



Legal Services Society	Providing legal aid in British Columbia since 1979	Suite 400 510 Burrard Street Vancouver, BC V6C 3A8	Tel: (604) 601-6000 Fax: (604) 684-3285 www.lss.bc.ca
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Executive Office

June 3, 2016

Ms. Christina Zacharuk
President & CEO
Public Sector Employers' Council Secretariat
2nd Floor, 880 Douglas Street
Victoria, BC V8W 2B7

Dear Ms. Zacharuk:

**Re: Public Sector Executive Compensation Disclosure
2015/2016 Statement of Executive Compensation for Legal Services Society**

As requested, please find attached a completed copy of the 2015/2016 statement of Executive Compensation for the Legal Services Society of B.C. as set out in the Public Sector Employers Act.

Included in this report is a detailed breakdown of all compensation provided to the CEO and the four highest ranking/paid Named Executive Officers "NEOs" of the Society. They include Mark Benton Q.C., CEO; Harold V.J. Clark, Director, Strategic Planning, Policy and Human Resources; Sherry MacLennan, Director, Public Legal Information & Applications; Heidi Mason, Director, Legal Advice & Representation; and Doug Wong, Director, Finance and Corporate Services.

Included is a copy of the Legal Services Society Executive Compensation Governance Framework and the Summary Compensation Table detailing the CEO and "NEO" compensation as outlined in the Public Sector Executive Compensation Reporting Guidelines.

As the Chair for LSS Board of Directors, I confirm that the Board is aware of the executive compensation paid in fiscal year 2015/2016 and verify that the compensation provided falls within approved compensation plans.

If you have any questions regarding this statement, please contact Harold V.J. Clark, CHRP, Director, Strategic Planning, Policy and Human Resources at 604-601-6025 for clarification on any of the information provided.

Yours truly,

Suzette Narbonne
Chair, LSS Board of Directors

Attachments: LSS Executive Compensation Governance Framework
LSS 2015/2016 Summary Compensation Statement

cc: Mark Benton, QC, CEO
Harold V.J. Clark, CHRP, Director, Strategic Planning, Policy & HR



**Legal
Services
Society**

LSS Executive Compensation Summary Compensation Statement

Summary Compensation Table at FISCAL, 2016

Name and Position (a)	Salary (b)	Holdback / Bonus / Incentive Plan Compensation (c)	Benefits (d)	Pension (e)	All Other Compensation (expanded below)	2015/16 Total	Previous Two Years Totals	
							2014/15	2013/14
Mark Benton, QC, Chief Executive Officer	\$ 184,819	\$ 18,553	\$ 15,932	\$ 19,522	\$ 22,137	\$ 260,963	\$ 239,720	\$ 240,269
Harold, V.J. Clark, Director - Strategic Planning, Policy & Human Resources	\$ 146,716	\$ 14,728	\$ 15,037	\$ 15,527	\$ 23,889	\$ 215,897	\$ 190,197	\$ 186,245
Heidi Mason, Director - Legal Advice & Representation	\$ 146,716	\$ 14,728	\$ 15,942	\$ 15,497	\$ 13,571	\$ 206,453	\$ 194,073	\$ 182,746
Sherry MacLennan, Director - Public Legal Information & Applications	\$ 146,716	\$ 14,728	\$ 15,694	\$ 15,527	\$ 7,556	\$ 200,221	\$ 186,948	\$ 181,516
Doug Wong, Director - Finance & Corporate Services	\$ 138,276	\$ 14,728	\$ 16,209	\$ 14,662	\$ 7,815	\$ 191,689	\$ 176,096	\$ 173,128
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Summary Other Compensation Table at FISCAL, 2016

