

TORONTO SENIORS HOUSING CORPORATION (TSHC)

Added Responsibility Pay Premium Policy

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| Policy Owner: CGHC Committee | Date Approved: 18 May, 2022 |
| Type: Compensation Policy | Approved By: Board of Directors |
| Last Reviewed: | Effective Date: 1 June, 2022 |

Policy Statement

TSHC is committed to providing a competitive total compensation package that attracts, retains, and motivates a high quality and diverse workforce in a fiscally responsible manner. From time to time, it may make business sense to merge two permanent roles into one role or to assign added responsibilities to an employee on a temporary basis due to a vacancy or extended leave of absence.

In accordance with TSHC’s Compensation Philosophy, the purpose of this policy is to establish fair, transparent, and consistent practices for compensating employees who are given additional responsibilities in addition to their primary job responsibilities, either on a temporary or permanent basis, and that by doing so results in cost savings to TSHC.

Scope

This policy applies to management and exempt employees who have completed their probationary period.

This policy applies in situations where a permanent role is permanently eliminated and the responsibilities of that role are reassigned to another employee on a permanent basis or a permanent employee is assigned temporarily the duties of a permanent position that has been vacated due to an extended leave of absence or termination of employment.

There is no pyramiding of added responsibility premium pay (ARPP) with any other compensation policy.

Standards

A Request for AARP is required to initiate the process. Additional documentation such as an updated Job Description form and/or JIQ may be requested depending on the level of the change to the employee's role.

Policy Details

An employee will be eligible for Added Responsibility Premium Pay ("ARPP") when:

1. A permanent full time position is deleted and not filled, and more than fifty percent (50%) of those responsibilities are permanently transferred to an existing employee, and the addition of those responsibilities do not result in a band level adjustment; or
2. The duties of a permanent position that has been vacated due to a temporary vacancy or extended leave of absence, are reassigned on a temporary basis to an existing employee; and
3. Adding the responsibilities to an existing employee, rather than filling the vacancy, results in quantitative savings to TSHC.

For greater clarity, this policy does not apply in short term assignment situations such as where an employee is temporarily assigned duties to cover off another employee's vacation period.

Guidelines for Added Responsibility Assignments

The following guidelines must be met to consider additional compensation for added responsibilities:

1. In the case of the permanent transfer of additional responsibilities, the position must first be evaluated by the appropriate job evaluation committee to determine if a band level adjustment is warranted.
2. The amount of the AARP awarded will range between 1% and 10% of base salary and will depend on the degree of complexity of additional responsibilities and overall cost savings to TSHC.
3. A "Request for AARP" must be completed by the Manager and approved by the Division Head, the People and Culture Department and in the case of permanent AARP, the CEO.
4. The period of temporary AARP cannot exceed the length of the leave of absence or six months, whichever is greater.
5. AARP is a premium and as such, does not form part of an employee's base pay.
6. In the case of a permanent deletion of position, the AARP will be reviewed annually at budget time to ensure that AARP conditions continue to exist.

Compliance and Monitoring

- All documentation including Job Descriptions, JIQs, and AARP Request Form will be retained by the Compensation and Workforce Analytics team.
- All outcomes will be documented and retained by the Compensation & Workforce Analytics team.
- The Manager of Compensation and Workforce Analytics will complete monthly audits to ensure compliance.

Governing and Applicable Legislation

- Employment Standards Act, 2000, S.O. 2000, c. 41

Related Policies and Procedures

- Hiring Policy
- Acting Assignment Policy

Commencement and Review

| Revision | Date | Description of Changes | Approval |
|-----------------|-------------|-------------------------------|-----------------|
| First approval: | | New | |

Next Scheduled Review Date: