

Compensation Program

Senior Management Group

**Incentive Award Program for
the 2008-2009 Performance Year**

Decision Trees

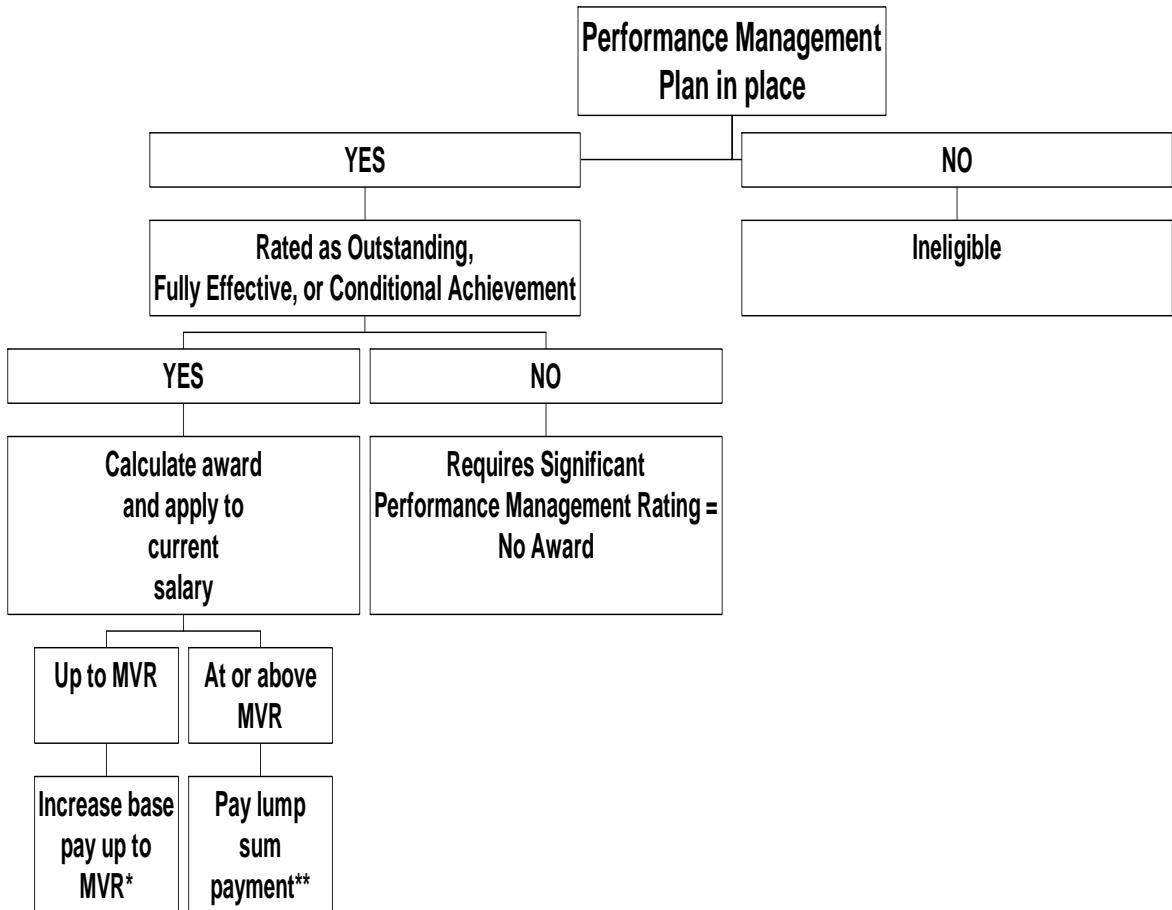
April 2009

About the Decision Trees

- The decision trees contained within this document complement the Senior Management Group (SMG) Incentive Award Program for the 2008-2009 performance year and are to be used in conjunction with the SMG Incentive Pay Administration Policies.
- ***In all cases,***
 - *Eligibility criteria must be met for incentive awards to apply.*
 - *Senior managers with a “Conditional Achievement” rating will have their incentive awards applied only as an increase to base salary up to the market value rate, with no entitlement to lump sum pay outs.*
 - *Senior managers earning \$150,000 or more annually will receive incentive awards pro-rated up to December 31, 2008 and applied at a maximum of 1.5 per cent to base salary, with any remainder paid as a one-time lump sum.*

Standard Cases

In same SMG classification level and position for 52 weeks (permanent or temporary)



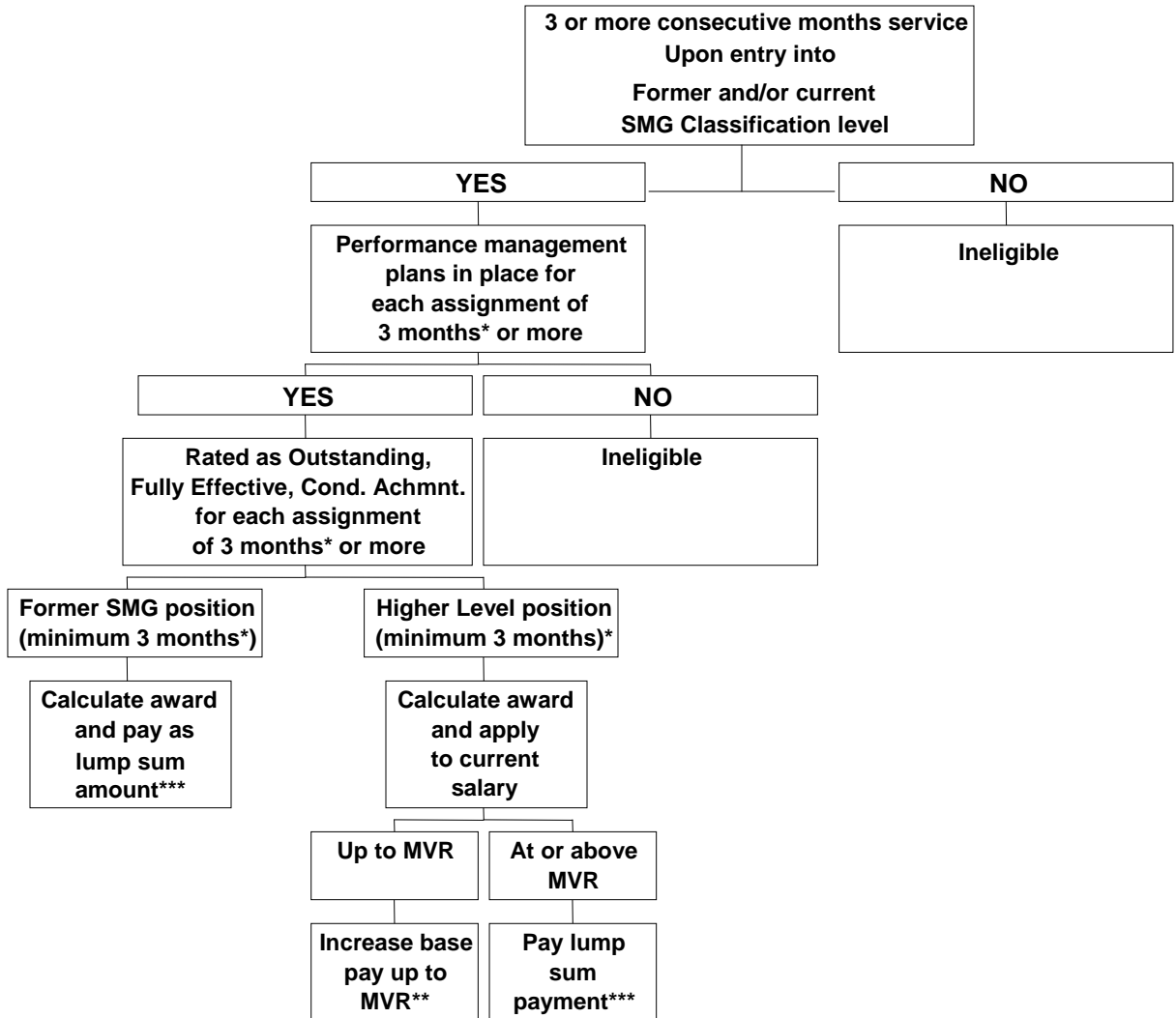
* If there is any balance, it will be paid as a lump sum, with the exception of a Conditional Achievement rating