Name and Position (a)	All Other Compensation	Severance (f)	Vacation payout (g)	Leave payout (h)	Vehicle / Transportation Allowance (i)	Perquisites / other Allowances (j)	Other (k)
Mark Benton, QC, Chief Executive Officer	\$ 22,137	\$ -	\$ 7,921	\$ -	\$ 6,933	\$ 6,783	\$ 500
Harold, V.J. Clark, Director - Strategic Planning, Policy & Human Resources	\$ 23,889	\$ -	\$ 16,324	\$ -	\$ -	\$ 6,783	\$ 782
Heidi Mason, Director - Legal Advice & Representation	\$ 13,571	\$ -	\$ 6,288	\$ -	\$ -	\$ 6,783	\$ 500
Sherry MacLennan, Director - Public Legal Information & Applications	\$ 7,556	\$ -	\$ -	\$ -	\$ -	\$ 6,783	\$ 773
Doug Wong, Director - Finance & Corporate Services	\$ 7,815	\$ -	\$ -	\$ -	\$ -	\$ 6,783	\$ 1,032
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

Mark Benton, QC, Chief Executive Officer	"Perquisites" = Parking \$6783; "Other" = Wellness \$500
Harold, V.J. Clark, Director - Strategic Planning, Policy & Human Resources	"Perquisites" = Parking \$6783; "Other" = Wellness \$500 and Sub Pay = \$282
Heidi Mason, Director - Legal Advice & Representation	"Perquisites" = Parking \$6783; "Other" = Wellness \$500
Sherry MacLennan, Director - Public Legal Information & Applications	"Perquisites" = Parking \$6783; "Other" = Wellness \$491 and Sub Pay = \$282
Doug Wong, Director - Finance & Corporate Services	"Perquisites" = Parking \$6783; "Other" = Wellness \$500 and Sub Pay = \$532



LSS Compensation Governance Framework

This document discusses the Legal Services Society's ("LSS") Compensation program. It includes information on LSS's compensation governance, compensation philosophy and the processes used in determining compensation.

Compensation Governance

LSS's Board of Directors is responsible for reviewing and determining the types and amounts of compensation provided to the exempt, management and executive positions, with oversight provided by the Crown Corporation Employers' Association ("CCEA") and the Public Sector Employers' Council Secretariat ("PSEC"). The Board of Directors is also responsible for reviewing and approving the compensation plan for exempt staff and the executives who report to the CEO/Executive Director.

Compensation Philosophy

Compensation is an important tool used by LSS to attract, motivate and retain employees with the skills, experience and commitment necessary to achieve the organization's mandate, goals and objectives. LSS's compensation philosophy is to set its maximum total compensation levels equal to the 60th percentile of total compensation provided to comparable positions by relevant comparison organizations. Total compensation includes base salary, bonuses or other incentive plans, perquisites, retirement and other benefits, and all forms of paid time off.

The design and administration of LSS's compensation program is guided by the following four principles:

- ◆ **performance** – the compensation program supports and promotes a performance-based (merit) organizational culture;
- ◆ **differentiation** – differentiation of salary is supported where there are differences in the scope of the position within LSS and/or where there is superior individual team contributions;
- ◆ **accountability** – compensation decisions are objective and based upon a clear and well-documented business rationale that demonstrates an appropriate expenditure of public funds; and
- ◆ **transparency** – the compensation program is designed, managed and communicated in a manner which ensures the program is clearly understood by employees and the public while protecting individual personal information.

Benchmarking & Determining Compensation Levels

The process by which LSS benchmarks and determines its compensation levels is described below.



LSS Compensation Governance Framework (Cont'd)

Selection of Comparison Organizations

The comparison organizations for benchmarking purposes are selected by the CEO/Executive Director and the Director, Strategic Planning, Policy and Human Resources, with input from external compensation consultants. The comparison organizations are public sector or not-for-profit entities, have positions similar to those at LSS, compete with LSS for employees in the market and meet several of the following additional criteria:

- ◆ is a provincial legal aid organization;
- ◆ is a BC provincial crown corporation/agency;
- ◆ has a provincial mandate; and
- ◆ is typically similar in size to LSS.

Survey of Comparison Organizations

A survey is conducted of the comparison organizations by external compensation consultants, including the collection and comparison of the content of positions and the collection of detailed information on the following components of compensation:

- ◆ salaries;
- ◆ incentive/salary holdback plans;
- ◆ perquisites;
- ◆ group benefits;
- ◆ retirement/savings benefits; and
- ◆ paid time off.

