

**GOVERNING FOR RESULTS
GOVERNANCE POLICIES TEMPLATE**

INTRODUCTION

Governance, as defined here, is “*the exercise of authority, direction and control of an organization in order to ensure its purpose is achieved.*” It refers to who is in charge of what; who sets the direction and the parameters within which the direction is to be pursued; who makes decisions about what; who sets performance indicators, monitors progress and evaluates results; and, who is accountable to whom for what. Governance includes the structures, responsibilities and processes that the board of an organization uses to direct and manage its general operations. These structures, processes and organizational traditions determine how authority is exercised, how decisions are taken, how stakeholders have their say and how decision-makers are held to account.

“Governance may be alternatively expressed as: “A process of providing strategic leadership (by) setting direction, making policy and strategy decisions, overseeing and monitoring organizational performance, and ensuring overall accountability.” (David Renz, cited in Mel Gill, 2005, Governing for Results: A Director’s Guide to Good Governance.)

Governance policies formalize: the roles and responsibilities of the board, its officers and committees; the manner in which the board exercises its authority in the fulfilment of its responsibilities; the responsibilities and authority of its executive director; the relationship between the board and its executive director; and, the general principles that will guide its governance practices.

The governance policies contained in this document have been drawn from material gathered through the governance reviews of over seventy non-profit and public sector organizations, extensive research, and the experience of the author in management and governance of non-profit and public sector organizations.

These sample policies are designed to support a ‘Results-based’ or ‘Results-driven’ approach to governance. Many aspects of this document will be helpful to non-profit organizations of any size. However, they will be particularly useful to organizations that are of sufficient size to employ an Executive Director, Chief Executive Officer (CEO) or otherwise titled ‘senior manager’ to whom management functions have been delegated. The terms Executive Director and CEO are used interchangeably in this document to refer to the most senior manager in the organization.

Terms of reference for core committees used in this approach are contained in the body of these policies. Terms of reference for other committees are contained in Appendix A.

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OVERVIEW

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The board under the authority of By-law # 1 establishes these governance policies. If there is any obvious, or unresolved apparent, conflict between these policies and the by-law, the provisions of the by-law shall take precedence.

The primary focus of the board that is governing for results is on establishing general direction, defining concrete objectives and monitoring/auditing results. Any committees are established to support the board in fulfilling board responsibilities rather than to carry out or interfere with management functions. Key features of this approach are:

- a. The CEO is a non-voting *member of the board* with full entitlement to notice, attendance and participation in all meetings and discussions;
- b. The CEO, as full partner with the board, carries substantial responsibility for advising the board on direction and policy-making, and hence substantial influence on the ultimate decisions of the board in these matters;
- c. Use of 'standing committees' to lead planning; lead board recruitment, management and development; and monitor and audit board, CEO and organizational performance;
- d. All committees are established to support the board in fulfilling board responsibilities rather than to subsume or interfere with management functions.

The board's focus is on mission, values, objectives, strategic planning, effective achievement of goals, and efficient utilization of resources. The organization seeks to recruit board members who have a significant 'public' and/or 'member benefit' interest in the organization and an interest in governance rather than operational detail.

The board is responsible for monitoring and auditing performance. It is not involved in the day-to-day operations, where there is a CEO to whom management of day-to-day operations is delegated. Standing committees used for monitoring and auditing the performance of the board, CEO and organization typically include an Executive Committee, a Governance Committee, Risk Management and/or Quality Assurance Committee. The board will determine what other committees are appropriate considering the size and complexity of the organization, its mandate and other unique circumstances. (*E.g. Organizations with fundraising as a major component of their mandate may have grants review, resource development and events committees.*)

1. BOARD STRUCTURE & RESPONSIBILITIES

The structure and mandate of the Corporation are defined by the legislation under which it is incorporated, any special purposes legislation governing its mandate, the letters patent, the by-law, and these governance policies approved by resolution of the board under the authority of the by-law.

1.1 Board Structure

The by-law specifies the number and terms of office of directors and eligibility for office. The officers of the corporation are those defined in the by-law.

The following standing committees of the Board are established in the by-law: Executive and Governance. Ad hoc committees or working groups may, from time to time, be established by the Board to carry out certain tasks or make recommendations to the Board on specific issues. A Board resolution defining terms of reference for committee membership, terms of appointment, mandate and procedures is required for all committees.

Ad hoc committees should be automatically disbanded by Board motion when the task is completed or no longer relevant, or consequent to a sunset clause in the original motion establishing the committee. The Board Chair (voting) and Executive Director (non-voting) are/may be ex-officio members of all standing committees.

1.3 General Responsibilities of the Board as a Corporate Body

The Board's job is to govern the affairs of the corporation within the framework of relevant legislation and standards. The Board of Directors, representative of the Corporation's membership and the community, is the legally incorporated entity with the authority and responsibility for:

- i. Safeguarding the organizational mission and ensuring the stability of the organization.
- ii. Establishing its direction and objectives;
- iii. Ensuring that it has adequate information to monitor major areas of CEO and corporate performance;
- iv. Ensuring the proper and prudent management of the organization;
- v. Ensuring the achievement of the organization's mission;
- vi. Securing input of key stakeholders to strategic direction;
- vii. Accounting to its members and other key stakeholders for the performance of the corporation; and,
- viii. Ensuring systematic linkage with other organizations engaged in the pursuit of similar or related objectives, and with the community at large.

The Board, in discharging its responsibilities for the governance of the Corporation, oversees the management of the Corporation's finances. It ensures the proper and adequate discharge of this duty through its Treasurer, acting on behalf of and reporting to the Board.

1.4 Authority and Accountability

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The Board, as a whole, has general and specific responsibilities to the corporate membership and those government and individual or corporate donors who provide funds for the operation of the Corporation. The Board is also accountable, in a more general sense, to exercise good stewardship of the Corporation on behalf of the trust placed in it by the general public, consumers, staff, volunteers and other stakeholders.

Individual members of the board (directors) are elected and/or appointed under the authority of the by-law and are responsible to those who elect or appoint them (typically the members of the corporation, the board itself or other special authorities with the right to appoint or elect directors). However, all directors are obligated by the name of legislation under which the organization is incorporated to act in the overall best interests of the corporation.

Individual directors have *no authority to act or give direction individually* other than in such manner as may be approved in these policies or by resolution of the Board. The Board may delegate authority to an individual director or officer or Executive Director; however the Board retains ultimate responsibility and accountability.

The Board will account to the Corporation's members, funders and other key stakeholders through annual and periodic reports on the activities and finances of the Corporation, annual audited financial statements, minutes of Board meetings (except in-camera portions), receiving representations from and consulting with key stakeholders and generally operating in an open and transparent manner.

1.5 Essential Governance Tasks of the Board

The board may carry out its duties directly or establish certain committees to assist in its work. However, the board itself retains ultimate authority and accountability for the work of its committees and for overseeing and coordinating their efforts. These duties fall generally within eight major categories: Mission and Planning; Financial Stewardship; Human Resources Stewardship; Performance Monitoring and Accountability; Risk Management; Community Representation and Advocacy; Management of Critical Events and Transitional Phases; and, Complaints Processes. They are, more specifically:

- Define and/or safeguard the mission, the values framework and operating principles within which it expects the organization to be administered, and to review and update these periodically to ensure that they remain current and responsive to community/consumer needs;
- Oversee development and approval of a longer-term organizational plan or strategic priorities and develop or approve annual budgets and operating plans;
- Solicit input from key stakeholders to the strategic priorities of the organization;
- Monitor performance of the organization overall in relation to achievement of its mission, strategic goals and objectives;
- Seek or secure sufficient resources for the organization to adequately finance its operational

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and capital requirements;

- Account to members, financial investors, other key stakeholders and the public for the services of the organization and expenditure of funds;
- Ensure prudent and proper management of the organization's resources;
- Anticipate, mitigate and manage risks to the organization, its staff, board, owners, clients and other key stakeholders;
- Establish the general values framework within which the organization's human resources will be managed and periodically monitor key human resource performance indicators;
- Approve and periodically review personnel policies within which human resources will be managed;
- Approve a mandate (upper financial limits) within which pay and benefits agreements with staff (if there are any) are to be negotiated;
- Regularly review the organization's services to ensure that they are consistent with the purpose of the organization and that its programs are effective and relevant to community needs;
- Provide continuity/stability for the organization. Preserve the corporate memory;
- Provide opportunities for citizen stakeholder (shareholder) participation in key decisions related to the direction and operation of the organization;
- Represent the organization and its programs positively to key stakeholders and the community at large. Be a good ambassador;
- Serve as an advocate for services of good quality; and
- Ensure fair arbitration of complaints from consumers about services or products through a formal complaints procedure.