** No lump sum pay outs for a Conditional Achievement rating

Atypical Case

Incentive Award Policies 5.5 a)

Permanent Promotion



* 3 months = 12 weeks

** If there is any balance, it will be paid as a lump sum, with the exception of a Conditional Achievement rating

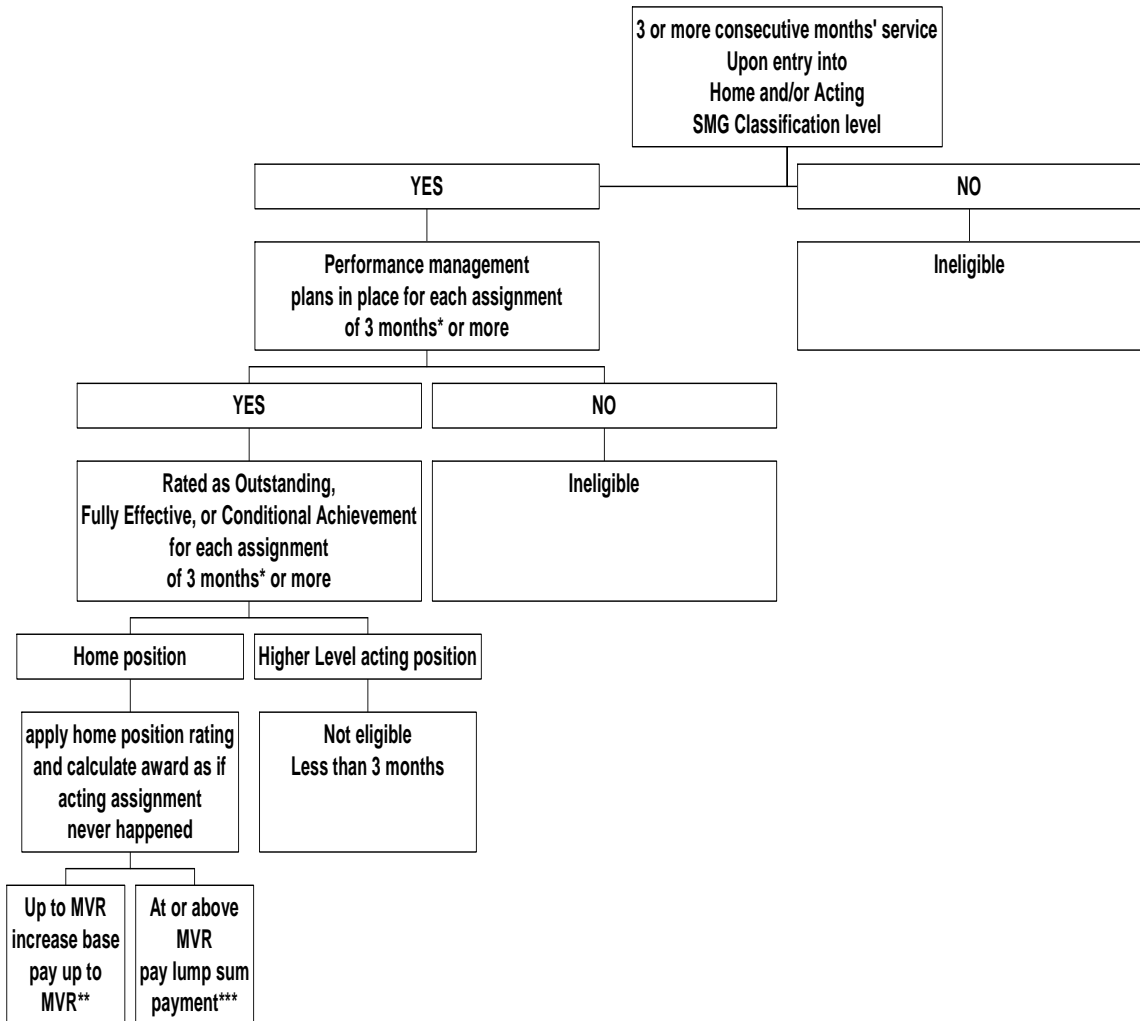
*** No lump sum pay outs for a Conditional Achievement rating

Note: Awards are calculated based on length of assignment in performance year.

Atypical Case

Incentive Award Policies 5.5 b) i)

Acting assignment *less than 3 consecutive months* within SMG, ending within the performance year



* 3 months = 12 weeks

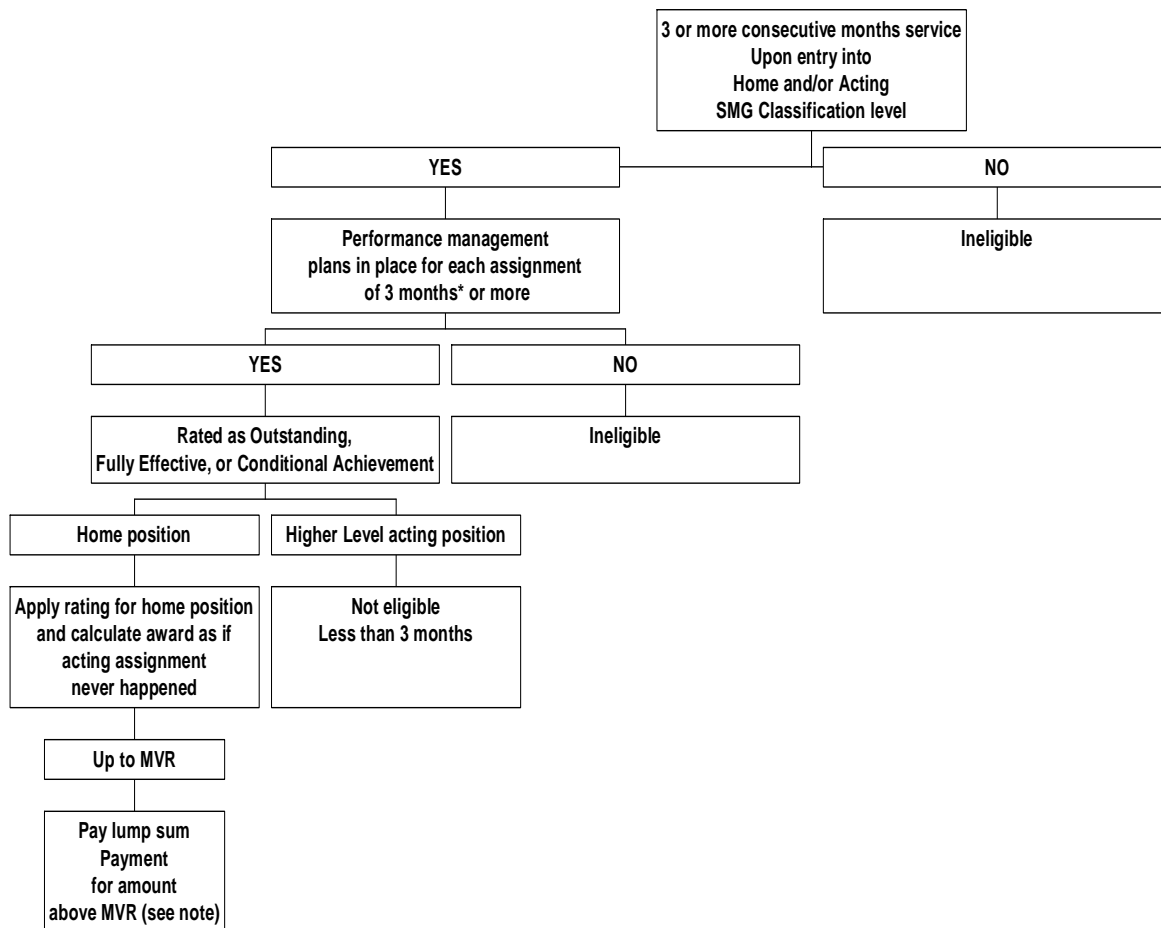
** If there is any balance, it will be paid as a lump sum, with the exception of a Conditional Achievement rating