The above components of compensation are financially valued to permit a comparison of the total compensation paid by LSS to that paid by the organizations used for benchmarking purposes.

Application of Market Comparison Information

LSS's compensation philosophy is to set its maximum total compensation levels equal to the 60th percentile of the total compensation provided by the comparison organizations. Accordingly, the external compensation consultants calculate for each benchmark position the salary which LSS would have to pay in order to provide total compensation equal to the 60th percentile total compensation of the comparison group. This salary is then used by LSS as the maximum of the salary range for the position. The salary range minimum is calculated as 75% of the maximum.

Components of Compensation

Appendix A contains a summary of the total compensation provided by LSS. The individual components of compensation are discussed below.



LSS Compensation Governance Framework (Cont'd)

Salary Ranges

External equity or market competitiveness is achieved by using the benchmarking results to develop salary ranges covering all exempt LSS positions. Internal equity is maintained by ensuring that the salary ranges are consistent with the relative internal value of each LSS position. Internal values are determined by an ongoing analysis of the responsibilities and accountabilities of positions using LSS's job evaluation program, which is administered by the Executive Management Committee. The Executive Management Committee positions are evaluated externally by independent compensation consultants using the same job evaluation program.

Appendix B contains LSS's exempt, management and executive salary ranges. Progression by an incumbent within his or her respective salary range is determined by the individual's increasing levels of competencies, coupled with a performance assessment regarding achievement of the deliverables set out in his or her performance development plan ("PDP").

Annual Incentive Plan

The exempt, management and executive employees are eligible for an annual incentive payment. The amount of the CEO/Executive Director's incentive award is determined by the Board of Directors based on an assessment of his/her achievement of the performance objectives established at the beginning of the year.

Other executives, management and exempt staff are eligible to receive incentive awards, assuming funds are available. When funds are available, incentive amounts are awarded to executives, managers and exempt staff by the CEO/Executive Director. The amount of such awards is based on his/her performance, achievement of Corporate, Divisional and Service Plan responsibilities and priorities, as well as his or her overall contribution to LSS.

Employee Benefits

All LSS employees participate in the same employee benefits program. The benefits are comprised of standard public sector entitlements, including medical, dental, life and accident insurance, short-term and long-term disability coverage, extended health benefits and a dental plan.

The CEO/Executive Director also receives a vehicle allowance and paid parking, while the executives who report to the CEO/Executive Director receive paid parking.

Retirement Plans

The CEO/Executive Director is provided with a defined contribution retirement arrangement, whereby LSS contributes to his RRSP an amount equal to what LSS would contribute on his behalf if he were a member of the Municipal Pension Plan. The remaining LSS employees are members of the Municipal Pension Plan.



APPENDIX A

Components of Total Compensation

Base Pay

- ◆ Regular Pay
- ◆ Bonus/other incentive payments
- ◆ Acting Pay
- ◆ Excluded Benefit Plan (Salary Deferral)

Monetary Benefits

- ◆ Life Insurance
- ◆ Accidental Death & Dismemberment
- ◆ Sick Leave & Weekly Indemnity
- ◆ Long Term Disability
- ◆ Medical Services Plan
- ◆ Extended Health
- ◆ Dental
- ◆ Employee & Family Assistance
- ◆ Maternity, Parental & Pre-Adoption Leave Top-Up
- ◆ Municipal Pension Plan
- ◆ Professional Development Allowance
- ◆ Vacation
- ◆ Statutory Holidays
- ◆ Special Leave
- ◆ Flex Days
- ◆ Employment Insurance
- ◆ Workers' Compensation
- ◆ Canada Pension Plan
- ◆ Meals & Mileage – per government per diem rates

Note:

CEO/Executive Director is provided with a vehicle allowance in accordance with Provincial Government guidelines, along with paid parking. The executives who report to the CEO/Executive Director are provided with paid parking.