The following additional governance responsibilities apply to boards with an executive director:

- Govern the organization through broad policies and planned objectives approved by the board, formulated with the executive director and staff, and reviewed periodically;
- Select and support an executive director to whom the responsibility for administration of the organization is delegated;
- Regularly review and evaluate the performance of the executive director on the basis of a specific job description and negotiated performance objectives;
- Provide advice and act as a resource and sounding board for the executive director or senior staff person; and
- Maintain sufficient independence from management and adequate knowledge about the organization to ensure that the board can make reasonably objective judgements about the reliability and validity of management reports on finances and general operations.

1.6 Due Diligence - Responsibilities of Individual Board Members

Individual board members have no authority to act independently of the board except insofar as the by-law or the board, by resolution, specifically mandates. This means, among other things, that an individual board member cannot provide direction to the executive director or staff. The

only legal authority to provide direction or require information is vested in the full board.

Each Board member is expected to become an active participant in a body that functions effectively as a whole. In addition to assisting in the fulfilment of the essential governance tasks of the Board outlined in clause 1.5, members are responsible to exercise due diligence, loyalty and care in the performance of their duties. Each board member is responsible to exercise these duties as follows:

1.6.1. *Duty of due diligence*

- Be informed of the articles of incorporation (or letters patent), the legislation under which the organization exists, and the organization's bylaws, mission, values, code of conduct, and policies as they pertain to the duties of a director.
- Keep generally informed about the activities of the organization, the community issues that affect the organization, and general trends in the business in which the organization operates.
- Attend board meetings regularly, serve on committees of the board and contribute from personal, professional and life experience to the work of the board.

1.6.2 *Duty of loyalty*

- Act with honesty and in good faith in what the director reasonably believes to be the best interests of the corporation.
- Maintain solidarity with fellow directors in support of a decision that has been made in good faith, in a legally constituted meeting, by directors in reasonably full possession of the facts.
- Exercise vigilance for and declare any apparent or real personal conflict of interest in accordance with the organization's bylaws and policies and statutory requirements.

1.6.3. *Duty of care*

- Exercise the same degree of care, diligence and skill that a reasonably prudent person would show in comparable circumstances. This may require a reasonable understanding of relevant legislation and jurisprudence.
- Offer personal perspectives and opinions on issues that are the subject of board discussion and decision.
- Voice, clearly and explicitly, at the time a decision is being taken, any opposition to a decision being considered by the board.
- Ask for a review of a decision, if the director has reasonable grounds to believe that the board acted without full information or in a manner inconsistent with its fiduciary obligations; if still not satisfied after such review, ask that the matter be placed before the membership or appointing body.
- Work cooperatively with the staff of the organization on committees or task forces of the board.
- Know and respect the distinction in the roles of board and staff consistent with the principles underlying approved governance policies.

Additional duties of members of fundraising (foundation) boards

- Make personal financial commitments; secure financial commitments from personal and business associates and/or facilitate access to those associates by other volunteers or fundraising staff.
- Organize and/or participate in fundraising events and campaigns.
- Participate in the establishment of criteria for allocation of fundraising proceeds and/or the actual allocation decisions.

1.7 Oath of Office and Confidentiality

Respect for confidentiality is the cornerstone of trust and confidence as well as a legislated obligation. Board members must at all times respect the confidentiality of clients. Similarly, all matters dealt with by the Board during in-camera meetings and matters related to personnel must be held in strictest confidence. Confidentiality means Directors may not relate such matters to anyone including immediate family members. The duty of confidentiality continues indefinitely after a Director has left the Board.

Board members shall agree to an Oath of Office and Confidentiality upon joining the Board of Directors.

Sample – OATH OF OFFICE AND CONFIDENTIALITY AGREEMENT

I, *insert name*, a director of the *name of corporation*, declare that, in carrying out my duties as a director, I will:

1. Exercise the powers of my office and fulfil my responsibilities in good faith and in the best interests of the Corporation.
2. Exercise these responsibilities, at all times, with due diligence, care and skill in a reasonable and prudent manner.
3. Respect and support the Corporation's by-law, policies, Code of Conduct, and decisions of the Board and membership.
4. Keep confidential all information that I learn about clients, personnel, collective bargaining and any other matters specifically determined by board motion to be matters of confidence, particularly those matters dealt with during in-camera meetings of the Board.
5. Conduct myself in a spirit of collegiality and respect for the collective decisions of the Board and subordinate my personal interests to the best interests of the Corporation.
6. Immediately declare any real or apparent personal conflict of interest that may come to my attention.
7. Immediately resign my position as director of the Corporation in the event that I, or my colleagues on the Board, have concluded that I have breached my 'Oath of Office'.

Signature:

Date:

1.8 Code of Conduct

Board members are expected to comply with the prescribed Code of Conduct that encourages the development of a spirit of collective decision-making, shared objectives and shared ownership of and respect for Board decisions. The Code of Conduct is a succinct statement of essential principles intended to govern the conduct of the Board and staff of the organization.

Sample – CODE OF CONDUCT

Board members and staff of the organization will at all times conduct themselves in a manner that:

- Supports the objectives of the Corporation
- Serves the overall best interests of the Corporation rather than any particular constituency
- Brings credibility and good will to the Corporation
- Respects principles of fair play and due process
- Demonstrates respect for individuals in all manifestations of their cultural and linguistic diversity and life circumstances
- Respects and gives fair consideration to diverse and opposing viewpoints
- Demonstrates due diligence and dedication in preparation for and attendance at meetings, special events and in all other activities on behalf of the Corporation
- Demonstrates good faith, prudent judgement, honesty, transparency and openness in their activities on behalf of the Corporation
- Ensures that the financial affairs of the Corporation are conducted in a responsible and transparent manner with due regard for their fiduciary responsibilities and public trusteeship
- Avoids real or perceived conflicts of interest
- Conforms with the By-law and policies approved by the Board, in particular this Code of Conduct, the Oath of Office and Confidentiality and Conflict of Interest policies
- Publicly demonstrates acceptance, respect and support for decisions legitimately taken in transaction of the Corporation's business

1.9 Conflict of Interest Policy

Members of the Board of Directors shall act at all times in the best interests of the corporation rather than particular interests or constituencies. This means setting aside personal self-interest and performing their duties in transaction of the affairs of the Corporation in such a manner that promotes public confidence and trust in the integrity, objectivity and impartiality of the Board. Members of the Board shall serve without remuneration. No director shall directly or indirectly receive any profit from his/her position as such, provided that directors may be paid reasonable expenses incurred by them in the performance of their duties. The pecuniary interests of immediate family members or close personal or business associates of a director are considered to also be the pecuniary interests of the director.

1.9.1 Definition of Conflict of Interest:

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- Board members are considered to be in a “conflict of interest” whenever they themselves, or members of their family, business partners or close personal associates, may personally benefit either directly or indirectly, financially or otherwise, from their position on the Board.
- A conflict of interest may be “real”, “potential” or “perceived”; the same duty to disclose applies to each.
- Full disclosure in itself, does not remove a conflict of interest.
- Non-pecuniary interests may also present a moral, if not a legal, conflict of interest. This pertains, for example, to a board member of one organization who holds a board or staff position in another organization that may have competing interests or that may place that person in a position of influence or decision-making that might conflict with or be adverse to the interests of the first organization.