*** No lump sum pay outs for a Conditional Achievement rating

Atypical Case

Incentive Award Policies 5.5 b) ii)

Acting assignment within SMG, for less than 3 consecutive months and continuing beyond April 1st



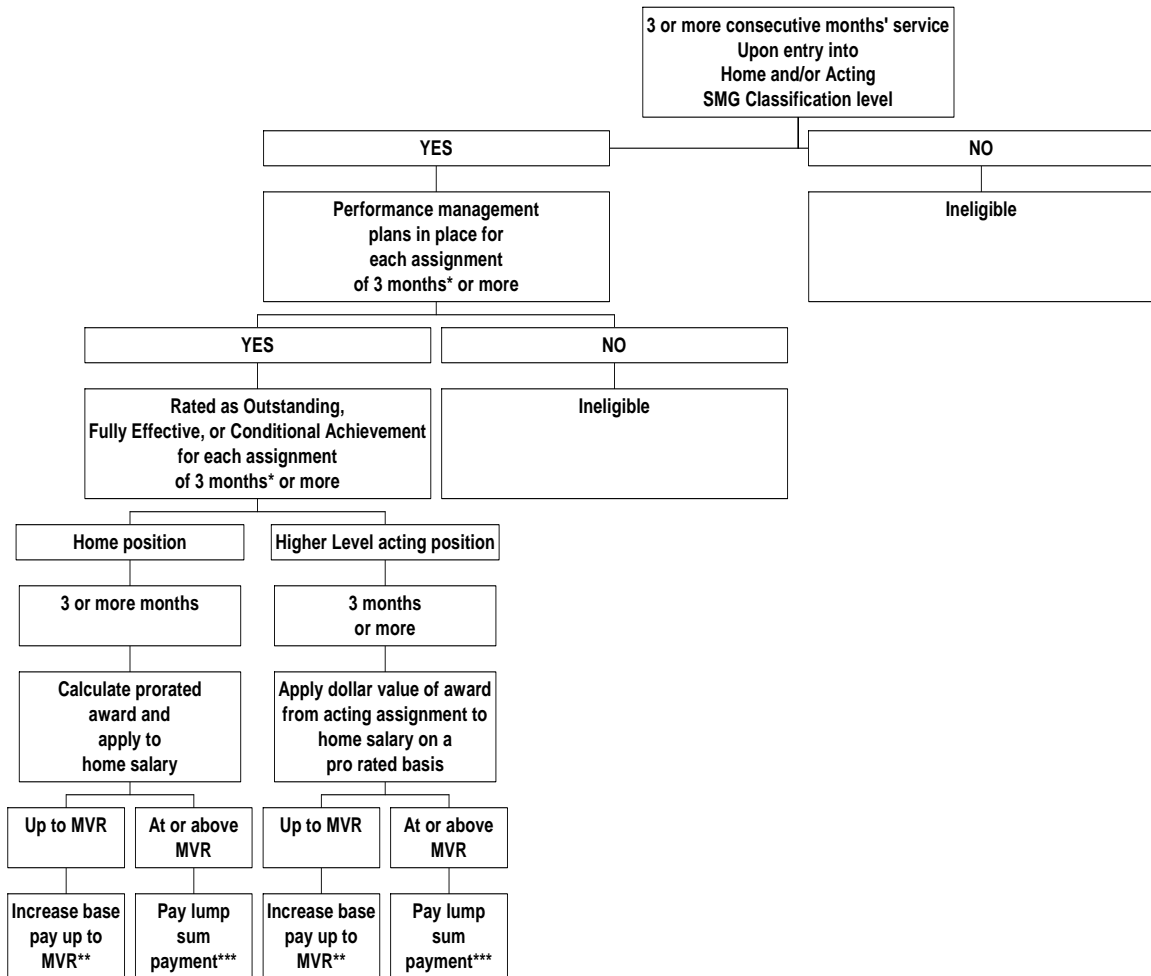
* 3 months = 12 weeks

Note: For home position, pay a pro-rated lump sum, if any, effective April 1 for the period of time in the home position. The balance of the lump sum would be payable upon return to the home position. Also, no lump sum pay outs for a Conditional Achievement rating.

Atypical Case

Incentive Award Policies 5.5 b) iii)

Acting assignment of 3 or more consecutive months within SMG, ending within the performance year



* 3 months = 12 weeks

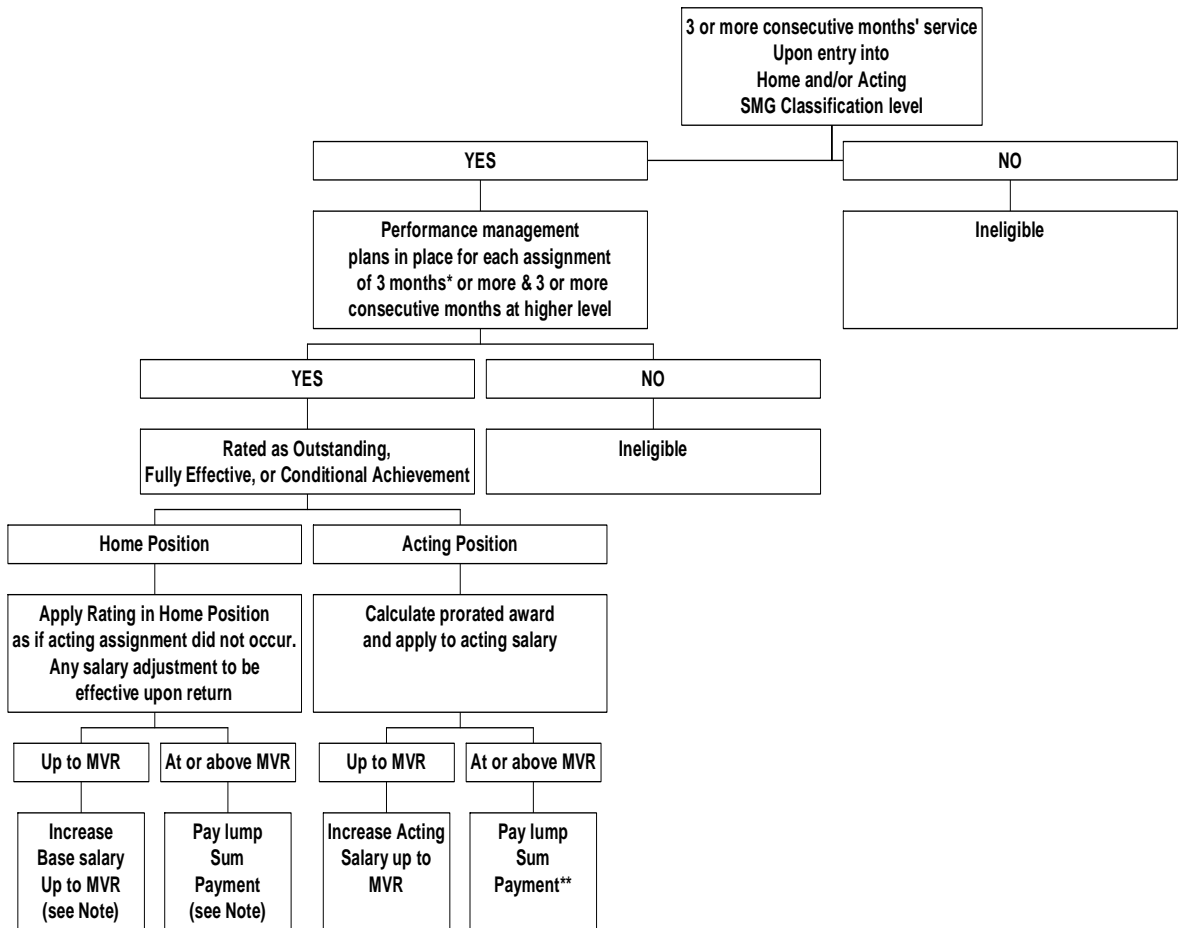
** If there is any balance, it will be paid as a lump sum, with the exception of a Conditional Achievement rating

