



May 03, 2016

Christina Zacharuk
President and Chief Executive Officer
Public Sector Employers' Council Secretariat
2nd Floor, 880 Douglas Street
Victoria, BC V8W 2B7

BY E-MAIL

Dear Christina Zacharuk:

**Re: Royal BC Museum Corporation
Executive Compensation Disclosure – 2015/16**

This letter is to confirm that the Board of Directors of the Royal BC Museum Corporation is aware and has approved the compensation information in the executive compensation disclosure report for the Royal BC Museum Corporation submitted for the May 9, 2016 deadline.

The compensation information being disclosed is accurate and includes all compensation paid by the employer, foundations, subsidiaries, or any other organization related to or associated with the employer during the period of April 1, 2015 – March 31, 2016.

This attestation verifies that the compensation provided was within the approved compensation plan and complies with the Public Sector Employers' Council Secretariat guidelines.

Yours truly,



Susan Knott
Chair, Board of Directors

**STATEMENT OF EXECUTIVE COMPENSATION
ROYAL BC MUSEUM
May 2016**

Royal BC Museum (RBCM) - Compensation Philosophy

The RBCM's Management Compensation Program is based on a process which recognizes these fundamental determinants of salary:

- a. the duties to be performed;
- b. the employee's performance/potential; and
- c. salaries paid for comparable positions in the external job market.

Subject to the legislative and fiscal constraints placed upon it, it is the objective of the Board of Directors of the Royal BC Museum to pay its Chief Executive Officer a salary that is sufficiently competitive in the job market, recognizing the Chief Executive Officer's responsibility for physical assets of over \$80 million and \$200 million of insured artifacts representing the history of the Province of British Columbia.

Responsibility for Determining Compensation

The responsibility for determining base salary compensation for the Chief Executive Officer rests with the Board of Directors pursuant to the *Museum Act*. The base salary is set within the maximum total compensation guidelines as established by Cabinet and Treasury Board and was approved by the then Minister (2007).

Compensation Principles

The Royal BC Museum Compensation Program introduces contemporary compensation practices to support the following principles:

- Financial expenditures for management salaries will be controlled and managed through an approved financial control model, as approved by the RBCM Board of Directors
- The overall salaries are controlled through the annual budget process;
- Funding for management salaries will be found from within the overall annual salary budget;

Taxpayer Accountability Principles

The Royal BC Museum Compensation Program recognizes the following Taxpayer Accountability Principles:

- Efficiency: Strengthen cost management capabilities and foster a culture of cost-consciousness at all levels of public sector organizations.
- Accountability: Transparently manage responsibilities according to a set of common public sector principles in the best interest of the citizens of the province.
- Appropriate: Comply with a rigorous, standardized approach to performance management and employee compensation which reflects appropriate compensation for work.
- Service: Maintain a clear focus on positive outcomes for citizens of BC by delivering cost-efficient, effective, value-for-money public services and programs.
- Respect: Engage in equitable, compassionate, respectful and effective communications.
- Integrity: Make decisions and take actions that are transparent, ethical and free from conflict of interest.

STATEMENT OF EXECUTIVE COMPENSATION (2015/16) – Royal BC Museum

2015/16 Compensation Discussion

The CEO, Professor Jack Lohman, CBE was appointed March 26, 2012.

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
Jack Lohman, CEO	\$ 161,246	\$ -	\$ 17,294	\$ 16,235	\$ -	\$ 194,775	\$ 197,331	\$ 199,851

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)
Jack Lohman, CEO	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Professor Lohman has a service contract with the Royal BC Museum Foundation (non-public sector organization) and received \$65,000 +GST for services rendered in 2015/16. An amount paid for services rendered was reported in 2014/15 and 2013/14. It was not reported in 2012/13 as external contracts did not require reporting at that time.

Notes:
Jack Lohman, CEO

No other positions in the Royal BC Museum Corporation have a minimum base salary of \$125,000.

This Statement of Executive Compensation has been prepared in accordance with the guidelines as established by the Public Sector Employers Council and the *Public Sector Employers Act* and the reporting requirements contained in the *Financial Information Act*.

Contact:

<p>Angela Williams, CHRP Chief Operating Officer & Deputy CEO Royal BC Museum (250)213-8007 e-mail: awilliams@royalbcmuseum.bc.ca</p>	<p>Melissa Sands, CPA, CA Executive Financial Officer Royal BC Museum (778)679-8580 e-mail: msands@royalbcmuseum.bc.ca</p>
---	--