1.9.2 Principles for Dealing With Conflict of Interest:

- a) The Board member must openly disclose a potential, real or perceived conflict of interest as soon as the issue arises and before the board or its committees deal with the matter at issue.
- b) If the Board member is not certain he/she is in a conflict of interest position, the matter may be brought before the Chair, Executive Committee or Board for advice and guidance.
- c) If there is any question or doubt about the existence of a real or perceived conflict, the Board will determine by vote if a conflict exists. The person potentially in conflict shall be absent from the discussion and vote.
- d) It is the responsibility of other Board members who are aware of a real, potential or perceived conflict of interest on the part of a fellow Board member to raise the issue for clarification, first with the Board member and, if still unresolved, with the Board Chair.
- e) The Board member must abstain from participation in any discussion on the matter, shall not attempt to personally influence the outcome, shall refrain from voting on the matter and, unless otherwise decided by the Board, must leave the meeting room for the duration of any such discussion or vote.
- f) The disclosure and decision as to whether a conflict exists shall be duly recorded in the minutes of the meeting. The time the person left and returned to the meeting shall also be recorded.

1.9.3 Examples of Conflict Of Interest On The Part Of A Board Member:

- a) Any circumstance that may result in a personal or financial benefit to a director or his family, business associate or friend. This includes, but is not limited to, accepting any payment for services rendered to the corporation, including contracted work or honoraria; accessing financial or other resources for personal use, i.e. transportation, training costs, supplies, equipment, etc.
- b) Personal interests which conflict with the interests of clients or are otherwise adverse to the interests of the Corporation;
- c) Seeking, accepting or receiving any personal benefit from a supplier, vendor, or any individual or organization doing or seeking business with the Corporation;
- d) Being a member of the board or staff of another organization which might have material interests that conflict with the interests of the Corporation or its members or clients; and, dealing with matters on one Board which might materially affect the other Board;

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- e) Any involvement in the hiring, supervision, grievance, evaluation, promotion, remuneration or firing of a family member, business associate or friend of the director;
- f) Public statements made by a director that could be perceived as an impairment to his/her ability to consider issues, in the execution of his/her functions with the corporation in an impartial and objective manner;
- g) Individuals who serve as directors on the same board with members of their family or others with whom they have a direct business or personal relationship will be subject to an immediate perception of apparent conflict of interest. (*Director eligibility criteria in the by-law should exclude such arrangements.*)

Sample – CONFLICT OF INTEREST DISCLOSURE FORM

Directors Name: _____	
I have reviewed my current activities and those of recent years as they may relate to the business of _____ (name of organization). I have also considered the activities of my spouse and immediate family members, employer and any related business in which I have an interest, in so far as they could be viewed to affect my objectivity and impartiality with respect to my duties as a director of this corporation.	
I would like to bring the following to the attention of the board of directors as personal interests that could be perceived or real conflicts of interest: (use a signed attachment for details if preferred)	

I hereby certify that, to the best of my knowledge and judgment, I am not in a position of real, potential or apparent conflict of interest except as disclosed above.	
I undertake to inform the board of directors of any change in circumstances or any unforeseen issues that arise in the course of the transaction of this corporation's business that may give rise to unforeseen real, potential or apparent conflict of interest.	
I undertake not to disclose or otherwise misuse confidential or privileged information, for purposes of personal gain within the spirit of this commitment, to which I may be privy as a result of my position as a director of this corporation.	
Signature: _____	Date: _____

1.10 Disposition of Complaints and Disputes involving Directors

- a) The Executive Committee, in a meeting duly called for the purpose, shall review any complaints that a director has violated any provision of the Corporation's By-law, Governance Policies,

- Code of Conduct, Conflict of Interest Policy, or Oath of Office & Confidentiality Agreement.
- b) The Executive Committee shall similarly review disputes between members of the Board that interfere with the ability of the Board to carry on its business.
 - c) Complaints of a grave nature may be referred to an independent arbiter.
 - d) Allegations of illegal activity shall be immediately referred to police, or other appropriate authorities for investigation. Any director against whom such allegations are made shall be deemed to immediately be on a leave of absence from the Board pending completion of the investigation.
 - e) The review of such complaints or disputes shall include an opportunity for the members concerned to represent their positions. Executive Committee members who originate or are the subject of such complaints or disputes must declare their conflict and absent themselves from such meetings.
 - f) Every attempt should be made to resolve such matters expeditiously and fairly.
 - g) The recommendations regarding resolution of such matters shall be brought to the Board for approval.
 - h) The ruling of the Board shall be final. Should the member refuse to abide by the ruling the Board may table the matter pending determination of disciplinary action. Such action may include formal or informal censure by the Chair or the Board, suspension, or a request for the member's resignation.

2. ROLES OF THE OFFICERS OF THE BOARD

Officers of the Board are in the service of the Board. Individual officers may not act in place of the Board except when acting together as an Executive Committee in accordance with the by-law. The Board may, by policy or general resolution, delegate certain responsibilities to its officers but retains ultimate responsibility and accountability for the responsibilities so delegated.

2.1 *Chair*

The role of the Chair is to ensure the integrity of the board's processes. The Chair is the only board member authorized to speak for the Corporation, unless this is specifically delegated to another board member.

- a) The Chair presides as the 'manager' of the board's activities, ensuring that the board and its members follow board rules or policies and those obligations legitimately imposed by statute or regulation. Since most of the work of the board will be done during regularly scheduled board meetings, the Chair is responsible for ensuring that the board's work is conducted efficiently and effectively. The Chair has no authority to make decisions outside the by-law or the parameters of policies created by resolution of the board.
- b) The Chair will set the agendas for meetings of the board with input from the members of the Board and with the assistance of the Executive Director (Chief Executive Officer) and ensure that its meetings are focused on matters of board responsibility.

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- c) The Chair is responsible for promoting the development of a board work plan, complementary to the strategic priorities and operational plan of the organization, and that the board's work and power are evenly distributed among board members
- d) The Chair will plan the conduct and timing of board meetings in conjunction with the Executive Director (CEO) and will chair meetings of the board, Executive Committee and membership.
- e) The Chair will ensure that the board is properly informed about the operations of the Corporation, has the information and opportunity necessary to come to decisions on matters within its purview, and that decision-making is transparent.
- f) The Chair, without undermining the CEO's accountability to the full board, will be the board's primary liaison with the Executive Director (CEO), who is responsible for the execution of board policies and directives, and for determining the means, organizational structure and management processes necessary to achieve the corporate objectives.
- g) The Chair will strive to ensure that the board works effectively as a team and that areas of overlap between board, management and staff responsibilities are managed constructively.
- h) The Chair is responsible to ensure that conflict of interest issues and other conflicts or disputes are addressed sensitively and resolved constructively.
- i) The Chair is responsible to ensure that board and director self-assessments are conducted and that board members who fail to meet expectations are gracefully retired.
- j) The Chair, with the support and cooperation of the board, is responsible for ensuring adequate communications and accountability to key stakeholders and the public.
- k) The Chair will act as public and media spokesperson for the board and Corporation as required subject to the provisions of clause 5.6 of these policies.

2.2 Vice Chair

In addition to assuming the duties of the Chair during his/her absence, the Vice-Chair shall perform other duties prescribed from time to time by the Board, coincident to the office. The Vice-Chair will normally accede to the position of Chair as that position becomes vacant.

2.3 Treasurer

The Treasurer shall:

- Monitor the financial activities of the Corporation;
- Ensure that complete and accurate records are kept of all of the Corporation's financial matters in accordance with generally accepted accounting principles;
- Act as a signing authority for the Corporation as approved in the By-law or by resolution of the Board;
- Ensure that the Board, monthly or as otherwise required, is provided with a report of all major financial transactions and of the financial position of the Corporation;
- Recommend a competent auditor to be appointed annually; and,
- Collaborate with the auditor and Executive Director (CEO) in review and presentation of annual audited financial statements.