*** No lump sum pay out for a Conditional Achievement rating

Atypical Case

Incentive Award Policies 5.5 b) iv)

Acting assignment within SMG, for 3 or more consecutive months continuing beyond April 1st



* 3 months = 12 weeks

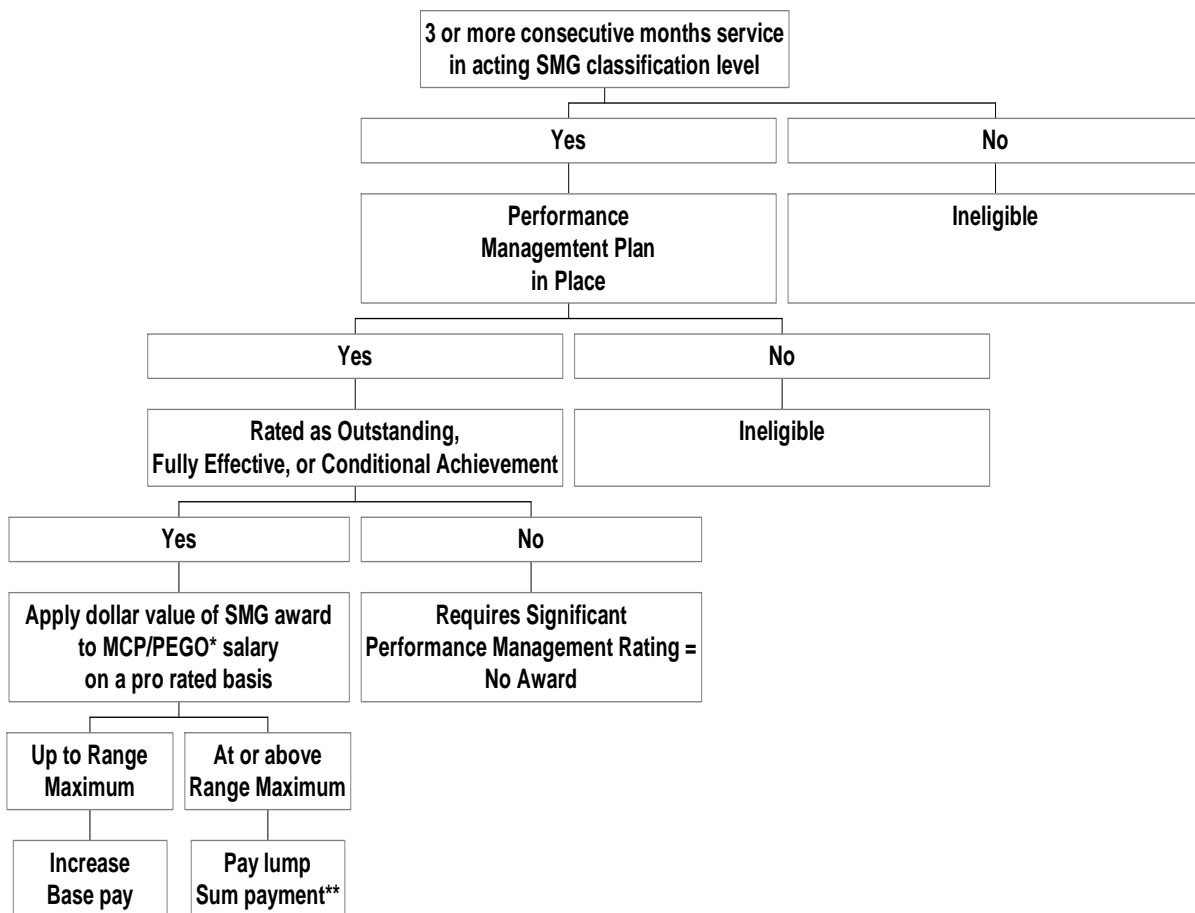
** No lump sum pay outs for a Conditional Achievement rating

Note: For home position, pay any pro-rated lump sum, effective April 1, for the period of time in the home position. The balance of the lump sum would be payable upon return to the home position. If home position is not eligible for a performance rating, refer to the Acting Assignment – within SMG in the Incentive Pay Administration Policies section of the SMG Compensation Program manual for more details. Also, no lump sum pay outs for a Conditional Achievement rating

Atypical Case

Incentive Award Policies 5.5 d) i)

Acting assignment into SMG from MCP/PEGO*, and returning to non-SMG position before April 1st



* If non-SMG is from another compensation group (ie. OPSEU or AMAPCEO), award can only be paid out as a lump sum payment.

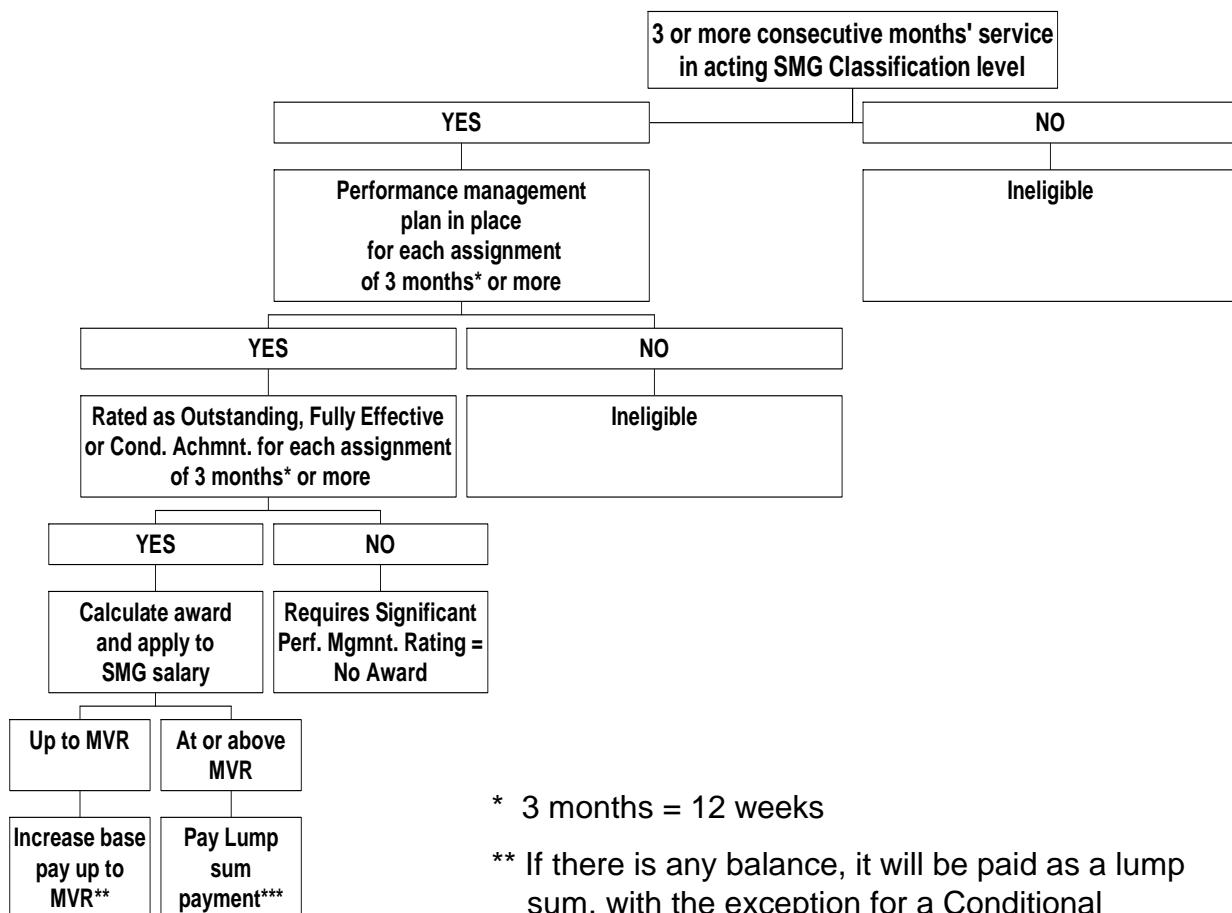
** No lump sum pay outs for a Conditional Achievement rating

