenses will be fair and reasonable
3. Transparency – OMVIC is transparent about its use of funds. This policy will be made public by posting it on OMVIC's website.

### **3. Remuneration**

1. Remuneration will be in the form of per diem at rates the Board may from time to time determine.
2. Only one per diem is payable regardless of number of meetings or events attended in a day.
3. Per diems will apply equally to in-person or virtual meetings and events.
4. Per diems for meetings or events lasting ninety (90) minutes or less will be at 50% of the applicable rates. If the sum of the multiple meetings in a day is greater than

90 minutes, a full per diem is payable. However, if the sum is less than 90 minutes, a 50% rate is payable.

- Per diem will be paid for participation in board and committee meetings, disciplinary hearings and other official business including approved training. Remuneration for attending other events must be approved by the Chairs of the respective Boards or the Chair of a Committee as applicable in writing in advance of the event.

*Exception: Per diem is not payable to a dealer board member for taking OMVIC's certification course through the Automotive Business School of Canada as this is considered to be of direct business interest to the board member.*

- Board Members appointed by the Minister are entitled to per diem with preparation time, if applicable, whenever they meet with the Minister as a group.
- Compensation for preparation time is payable for all meetings, unless determined otherwise by the person chairing the meeting, at 50% of the relevant per diem.

*Exception: Preparation time is not applicable to Disciplinary and other proceedings.*

The maximum prep time in a given day is 50% of a full per diem.

- Remuneration at standard per diem rates may be paid for writing Disciplinary/Appeals Panel decisions if it can be completed in reasonable time. Per diems for this must be approved in writing by the Discipline Committee Chair.
- Similarly, remuneration at standard per diem rates may be paid for writing reports of Appeals Committee's review of OMVIC's handling of consumer complaints. Per diems for this must be approved in writing by the Chair of the Board.
- Remuneration does NOT include reimbursement of out-of-pocket expenses incurred in the performance of OMVIC duties. These payments will be in accordance with OMVIC's Travel, Meal and Expense Reimbursement Policy.

#### 4. Remuneration amounts

Current per diem rates:

- Board and Committee meetings/events (OMVIC & MVDCF)

	<i>Base</i>	<i>With Prep time</i>
President/Chair	\$952.00	\$1,428.00
Vice-President	794.00	1,191.00
Secretary-Treasurer	952.00	1,428.00
Member	635.00	952.50
Past Chair	794.00	1,191.00

A base per diem rate of \$714.50 (or \$1071.75 with prep time) is applicable for Committee Chairs when hosting a meeting.

2. Disciplinary and other proceedings

Panel Chair	952.00
Panel Member	635.00

3. Statutory Director: Monthly stipend equivalent to one per diem at the member rate (currently \$635)

4. Chair, Discipline Committee: Monthly stipend equivalent to one per diem at the member rate (currently \$635)

**5. Payments**

Per diem payments will be made monthly based on records of meetings or events attended.

Per diems are considered income from office or employment under the Income Tax Act and accordingly are subject to source deductions for income tax and Canada Pensions Plan as applicable. Payments will be through payroll usually at the end of the month as direct deposits. Annual T4 slips will be provided at the end of the year for filing of tax returns.

Per diem payments are reviewed, approved and processed in accordance with OMVIC's Delegation of Authority Policy.

**6. Accountability framework**

With the assistance of the Board Secretary and the CFO, the Chairs of the respective Boards and the Chair of the Discipline Committee are responsible for ensuring this Policy is implemented effectively in their areas of accountability.

The Governance and Culture Committee is responsible for recommending changes to per diem rates and the remuneration policy.

Annual increase in per diem rates from January 1<sup>st</sup> each year equivalent to the average rate of inflation of the prior year may be approved at the discretion of the Board.

The Board may at its discretion engage an external consultant periodically to review the Board remuneration structure.