2.4 Secretary

The Secretary shall ensure that all secretarial functions are performed for the Board and Executive Committee, and that records are kept of all proceedings and transactions. The Secretary is the custodian of the corporate seal and of all official books, papers, records, documents and correspondence of the Corporation. S/He shall:

- Oversee the keeping of records of meetings, policies, membership and any other records required by law.
- Ensure that minutes are taken at all regular and special meetings of the Board of Directors.
- Ensure that copies of minutes and agendas are circulated to Board members prior to each meeting.
- Maintain, or ensure the maintenance of, the files and records of the corporation to be passed on to future officers and ensure the security and confidentiality of all such files and records.

3. ROLE OF COMMITTEES

3.1 Authority of Committees

Committees have an advisory function to the Board. They do not speak or act for the Board unless such authority is formally delegated, is time-limited, and is for specific purposes. They do not have any authority to direct staff although they may, through the board, ask the Executive Director to allocate resources in support of committee activities. The Board appoints committee members annually for one-year terms.

3.2 Composition

A member of the board shall chair all standing or ad hoc committees except that a Past President, who need not be an incumbent director, may chair the Governance Committee. A person who is not a member of the board may chair committees that are strictly advisory to the board.

The composition of committees shall be representative of the board and, where feasible and appropriate, of staff and members of the membership or the community at large. This is intended as an effective way to add expertise, involve more of the membership or community in the work of the Corporation and bring to the Corporation a reflection of membership or public opinion. It shall also serve as a means of recruiting, orienting and screening prospective candidates for the board. The Chair (voting) of the Corporation and Executive Director (non-voting) are (*may be*) ex-officio members of all standing committees and may be members of ad hoc committees or task forces as prescribed by resolution of the board.

3.3 Function

A committee's function is to bring the experience, expertise and judgment of a group of interested and informed persons to bear on a specific area of the Corporation's responsibility. Its job is to assist

the board by considering matters referred to it in greater depth than would be possible by the whole board. Committees identify and isolate the key issues requiring board consideration or corporate attention, propose alternative actions, present the implications and make recommendations to the board for decision.

The board will not review the matter in the same detail as the committee, but must be satisfied that all pertinent information was considered or refer the issue back to the committee for further study. The board will consider the recommendations of the committee and adopt or amend these recommendations or make such other disposition, as it deems advisable.

3.4 Relationship to Staff

Board and staff work co-operatively to carry out the objectives of the Corporation. The board relies upon the ability, training, expertise and experience of staff to plan for and provide services or programs within the Corporation's mandate. Committee and board meetings are the generally recognized avenues for board and staff to think and plan together.

The attendance of the Executive Director (CEO), or designate, at all committee meetings as a resource and staff support is essential to the effective work of the committees. Committees may advise the board or the CEO but do not exercise authority over staff, and will ordinarily have no direct dealing with staff operations. Committee members must know and respect the distinction between board and staff responsibilities.

Communications between board and staff, outside of committee meetings, shall be through the Executive Director. This includes:

- Any assignments or directives;
- Requests for organizational resources or staff time;
- Staff performance concerns or policy infractions;
- Concerns regarding any aspect of programs, services or administration.

3.5 Meetings

Committee meetings are generally less formal than board meetings but are subject to the same requirements for record keeping and may resort to more formal procedural rules if it appears necessary. They are typically held at the call of the committee chair or at times regularly scheduled by resolution of the committee or the board.

3.6 Executive Committee

PURPOSE

This committee possesses specific powers under the By-law to make decisions between board meetings if necessitated by unusual circumstances. Such decisions are (*may be*) subject to ratification by the board at its next meeting. The Executive Committee also has responsibility for the

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annual performance evaluation of the Executive Director and for making recommendations to the board with respect to his/her performance, continuing tenure and compensation.

SPECIFIC TERMS OF REFERENCE

1. Conduct such transactions and business of an emergency nature, subject to the approval of the board, as may be necessary for the effective continued operation of the Corporation between regular board meetings, reporting such matters to the full board at the next available opportunity.
2. Be informed and aware of the significant events in the general management of the Corporation, so as to be able to provide such advice and direction to the Executive Director as may be necessary in the periods between board meetings.
3. Develop and recommend an annual work plan for the board.
4. Negotiate with the CEO annual performance objectives that are SMART (*Specific, Measurable, Achievable, Relevant* to the organizational mission and *Time* limited) and recommend these for board approval.
5. Complete an annual performance appraisal of the CEO, seeking input from board members and such others as approved by the board, and report to the board and CEO, such comments and recommendations with respect to performance and compensation as deemed appropriate.
6. Make recommendations to the Governance Committee as necessary with respect to the structure and functioning of the board.
7. Lead the development of annual business plans and longer-term corporate plans.
8. Review and make recommendations to the board with respect to complaints against board members or any other extraordinary matters such as conflicts of interest or ethical conduct referred for its attention by board committees, staff, members, suppliers, funders or members of the public.
9. Identify, at least annually, the career intentions of the CEO to ensure appropriate succession and contingency planning for the position.
10. The board may from time to time assign such other duties, as it deems advisable.

COMPOSITION

The Executive Committee shall include:

- Chair: The Board Chair (President)
- Officers of the Corporation
- Chief Executive Officer as a non-voting member
- May also include the chairs of other committees not otherwise represented among the officers

3.7 Governance Committee

PURPOSE

The Governance Committee shall be responsible for recruitment, nomination and orientation of board members; evaluation of board members and the board itself; succession planning for the board and its Committees; regular review and recommendations with respect to the by-law and the governance policies; auditing compliance with the by-law and governance policies; and, such other

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duties as the board may from time to time assign by resolution.

SPECIFIC DUTIES

The Governance Committee shall:

1. Review bylaws annually to ensure that they are current and consistent with governance policies and practices.
2. Develop and recommend governance policies as necessary.
3. Review the structures and policies that govern the board and its committees to ensure their currency and effectiveness in achieving annual and long term goals of the Corporation, and make recommendations to the board regarding advised changes to these.
4. Conduct an annual compliance audit on selected governance policies to ensure that at least one-third of these are reviewed annually.
5. Consult with board members with respect to an annual work plan for the committee.
6. Supervise the conduct of an annual appraisal of the board's performance measured against the board's work plan (as developed by the Executive Committee), evaluate the performance and attendance of individual members and recommend any appropriate action to the board.
7. Annually identify intentions of current board members with respect to their continuing service on the board to ensure timely succession planning for the board and committees.
8. Identify the characteristics, qualifications and recruitment strategies required to fill immediate and prospective vacancies on the board and its committees.
9. Identify potential candidates for election to the board, in keeping with the criteria set by the board and maintain an ongoing roster of potential board and committee members.
10. Interview, check references and recommend candidates to the current board of directors or membership at its Annual General Meeting as may be required in the By-law.
11. Prior to the Annual General Meeting and in consultation with board members, prepare a slate of officers and committees for presentation, as appropriate, to the board (or membership at the Annual General Meeting) and ensure the appropriate conduct of elections or acclamations.
12. Arrange for orientation to the Corporation of new members of the board, including presentations by the Chair and the Executive Director.
13. Identify and plan for the continuing education needs of current board members.

COMPOSITION

The Governance Committee shall include not less than three of the following:

- ◆ Chair, Immediate Past President of the Board (or other director)
- ◆ Current Vice-President or Treasurer
- ◆ Two board members who are not Officers
- ◆ Executive Director, Ex Officio (non-voting)

The Executive Director, who will attend all meetings of the Committee except for portions declared

by the Chair to require in-camera deliberations, will provide staff support to this Committee.

3.8 Risk Management Committee

PURPOSE

The purpose of the Risk Management Committee is to ensure the development and implementation of a comprehensive Risk Management Program. It is responsible for reviewing financial, human resources and risk management systems to ensure their integrity and for monitoring reports and making recommendations to the board with respect to these matters. It is responsible for ensuring the development of appropriate standards, authorities and practices in these areas and for ensuring the audit of management compliance with these. (*Note: Larger, more complex organizations may choose to divide the responsibilities described here between two or three committees: a finances committee, a human resources committee, and a risk management/audit committee.*) However, regardless of structure, the committee terms of reference should remain focused on results.

SPECIFIC DUTIES

- A. Develop an annual work plan for this committee.
- B. Finance and Budget:
 1. Ensure that the board has adequate information to assess the financial performance of the Corporation and the integrity of its internal reporting and control systems.
 2. Recommend to the board realistic benchmarks for measuring the efficient use of the Corporation's financial resources.
 3. Ensure that financial administration policies, accounting systems, internal financial standards, management authorities, controls and practices are established and maintained; are adequate to ensure compliance with legal and regulatory requirements; and, that these systems are operating effectively.
 4. Review and advise the board on the annual budget, operating plan and capital expenditures proposed by management and make recommendations to the board in this regard.
 5. Periodically review financial statements (actual revenues and expenditures) against budget, assess trends and recommend to the board any adjustments deemed necessary for exceptional expenditures.
 6. Review and make recommendations to the board of directors with respect to borrowings, credit lines, investments and loans.
 7. Ensure an annual financial audit is conducted; review its results; ensure that the financial statements are fairly presented in all material respects in accordance with generally accepted accounting principles; receive and duly consider recommendations in an auditors management letter; and, make recommendations to the board with respect to its findings.
 8. Annually review the terms of reference for and performance of the external auditors and make recommendations in accordance with the By-law for appointment of the auditors who report to the members of the corporation through the board.
 9. Meet with the auditors, independent of management, at least annually.

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10. Annually review the terms and adequacy of insurance and benefits (including pensions) coverage, legal and investment services.
11. Annually review the terms of short and long-term debt (mortgages, leases, loans) to assess liabilities and potential risks.
12. Ensure appropriate guidelines for monitoring and approval of board and management expense claims and the proper audit of these.

C. Human Resources

1. Ensure the development of comprehensive Human Resources policies related to management of staff and volunteer resources. Review these with management at least once every three years to ensure they are current with the needs of the organization, relevant statutes and reporting requirements (e.g. tax withholding, employment standards, worker health and safety, human rights, etc.).
2. Ensure that management has developed performance appraisal of staff and fair grievance procedures.
3. Ensure that management has developed appropriate systems for staff succession planning and job replacement (*and rotation*).
4. Monitor overall performance of Human Resources (including staff, agents and volunteers) on factors such as worker's compensation claims; absenteeism; grievances; workplace health and safety; and, staff development, recruitment and retention.
5. Advise and support management on labour/management relationships.
6. Ensure an annual audit to assess compliance with approved Human Resource policies and legal requirements.
7. Advise the board with respect to guidelines/directives to management for staff compensation and monitor compliance with such guidelines and directives.

D. Other

The board may from time to time assign such other duties or tasks, as it deems advisable.

COMPOSITION

Chair: Treasurer

Two Board members who are not members of the Executive Committee

Executive Director (non-voting)

Director of Finance (non-voting)

Director of Human Resources (non-voting)

* At least one 'Board' member of this committee should have professional accounting or financial management training and experience.

3.9 Quality Assurance Committee

PURPOSE

The purpose of this committee is to audit and evaluate the effectiveness of the organization in meeting approved program and service objectives and to ensure that program and service delivery is generally provided in a manner consistent with recognized standards for good practice.

SPECIFIC DUTIES

1. Develop an annual work plan for this committee.
2. Review and make recommendations to the board with respect to annual objectives for current and new programs and services.
3. Establish, with management, criteria or benchmarks for monitoring progress in achieving these objectives.
4. Review the adequacy of internal procedures and controls for monitoring progress on objectives and compliance with standards.
5. Review and make recommendations on the criteria, benchmarks and evaluation strategies established for current and new programs and services and the processes for monitoring these.
6. Review the results of external compliance audits on programs and service practices (including accreditation reports where an agency seeks accreditation) and make such recommendations as deemed necessary to management and the board in this regard.
7. Review client, customer or consumer complaints to ensure that approved procedures and standards have been followed and make such recommendations to the board, with respect to these matters, as deemed necessary.
8. Perform such other duties as may be assigned by the Board.

COMPOSITION

Voting Members

- Chair: Vice-President (or other senior board member)
- Two other board members
- President (ex-officio)
- Two (or more) community representatives with related expertise

Non-voting Members

- Executive Director (ex-officio) or designate
- Representation from other management and professional staff

* At least one of the board members should have expertise in some aspect of the agency's programs, related programs or professional disciplines.

4. STYLE OF GOVERNANCE

The Board of Directors represents the "ownership" or membership of the Corporation. It is the legally constituted authority responsible directly to the funders and the community for prudent oversight of the Corporation's operations. It is responsible for the articulation (and/or safeguarding) of the organizational mission and defining the outputs and outcomes it seeks. The Board is responsible for long-term planning and direction. It defines the organizational culture, values, operating principles, and parameters within which it expects the Executive Director (CEO) to manage the Corporation's operations.

The Board will focus on strategic leadership rather than administrative detail, important policy rather than operational matters. It will establish and respect distinctions between Board and staff roles and manage any overlap between these respective roles in a spirit of collegiality and partnership that supports the authority of staff and maintains proper lines of accountability.

In this spirit the Board will:

- a) Direct, control, and inspire the agency through careful deliberation and establishment of strategic direction and general policies.
- b) Monitor and regularly discuss the Board's own processes, progress and performance.
- c) Provide its members with the knowledge necessary to fulfil their responsibilities for the good governance of the Corporation.
- d) Be accountable to the general public for competent, conscientious, and effective accomplishment of its obligations as a body.
- e) Ensure that all business of the Corporation is conducted in a transparent, legal and ethical manner.
- f) Board members will at all times conduct their business in accordance with the principles of fair play and due legal process.
- g) Enforce upon itself and its members the behaviour that is needed to govern with excellence. This will apply to matters such as attendance, policy-making principles, respect of roles, maintaining a unified front as a board, and monitoring and correcting any tendency of directors to stray from the principles of governance adopted in these policies. It will allow no officer, individual, or committee of the Board to either usurp this role or weaken this discipline.

5. BOARD RESPONSIBILITIES

Primary Board responsibilities generally fall within eight general areas: Planning; Financial Stewardship; Human Resources Stewardship; Performance Monitoring and Accountability; Risk Management; Community Representation and Advocacy; Management of Critical Transitional Phases; and, Complaints Review.

5.1 Planning

One of the most important responsibilities of a Board of Directors is to provide general guidance and direction for an organization. A comprehensive framework for planning, setting priorities, management and budgeting is essential to effective and responsible organizational stewardship. Good planning results in better communication and a better understanding of how various parts of an organization work together to produce desired results.

5.1.1 Strategic Plan

The Board of Directors, with the assistance of staff, and in consultation with key stakeholders, establishes the Corporation's overall direction through the development and approval of a Strategic Plan. This plan provides a tentative blueprint for the Corporation's general direction and activities for the next three to five years based on a scan of internal and external factors that may bear on the resources and direction of the organization. It identifies the "key areas" in which the Board wants to focus the activities of the organization and general goals for each of these areas.

5.1.2 Annual Operating Plan

The Corporation's management develops annual operating plans and budgets based on the general blueprint contained in the Strategic Plan. These become the focus of work throughout the organization over the next twelve-month period. They will contain estimates of service demand for the year as well as objectives for improvement in key areas of corporate activity. The Corporation's annual operating plan will be the basis of its yearly budget containing revenues and expenditure forecasts related to planned programs and/or volumes of service. This plan will contain more specific objectives than contained in the Strategic Plan; expected results for each objective; the time period during which those results will be sought; and, criteria for measuring the achievement of those results. The annual operating plan, together with service statistics and budget forecasts are presented to the Board for review, amendment and approval.

5.1.3 Planning Cycle

The development and approval of the Strategic Plan takes place in a three to five-year cycle with progress monitored and assessed regularly against targets set in the annual Operating Plan and Budget. Performance against interim targets is monitored each quarter of the fiscal year. The third-quarter review begins a thorough analysis of performance, and produces projections of the expected year-end results. Preliminary planning for the coming year's operating goals takes place at the end of the third quarter, and is completed late in the fourth quarter with refinements based on actual prior year results concluding in the first quarter of the next year. Service targets and forecasts of financial resources and constraints enter into the final preparation of the coming year's budget.

5.2 Financial Stewardship

The Board is responsible to review and approve the annual operating and capital budgets; secure

adequate financial resources; ensure development of financial management and inventory control systems adequate to properly record financial transactions and control of assets; monitor efficient use of resources; and, ensure the establishment of proper financial controls and policies.

5.3 Human Resources Stewardship

The Board is responsible for ensuring the establishment of personnel policies to govern the management of staff and volunteer resources; recruiting, supporting and evaluating the Executive Director (CEO); providing guidelines for staff compensation; succession planning to ensure smooth transition in both board and senior staff positions; and, monitoring compliance with legislative and regulatory requirements.

5.4 Performance Monitoring and Accountability

The Board is responsible for ensuring that adequate systems are in place for monitoring organizational performance; monitoring the general performance of the organization against legislative and regulatory requirements and approved objectives of the organization; and reporting to members, funders and other key stakeholders.

5.5 Risk Management

The Board is responsible to ensure that by-laws are current; that governance practices are consistent with the by-law; adequate insurance provisions are in place to protect the organization and board from potential liabilities; resources are sufficient to minimize risk to employees, volunteers and beneficiaries of services; compliance with statutory and regulatory requirements; that policies are respected in actual practice; and, adequate contingency plans are in place to protect against reasonably anticipated crises.

5.6 Community Representation and Advocacy

The function of public relations is to assist the Corporation in achieving its goals and objectives, through the development and execution of programs designed to develop public understanding and support. The Board is responsible to represent the organization positively to the community; to fairly represent member and community perspectives to the organization; to ensure member and community input to its planning; and, to advocate for adequate resources to fulfil the organizational mandate.

Authority to speak on behalf of the Corporation shall rest with the Chair and/or Executive Director. This authority may be delegated by either of them to others in the Corporation within their special fields of competence or knowledge.

In general, the Chair will represent the Corporation on matters of Board policy and the Executive Director (CEO) will represent the Corporation on operational issues. Either may represent the Corporation on issues related to advocacy on behalf of the mandate of the Corporation. Any major

statements of an advocacy nature must be consistent with the general parameters of Board-approved policies or positions.

This is not intended to inhibit private expression of personal or professional opinions, but care should be taken by individual directors to distinguish such opinions from positions of the Corporation. They are also expected to avoid public statements that might undercut or obscure the messages conveyed by the organization's approved spokespersons. Directors, who hold elected public office concurrent with their membership on the board of this organization, are expected to be particularly judicious about this since their public profile may deflect attention away from messages conveyed by the official spokespersons and generate confusion or controversy.

5.7 Management of Critical Transitional Phases

The Board is responsible for managing, or ensuring the proper management of, critical transitional phases and events. These include turnover in key positions in the board and senior management; rapid growth or decline in resources; and, issues of significant internal or public conflict or controversy.

5.8 Complaints Review

Board members do not generally have direct contact with clients/members. Where a client makes direct contact with a Board member for assistance in the resolution of specific service issues, the Board member should refer the client to the Executive Director (CEO). A Board member may not interfere in the handling of a specific case by approaching individual staff members. Concerns about the management of a case should be conveyed to the Executive Director (CEO). The Executive Director (CEO) may inform the concerned Board member about the action taken in the case or authorize a manager to communicate the information directly to the Board member.

Staff shall initially respond to client/member complaints about the nature or quality of services provided by the Corporation. The client/member shall be provided with an opportunity to appeal their decisions to the Executive Director (CEO). The client/member shall also be provided with an opportunity to appeal a decision of the Executive Director (CEO). The Board, in reviewing such appeals, shall establish a tribunal from among its members or an independent arbitrator to hear the client/member and review the matter. Members of the tribunal shall adhere to the Oath of Confidentiality. They may not overturn staff decisions but may make recommendations to the Executive Director (CEO) on the matter and may recommend policy amendments to the Board.

6. EXECUTIVE AUTHORITY

The Board contracts with the Executive Director (Chief Executive Officer) for the management and administration of the Corporation. The Executive Director (CEO) is responsible, within parameters established by the Board, for determining the methods or 'means' by which the Board's directions and policies will be executed and the desired outcomes achieved.

The Executive Director (CEO) is employed by the board of directors and is therefore responsible to the board as a whole rather than to individual members of the board. S/He is required to implement policies as determined by the Board, consistent with the requirements of any relevant legislation or regulations. In the exercise of these responsibilities, the Executive Director (CEO) is:

- a) Authorized to expend funds within the limits of the annual budget and operating plan approved by the board;
- b) Responsible for bringing to the attention of the board, the need for special and exceptional expenditures not included in the budget;
- c) Required to report to the board if it is not possible to operate within the limits of the budget approved by it;
- d) Expected to provide advise to the board on policy and program/service issues which affect the programs offered or services provided by the Corporation;
- e) Required to provide the Board with the information it requires to govern effectively, make informed decisions and monitor the overall performance of the Corporation in achievement of approved goals.
- f) Responsible for employing all staff members within the classifications and salary ranges approved by the board. Board members should bear in mind that the staff are responsible to the Executive Director (CEO) or to a person designated by him or her, not to the board as a whole or to any individual officer or director. In the supervision, direction and deployment of personnel, the Executive Director (CEO) is governed by the documented personnel practices and procedures approved by the board.
- g) Specific responsibilities are described in the policies related to responsibilities of the Board, the roles of Chair, of other Officers and individual members, and in the job description of the Executive Director (CEO).

6.1 Delegation to the Executive Director (Chief Executive Officer)

The Board's job is generally confined to establishing broad policies for achievement of corporate objectives. It delegates responsibility for execution of those policies to the Executive Director (CEO). All Board authority delegated to staff is delegated through the Executive Director (CEO), so that the authority and accountability of staff derives from the authority and accountability of the Executive Director (CEO).

The Board of Directors as a group, rather than individual directors, officers or committees is responsible for providing direction to the Executive Director (CEO) within the context of Board policies.

6.2 Appointment of the Executive Director (Chief Executive Officer)

Recruitment, selection and appointment of the Executive Director (CEO) are, along with performance monitoring, among the most important responsibilities of the Board. Appointment of an Executive Director (CEO) should, ideally, be made with the full confidence of the full Board or at

least by strong consensus.

In the event that the Executive Director's (CEO's) performance is deficient to the extent that there is a critical loss of confidence in the incumbent, the Board, as a whole, is responsible for ensuring, as amicably as possible, a termination of the relationship. Dismissal of the Executive Director (CEO) shall require fifty-one percent (51%) of the full Board of Directors (all director positions normally filled, regardless that some of these positions may be vacant) voting in favour of dismissal at a meeting duly called to consider such action.

6.3 Executive Director (CEO)'s Performance Evaluation

6.3.1 General

The Executive Director (Chief Executive Officer) is the sole official link between the Board of Directors and the organization that it governs. The responsibilities of the Executive Director (CEO) lie in the exercise of delegated authority and compliance within parameters established by Board policy and directives.

Consequently, the Executive Director's (CEO's) job contributions can be expressed as performance with respect to six components:

- a. Executive Director's (CEO's) Job Description
- b. Annual performance objectives negotiated with the Board through its Executive Committee.
- c. Organizational achievement of operating plan and corporate objectives.
- d. Organizational operation within the boundaries established in Board policies.
- e. Quality of relationship with senior staff.
- f. Quality of relationship with major stakeholders.

The essence of the performance evaluation shall be results-focused rather than subjective or personality oriented. The annual evaluation will provide an over-all assessment of performance relative to this policy statement and its employment contract with the Executive Director (CEO).