Note: On return to the home position (non-SMG), the pay administration and pay for performance policies pertaining to the home class series apply

Atypical Case

Incentive Award Policies 5.5 d) ii)

Acting assignment into SMG from non-SMG compensation groups, continuing beyond April 1st



* 3 months = 12 weeks

** If there is any balance, it will be paid as a lump sum, with the exception for a Conditional Achievement rating

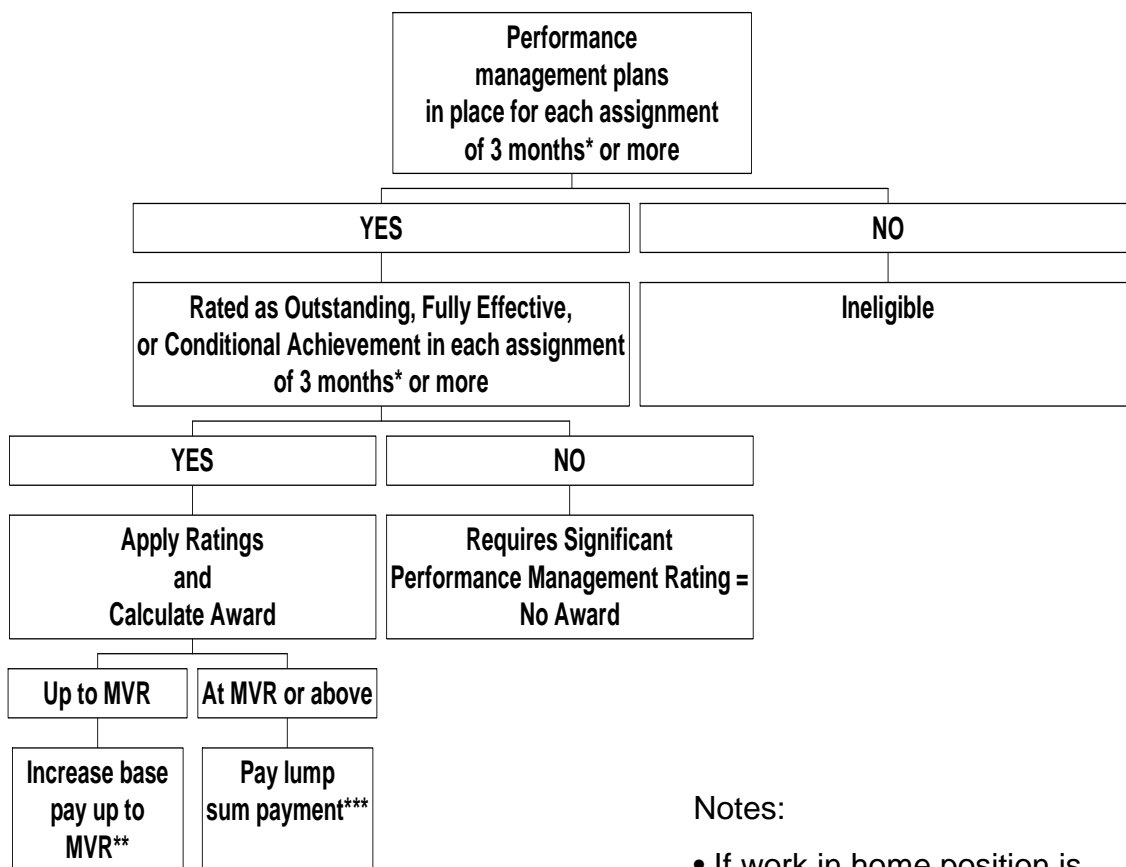
*** No lump sum pay outs for a Conditional Achievement rating

Note: On return to the home position (non-SMG), the pay administration and pay for performance policies pertaining to the home class series apply. If home position is not eligible for a performance rating, refer to page 31 of the SMG Compensation Program manual.

Atypical Case

Incentive Award Policies 5.5 f)

Individual moves laterally, and is in the same SMG classification level



* 3 months = 12 weeks

** If there is any balance, it will be paid as a lump sum, with the exception of a Conditional Achievement rating

*** No lump sum pay outs for a Conditional Achievement rating

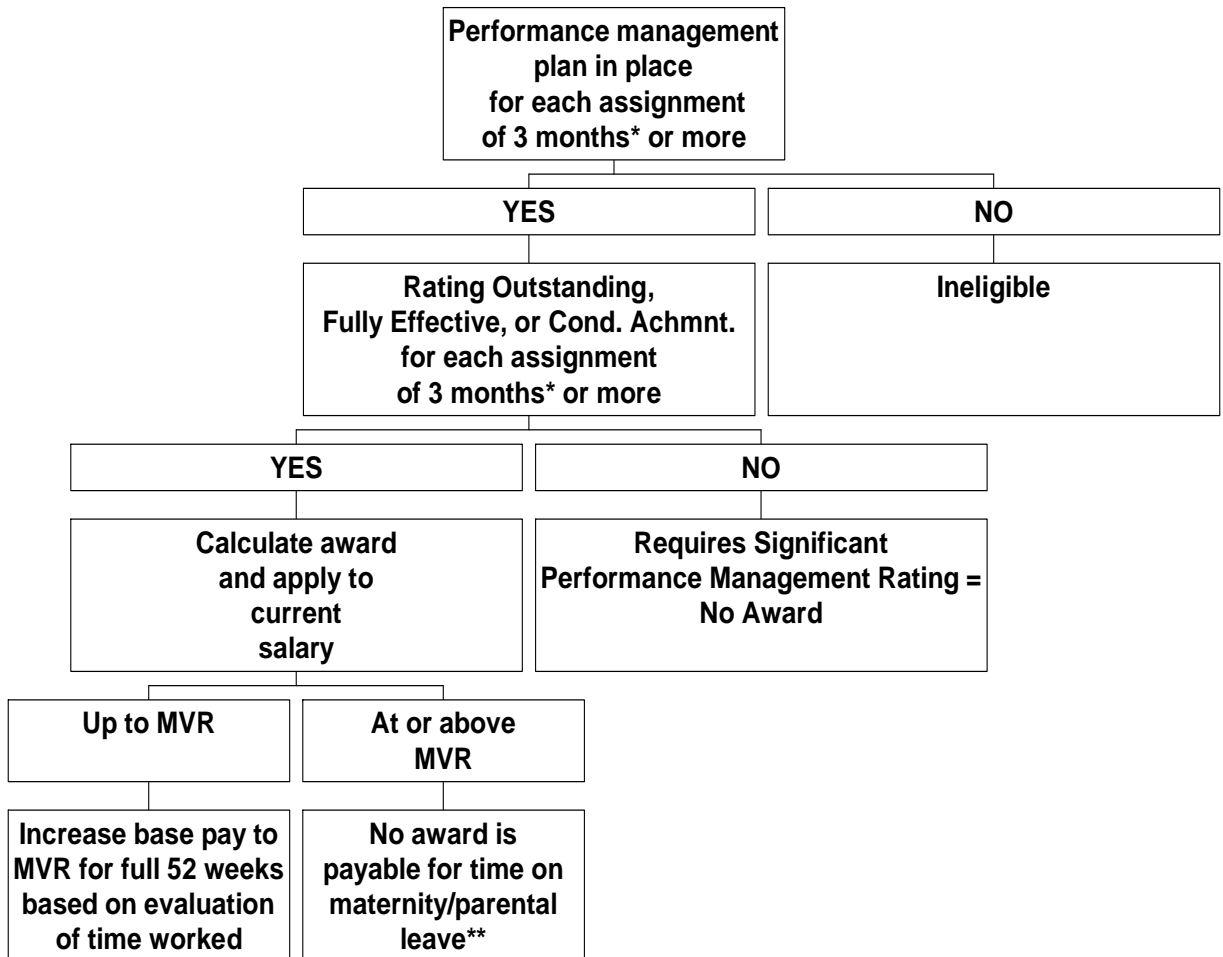
Notes:

- If work in home position is interrupted by another assignment of 3 or more months, total time in home position is deemed to be one assignment
- If the assignment is for less than 3 months, the award is based on the rating received for the longer/longest assignment at the same level, without penalty

Atypical Case

Incentive Award Policies 5.5 g)

Leaves of Absence under the *Employment Standards Act, 2000* including Pregnancy, Parental and Family Medical Leave



* 3 months = 12 weeks

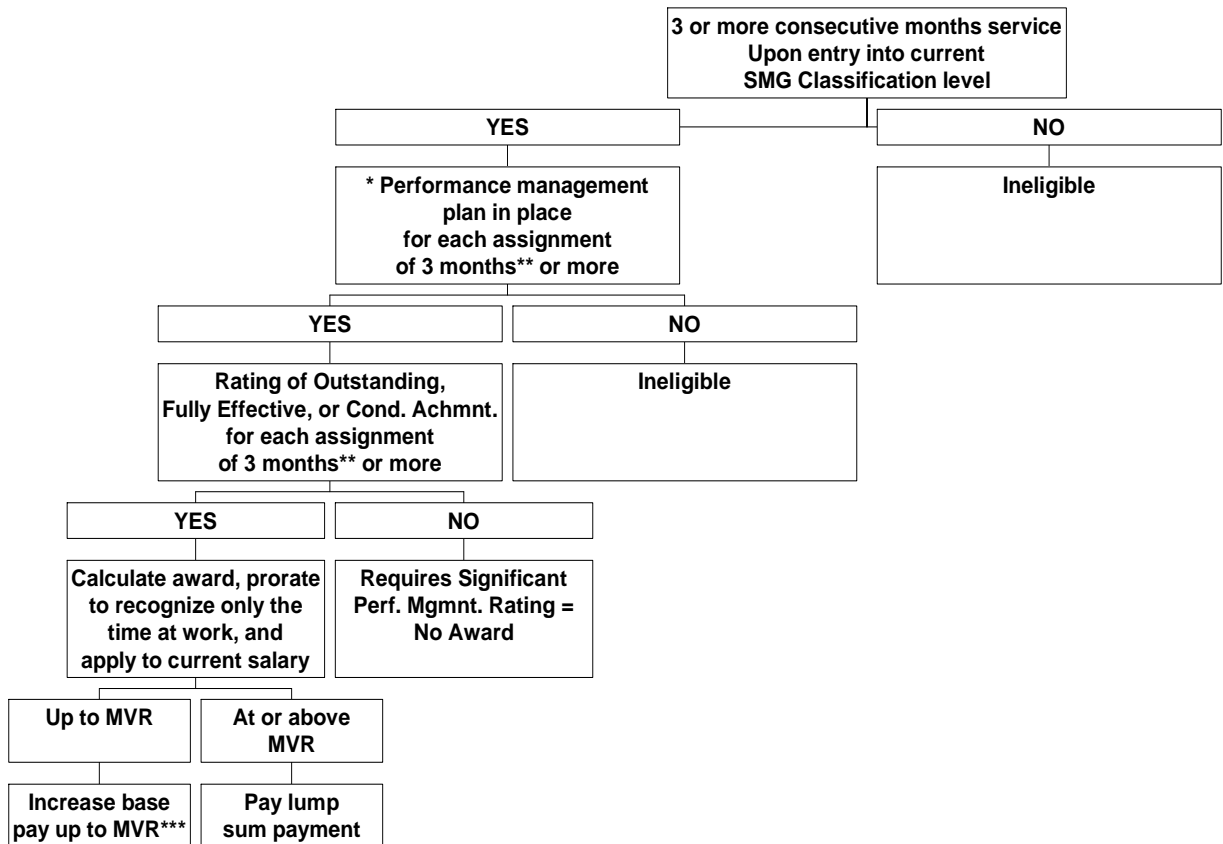
** However, based on the standard eligibility rules, a pro rated lump sum award, if applicable, will be payable for actual time spent working in the SMG position

Note: No lump sum pay outs for a Conditional Achievement

Atypical Case

Incentive Award Policies 5.5 h)

Leave of Absence With or Without Pay (e.g. educational leave, self-funded leave, dependent care)



* The performance management plan must have been reviewed and revised to reflect the leave

** 3 months = 12 weeks

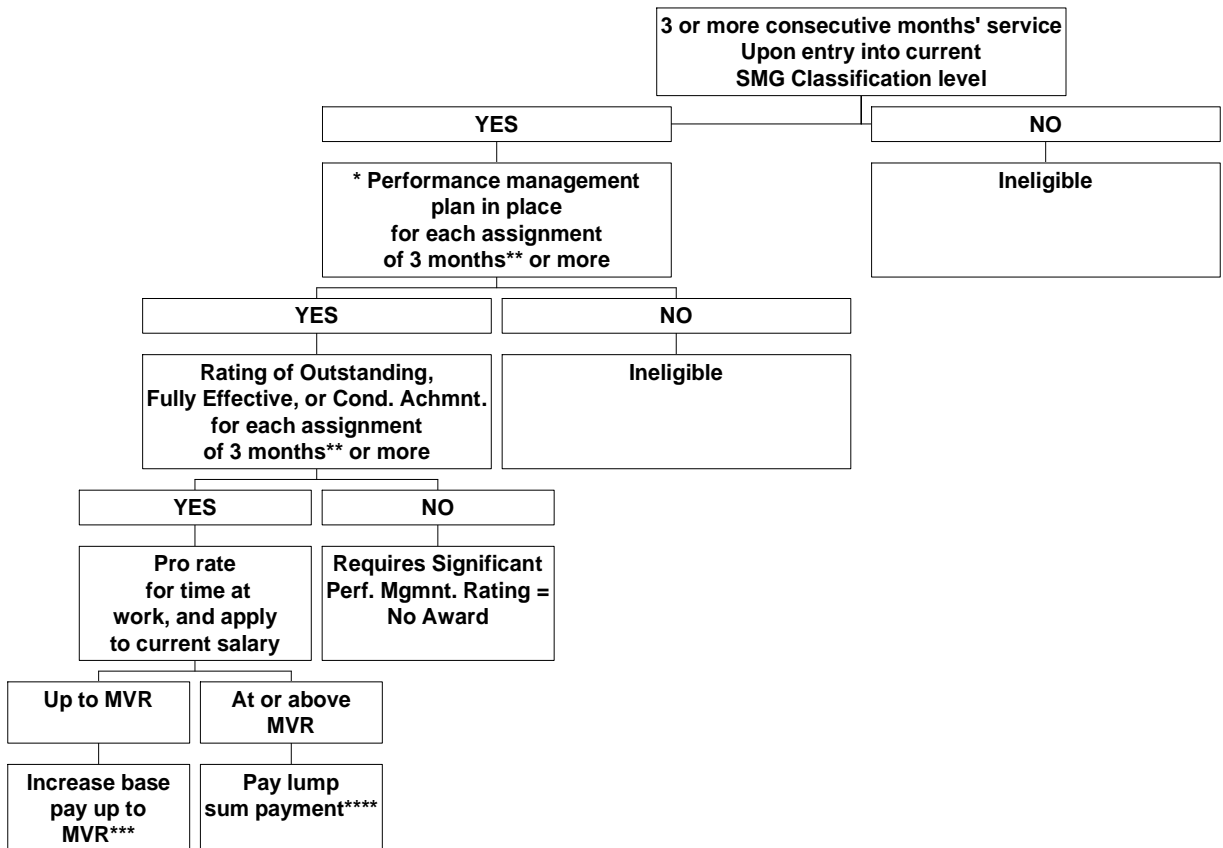
*** For leave without pay, increase to base pay up to MVR will be payable upon return to their Ontario Public Service position. Lump sum payment for leaves without pay and salary adjustments for leaves with pay will be processed in the normal manner.

