



**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

Executive Office

May 7, 2015

Ms. Christina Zacharuk
Interim 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
2014/2015 Statement of Executive Compensation for Legal Services Society**

As requested, please find attached a completed copy of the 2014/2015 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 2014/2015 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,

Tom Christensen
Chair, LSS Board of Directors

Attachments: LSS Executive Compensation Governance Framework
LSS 2014/2015 Summary Compensation Statement

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

LSS Executive Compensation Governance Framework

This document discusses the Legal Services Society's ("LSS") Executive Compensation program. It includes information on LSS's compensation governance, compensation philosophy, the processes used in determining compensation and the actual compensation paid to executives during the 2012/2013 fiscal year.

Compensation Governance

LSS's Board of Directors is responsible for reviewing and determining the types and amounts of executive compensation provided to the CEO/Executive Director 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 executives with the skills, experience and commitment necessary to achieve the organization's mandate, goals and objectives. LSS's compensation philosophy is to provide total compensation 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.

Process For Benchmarking

LSS periodically retains professional compensation consultants to benchmark LSS's Executive Compensation to the market. The process commences with LSS selecting the comparison organizations, with input from the external consultants and the CEO/Executive Director, and Director, Strategic Planning, Policy and Human Resources. The comparison group is comprised of organizations similar to LSS and/or with which LSS competes for executives in the market, including other provincial legal aid organizations, professional regulatory bodies and other BC crown corporations/ agencies. Subsequent to defining the comparison group, the consultants conduct a survey of the total compensation paid by the comparison organizations to positions comparable to those at LSS, analyze the results and report to LSS.

Components of Compensation

The individual components of compensation are discussed below.

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 Compensation Committee. The Executive Management

LSS Executive Compensation Governance Framework

Committee positions are evaluated externally by independent compensation consultants using the same job evaluation program.

Progression by an incumbent within his or her respective salary range is determined by the individual's increasing levels of competencies coupled with his or her performance in achieving performance plan priorities.

Annual Incentive Plan

The CEO/Executive Director is eligible for an annual incentive payment. The amount of the incentive award is determined by the Board of Directors based on an assessment of the CEO/Executive Director's achievement of the performance objectives established for him at the beginning of the year.

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

A new policy on Crown Corporation Executive Compensation was issued on July 25, 2012, containing guidelines for annual incentive/bonus plans. This policy requires that crown corporations/agencies with annual incentive/bonus plans for executives move towards replacing such plans with salary holdback arrangements. In addition, the policy requires that the amount of any salary holdback awarded to executives not be considered as earnings for pension purposes.

LSS will be replacing its existing annual incentive plan with a salary holdback arrangement which is consistent with the new Government policy. When funds are available, executives will be eligible for salary holdback awards determined in accordance with the performance criteria discussed above.

Executive Perquisites & Employee Benefits

All LSS executives are provided with the similar employee benefits available to all other employees of LSS. 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 car allowance and paid parking, while the remaining executives 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 executives are members of the Municipal Pension Plan.

LSS Executive Compensation

Summary Compensation Statement

Summary Compensation Table at FISCAL, 2015

Name and Position (a)	Salary (b)	Bonus and / or Incentive Plan Compensation (c)	Benefits (d)	Pension (e)	All Other Compensation (expanded below)	2014/15 Total	Previous Two Years Totals	
							2013/14	2012/13
Mark Benton, QC, Chief Executive Officer	\$ 184,819	-	\$ 16,110	\$ 19,355	\$ 19,435	\$ 239,720	\$ 240,269	\$ 249,155
Harold, V.J. Clark, Director - Strategic Planning, Policy & Human Resources	\$ 148,126	-	\$ 13,936	\$ 15,230	\$ 12,904	\$ 190,197	\$ 186,245	\$ 185,415
Heidi Mason, Director - Legal Advice & Representation	\$ 146,998	\$ -	\$ 16,480	\$ 15,112	\$ 15,484	\$ 194,073	\$ 182,746	\$ 182,421
Sherry MacLennan, Director - Public Legal Information & Applications	\$ 149,819	\$ -	\$ 14,967	\$ 14,866	\$ 7,295	\$ 186,948	\$ 181,516	\$ 170,994
Doug Wong, Director - Finance & Corporate Services	\$ 138,541	\$ -	\$ 16,054	\$ 14,240	\$ 7,261	\$ 176,096	\$ 173,128	\$ 173,249

Summary Other Compensation Table at FISCAL, 2015

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	\$ 19,435	\$ -	\$ 5,281	\$ -	\$ 6,960	\$ 6,261	\$ 934
Harold, V.J. Clark, Director - Strategic Planning, Policy & Human Resources	\$ 12,904	\$ -	\$ 5,643	\$ -	-	\$ 6,261	\$ 1,000
Heidi Mason, Director - Legal Advice & Representation	\$ 15,484	\$ -	\$ 8,223	\$ -	-	\$ 6,261	\$ 1,000
Sherry MacLennan, Director - Public Legal Information & Applications	\$ 7,295	\$ -	-	\$ -	-	\$ 6,261	\$ 1,034
Doug Wong, Director - Finance & Corporate Services	\$ 7,261	\$ -	-	\$ -	-	\$ 6,261	\$ 1,000