6.3.2 Procedure

The Executive Director (CEO) will, at the beginning of each fiscal year, draft objectives for that year and discuss these with the Executive Committee, prior to presenting them to the Board for approval.

The Executive Director (CEO) shall, at the end of the fiscal year: (i) complete a written self-evaluation of progress on meeting objectives so approved by the Board; (ii) complete a report on overall corporate performance for the preceding year; (iii) solicit feedback on his/her performance from those staff reporting directly to the Executive Director (CEO) and synthesize the highlights of this feedback in a report. These reports will be provided to the Executive Committee and the direct reporting staff.

The essential elements of this material, along with Board members' observations of the Executive Director (CEO)'s interactions with key stakeholders throughout the year shall form the basis of the evaluation.

The Chair will obtain input from the officers of the Board, committee chairs and other Board members and prepare a written evaluation of the Executive Director's (CEO's) performance. The Chair will provide a summary of the performance review to the Board at its last meeting in the fiscal year or immediately thereafter. The Board will meet in-camera without the Executive Director (CEO) for the specific purpose of reviewing the performance evaluation.

The Chair will bring the results of this performance appraisal including specific areas of outstanding performance and any deficiencies in the performance of the Executive Director (CEO) to his/her attention in writing. The Chair shall meet with the Executive Director (CEO) alone or, at the request of either, along with the Officers of the Board, Executive Committee or full Board, to discuss the evaluation. The Executive Director (CEO) shall be provided with a reasonable opportunity to redress any deficiencies in performance.

The Chair shall provide the Executive Director (CEO) with more informal feedback on his/her performance on a regular basis as issues may arise and at least once midway between formal appraisals.

6.4 *CEO Succession and Senior Management Appointments*

The CEO, in order to maintain proper lines of authority and accountability, has full authority to recruit, evaluate and dismiss all staff, including the most senior managers. However, the board has a particular interest in the appointment of a Chief Operating Officer, Assistant or Associate Executive Director given the potential for the incumbent of such a position to succeed to the more senior position. Similarly, the board may have a particular interest in the appointment of a Chief Financial Officer and/or Comptroller given the importance of the positions and the considerable interaction that may be necessary between the incumbents of these positions and the board.

The CEO will, prior to an appointment to such positions designated by the board to be of special interest, review the job criteria established for the position, the recruitment process, a synopsis candidates considered, and a resume of the candidate to be appointed. Board members may offer comments but the decision to appoint (or not) a particular candidate will be at the sole discretion of the CEO. Similarly, decisions with respect to compensation, discipline and termination of employment for incumbents in these positions shall be the sole purview of the CEO.

7. BOARD DEVELOPMENT

7.1 *Recruitment and Screening of New Board Members*

The Governance Committee will, as director vacancies occur or are anticipated, review the needs of the Board for specific expertise, resources, skills or diversity necessary to bring strength, balance, credibility, and perceived legitimacy to the Board. The Governance Committee shall identify, check references, interview and recruit suitably qualified individuals willing to consider being nominated for such positions and recommend their appointment to the Board or members of the Corporation in a manner consistent with the By-law and these policies. The Governance Committee will maintain a file of all interested candidates who have been so reviewed.

7.2 Orientation of New Members

New Board members shall receive a thorough orientation to their position within a reasonable period of becoming a member of the Board. Each new member shall also be assigned a more experienced member as a “buddy” or mentor to help integrate the new member and answer any questions he or she may have about Board procedures. Orientation includes but is not limited to:

- The history, mission and purpose of the organization
- Constitution, by-law, and governance policies
- An organizational chart
- An overview of funding sources
- An overview of key organizational and policy issues, and copies of approved policies
- Role, structure and functions of the Board, committees, and key staff
- Board member Code of Conduct, Oath of Office, Confidentiality and Conflict of Interest policies
- Procedural guidelines and rules for Board meetings
- Calendar of meetings and events
- Procedures for Board member expenses
- A tour of facilities and introduction to key staff

8. BOARD MANAGEMENT

8.1 Meetings

Meetings of the Board of Directors will, unless otherwise determined by the Board, be held once a month at the Corporation’s headquarters. Except when dealing with confidential matters ‘in-camera’, all meetings of the Board will be open to the public.

Robert's Rules of Order will be followed unless the By-law has explicitly substituted an alternative procedure. Discussion at meetings of the Board will be confined to those issues that clearly fall within the Board's authority according to its policies. Board deliberation at meetings will be timely, fair, orderly, thorough, and efficient.

8.2 Board Member Attendance

Carrying out the work of the Board of Directors effectively requires a commitment to attend all Board meetings as required. Board members who are absent, without excuse, from three consecutive meetings are automatically considered to have resigned their position. In the event such a member wishes to be reinstated, a letter of request must be sent to the Board. The Board shall then make a decision by motion regarding reinstatement as well as any terms associated with a decision to reinstate if such is the decision.

8.3 Board Work Plan/ Objectives

The Board will develop a plan and objectives for its own work in support of the Corporation's goals as articulated in the approved Corporate or Strategic Plan and the annual operating or business plan.

8.4 Board Self-Evaluation

The Board shall periodically review its own progress on work plan objectives and its effectiveness. It shall conduct a formal assessment of its own performance annually at the same time that it reviews the performance of the Executive Director and shall take any steps for improvement in its governance practices suggested by such review.

8.5 Conflict Resolution

Board members are commonly recruited to bring diverse views on issues to board debates and decision-making. Constructive disagreements between board members are encouraged in a well-functioning board. They can generally be managed by following proper rules of procedure and encouragement of good listening skills. However, in the heat of board debate, disagreements sometimes degenerate into serious conflict on issues or between personalities.

The board chair is responsible for managing such conflicts. A neutral board member or third party should be selected if the board chair is a party to the conflict. It is important to identify early on whether the conflict is based on the immediate issue at hand or has deeper roots based on differences in personal values and history, personalities, personal or political agendas, gender or culture.

8.5.1 Managing Issues-Based Conflict

The following techniques are adopted to assist in managing issue-based conflicts:

1. Acknowledge the value and importance of divergent views in informing decision-making.
2. Practice and encourage good listening skills, understanding and respect. Clarify the ground rules for effective communication: confidentiality of discussions, allowing others to have their say, listening to understand, group ownership of problems and solutions, focus on issues rather than personalities or personal attacks.
3. Assist the parties in defining the issue. State what you understand to be the substance of the

- issue and seek agreement between them on a clear definition of the issue. Name the problem!
4. Seek agreement on the objectives, outcomes or decisions sought by placing this item on the board agenda.
 5. Assist the disputants to identify and expand points of agreement.
 6. Assist them in identifying why this issue is important to them rather than encouraging more debate on who has the best solution/idea.
 7. Ask each to 'step into the other's shoes' and 'role play' the debate from the other's perspective.
 8. Paraphrase or summarize the discussions repeatedly until they've reached consensus on points of agreement and disagreement.
 9. Encourage both parties and other board members to suggest new insights or compromises. Seek agreement on a compromise.
 10. Re-state the favoured solution. Check with both parties to see if it is acceptable and will allow them to resolve the matter.
 11. Table the item to be dealt with after a 'cooling off' period either later in the meeting, at a future meeting of the board or privately with the parties outside a board meeting.

8.5.2 Managing Personality-Based Conflict

The following techniques, in addition to those suggested for managing issue-based conflicts, are adopted to assist in managing conflicts based on personality, personal or political agendas, or other more deeply rooted factors too time-consuming and disruptive to deal with during board meetings:

1. Do not waste valuable board time and energy in attempting to resolve such conflicts at the board table.
2. Meet with the parties individually outside the board meetings to express concern about the negative effect of their conflict on board deliberations, attempt to define the issues and seek a resolution of the conflict.
3. Meet with the parties together to determine whether an accord can be reached between them that will allow the board to function effectively with their continued membership. Seek to mediate their conflicts.
4. In the event that such an accord cannot be reached then suggest that either or both parties consider resigning their positions as directors of the corporation.
5. Recommend disciplinary action to the board in the event that resignations are not forthcoming.