Note: No lump sum pay outs for a Conditional Achievement rating

Atypical Case

Incentive Award Policies 5.5 i)

Short Term Disability or Sick Leave



* Note: For absences of 3 months or more, performance management plans are to be revised to reflect the leave, and these periods are not recognized for award purposes. Absences for less than 3 months are counted as time at work for individuals on short term disability or sick leave

** 3 months = 12 weeks

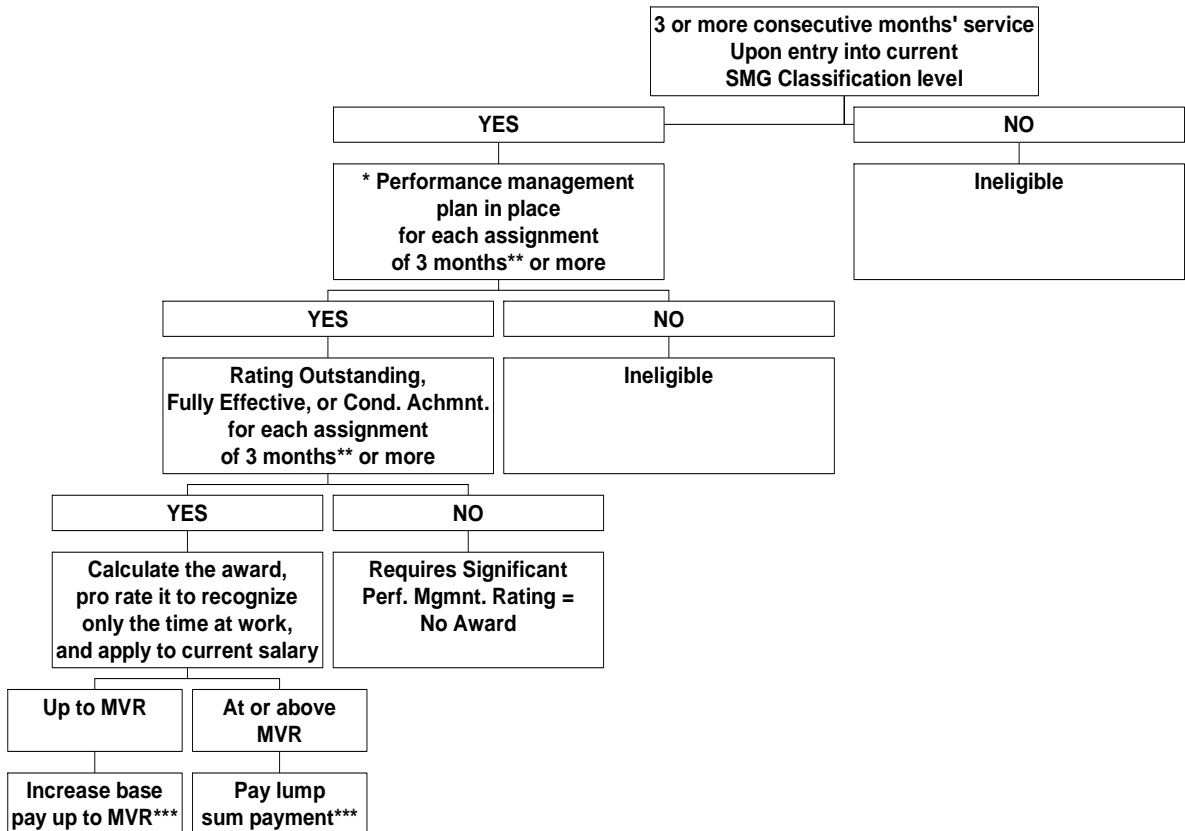
*** If the award takes the salary beyond MVR the balance will be paid as a lump sum, with the exception of a Conditional Achievement rating

**** No lump sum pay outs for a Conditional Achievement rating

Atypical Case

Incentive Award Policies 5.5 j)

Secondment from OPS to External Organization*



* Prior approval of the CFLL must have been received regarding the salary treatment and entitlements during the external secondment and upon return to the OPS.

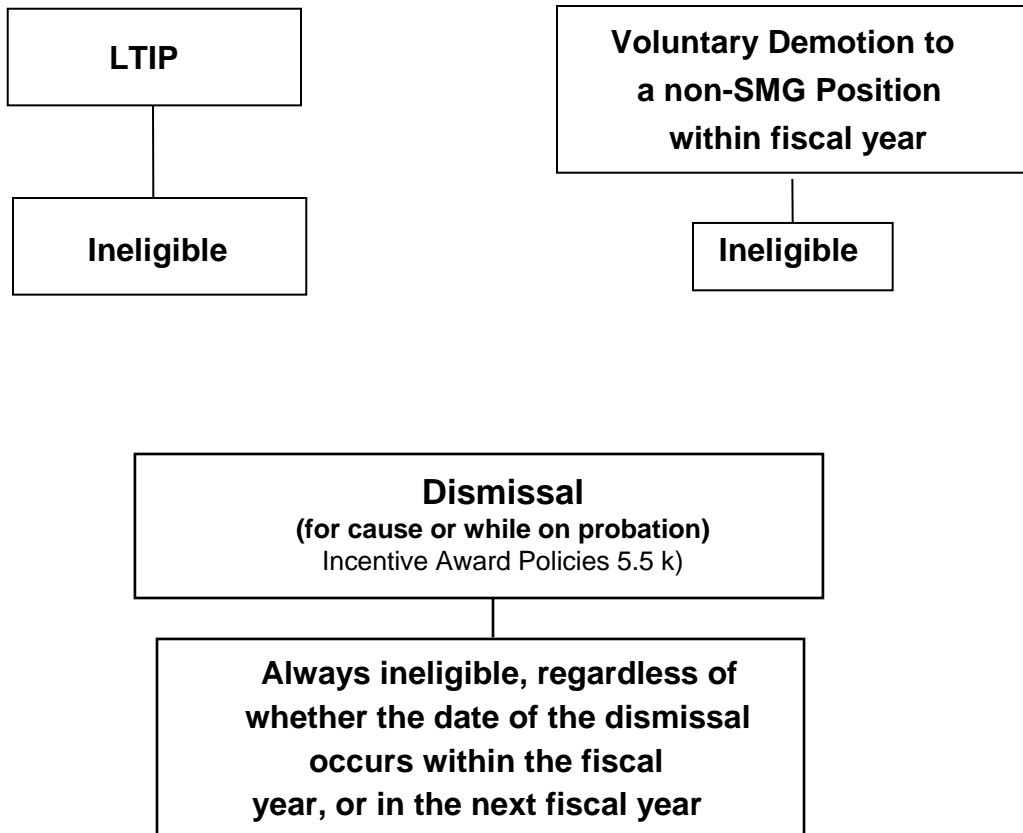
Note: Senior managers who accept assignments external to the OPS are not eligible for the incentive award program for the period of time that they are on the secondment, unless they are participating in a CFLL corporately coordinated program.

** 3 months = 12 weeks

*****Note:** No lump sum pay out for Conditional Achievement rating

Atypical Cases

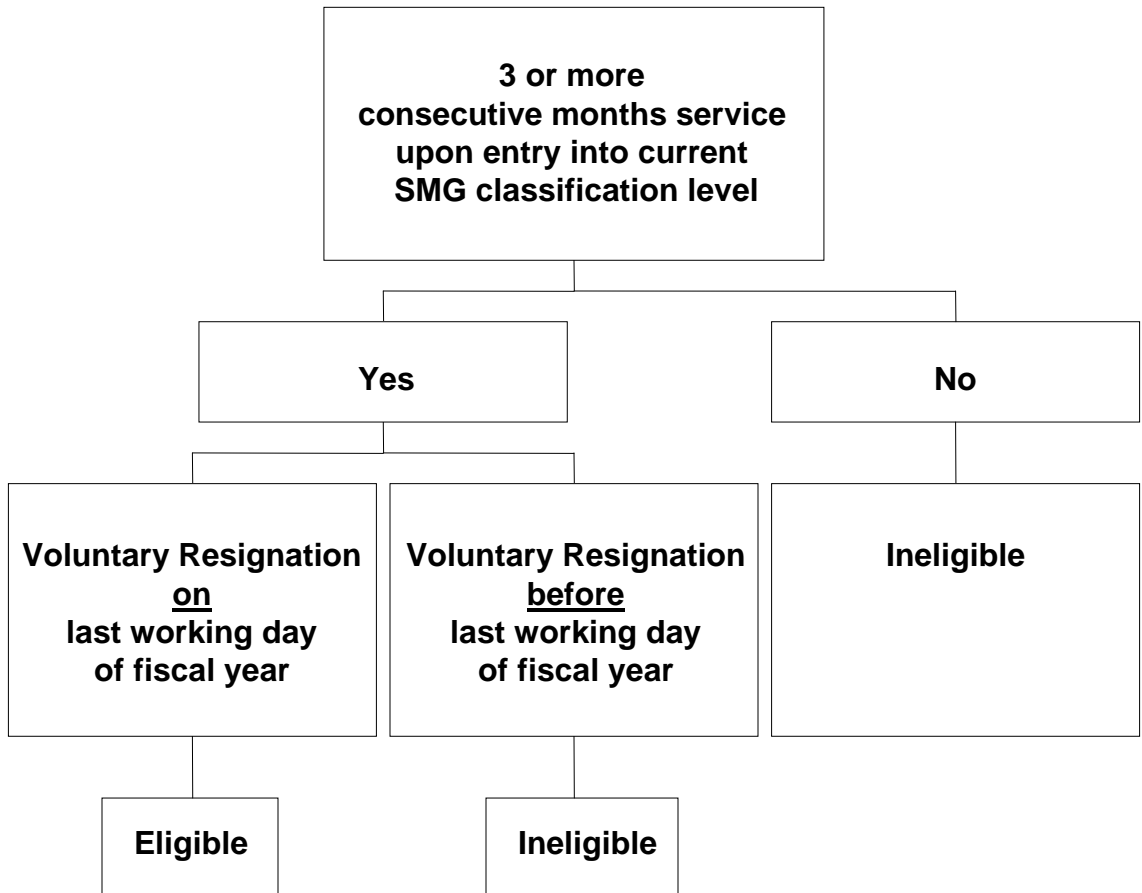
LTIP, Voluntary Demotion, Dismissal



Atypical Case

Incentive Award Policies 5.5 I)

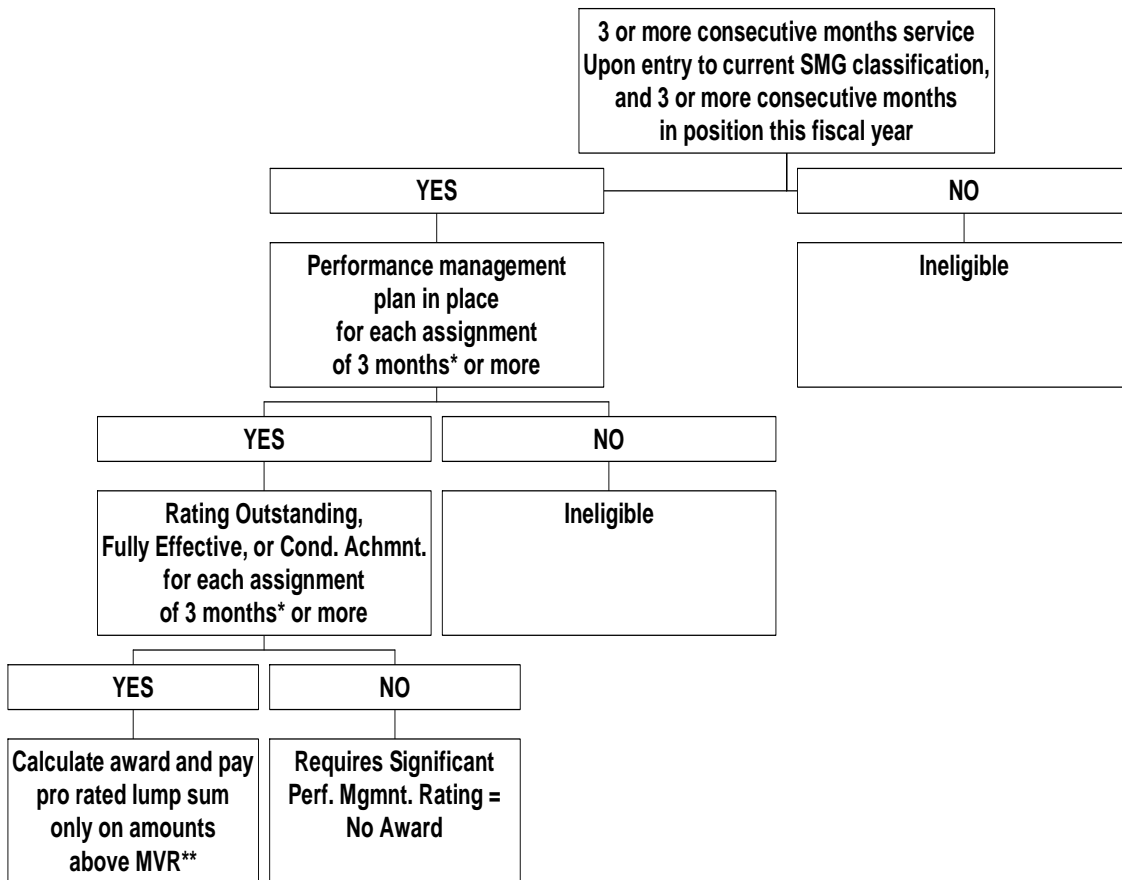
Voluntary Resignation



Atypical Case

Incentive Award Policies 5.5 m)

Retirement, Position Surplus, Death, Disposition of Work, Dismissal Without Cause before April 1st



* 3 months = 12 weeks

** MVR of performance year salary range is applicable; No lump sum pay out for a Conditional Achievement rating