8.6 Board Member Expenses

Board members are entitled to be reimbursed for expenses incurred during activities required to carry out their duties on behalf of the Corporation.

- a) The Board, in accordance with accepted community standards, shall annually decide the rate at which mileage expenses are reimbursed.
- b) The rate at which all other expenses are reimbursed (such as child care during meetings,

Board training, honoraria, all other transportation costs or limits for meals) shall be decided annually by Board motion.

- c) All Board member expenses must be documented on a Board Member Expense form and be authorized by the Treasurer; the Chair shall authorize the Treasurer's Expense forms and vice versa.
- d) The Treasurer is responsible to recommend, to the Board, appropriate rates of reimbursement for Board member expenses.

9. BOARD DECISION-MAKING

9.1 *Decision-Making Process*

Decisions of the Board are made as a group at Board meetings at which a quorum of the Board (51%) is present. A quorum is required for the transaction of any business of the Corporation. Decisions will ideally be made through a consensus development process leading to a formal vote to record the decision. This process is intended to encourage full discussion and development of a decision that all, or at least the largest possible majority of, board members can support, prior to a vote. Where disagreements continue to exist, dissenting members may request that their objections be recorded in the minutes. A favorable vote of a majority of the members present, regardless of abstentions, is required for approval.

Directors have the right to discuss questions before the board and make their decisions in an uninhibited atmosphere. These Governance Policies, the Code of Conduct and procedural guidelines will govern Board deliberations. Directors will welcome and respect the diverse views of their colleagues, maintain confidentiality as required and offer public support for Board decisions.

9.2 *In Camera Meetings*

The following items may be considered in-camera upon an approved motion of the Board:

- Personal matters about an identifiable individual (i.e. member, director, client or employee)
- Acquisition or sale of land or other assets
- Labour relations or employee negotiations
- Litigation or potential litigation
- Receiving advice that is subject to solicitor-client privilege
- Matters falling under the *Municipal Freedom of Information and Protection of Privacy Act*
- Matters of personal conflict between members of the Board as outlined in this governance policy
- Any other matters which, the public discussion thereof, the Board, by a two-thirds (2/3) majority vote, determines would be prejudicial to the interests of the Corporation or its members/clients.

10. DISSOLUTION OF THE CORPORATION

In the event of the dissolution or winding-up of the corporation, any remaining assets after the payment and satisfaction of the liabilities of the corporation shall be distributed to one or more charitable organizations operating in Canada.

11. SAMPLE POLICY FORMAT

NAME OF ORGANIZATION	POLICY SUBJECT:	DATE:	REVISED DATE:
		PAGE:	
Text:			

12. EXECUTIVE DIRECTOR (CEO) - JOB DESCRIPTION

12.1 *Sample Job Description – Short Version*

The Executive Director, as chief executive officer (CEO) of the Corporation, is responsible to the Board of Directors of the Corporation for the administration and enforcement of the (*name of Act and regulations*), execution of the board's policy and administrative directives, and for planning, organizing, coordinating and managing the operation of the Corporation's programs and services compatible with the pertinent legislation and within the general parameters of the approved annual operating plan and budget. The Executive Director (CEO), more specifically is responsible to:

- a) Support the Board in development of long-term strategic and annual operating plans and budgets;
- b) Support the Board in development of the competencies of Board members to fulfil their responsibilities;
- c) Provide timely advice to the Board regarding any developments that might affect the Corporation's capacity to pursue its objectives;
- d) Manage the Corporation's financial and human resources in pursuit of its objectives;
- e) Develop human resources (personnel) policies and recommend these for approval of the Board;
- f) Develop and manage staff job descriptions in a manner consistent with approved Board policies;
- g) Implement Board policies and directives within the parameters of legislative and regulatory provisions, the by-law and Board policies and directives;

- h) Manage and mitigate risks to the Corporation, its clients and board;
- i) Develop information systems and provide reports that allow the Board to assess the financial status of the Corporation, the general well-being of its workforce, progress in meeting its objectives and compliance with approved policies, statutory and regulatory requirements;
- j) Manage all employee and contractor relationships, consistent with the provisions of applicable legislation, regulations, funder requirements, standards, board policies, contracts and agreements;
- k) Manage the Corporation's revenues and expenditures within the parameters of the approved budget;
- l) Represent the Corporation positively to the community in general and key stakeholders more specifically; and,
- m) Develop and maintain effective, professional relationships with the Board, staff, contractors, funders, other key stakeholders, the media and the public at large.

12.2 Sample Job Description – Detailed Version

Position Number – 000

Date:

1. General

The Executive Director, as chief executive officer of the Corporation is responsible to the Board of Directors of the Corporation for the administration and enforcement of the (*name of Act and regulations*), execution of the board's policy and administrative directives, and for planning, organizing, coordinating and managing the operation of the Corporation's programs and services consistent with the pertinent legislation and within the general parameters of the approved annual operating plan and budget.

2. Executive Support to Board

- 2.1 Conduct the work of the Corporation within the broad parameters and policies established by the Board of Directors.
- 2.2 Provide staff and administrative support to the Board and its various committees.
- 2.3 Participate, ex officio, as a non-voting member of the Board and its various committees.
- 2.4 Provide advice and assistance to the Board and its committees and appropriately seek advice and assistance from members of the Board in facilitating achievement of the Corporation's objectives.
- 2.5 Report regularly to the Board on activities of the Corporation and any internal or external event that may have a major or unusual effect on the Corporation.
- 2.6 Provide the staff support and information necessary for the Board to effectively and efficiently conduct its business, develop long-term and annual corporate objectives and monitor progress in achieving goals.
- 2.7 Develop and present for Board approval the annual operating plan and budget, appropriate policy statements, analysis of legislative or related policy issues

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and other matters that directly affect the operation of the Corporation and its capacity to carry out its programs.

3. Planning, Organization and Policy Development

- 3.1 Develop, obtain board approval, and maintain a broad corporate planning framework as a foundation for annual planning, budgeting and program activities.
- 3.2 Develop an annual operating plan for consideration/approval of the Board.
- 3.3 Ensure the development and maintenance of information systems that will permit a continuing assessment of the implementation and impact of the Corporation's plans.
- 3.4 Ensure the development and maintenance (within the limits of available resources) mechanisms for monitoring and evaluating the impact and effectiveness of the Corporation's plans and programs and the quality of its programs and/or services.
- 3.5 Plan and prepare, for the consideration of the Board, programs to support the Corporation's objectives.

4. Program Management

- 4.1 Manage the design and implementation of the Corporation's programs and services efficiently and effectively within the approved operating plan and budget, subject to variance in demand and exceptional circumstances.
- 4.2 Ensure, within the limits of available resources, an optimal range, level of standards and quality in the Corporation's programs and services.
- 4.3 Provide leadership and direction to the Corporation's programs and staff.
- 4.4 Delegate appropriate functions to other staff members as may from time to time be considered appropriate.
- 4.5 Provide periodic reports as required to funders.

5. Human Resources Management

- 5.1 Recruit, retain, motivate, evaluate performance, counsel, discipline and dismiss personnel directly responsible to the Executive Director and, upon the recommendation of subordinate staff, dismiss other personnel and volunteers in the employ of the Corporation.
- 5.2 Manage the negotiation of employee contracts, administer the Corporation's personnel practices, and provide advice to the Board in regard to employee relations and contract negotiations.
- 5.3 Ensure that the Corporation's programs are staffed with competent personnel and volunteers within the approved budget.
- 5.4 Ensure the establishment and maintenance of sound personnel and compensation practices and philosophy, proper job descriptions, and a regular system of performance appraisals.
- 5.5 Ensure the development and maintenance of adequate personnel information and control systems.

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5.6 Ensure the development and maintenance of programs for orientation of new staff and volunteers and an ongoing program of staff development.

5.7 Establish and maintain a working climate conducive to the development of staff members and volunteers and the attainment of the objectives of the Corporation.

6. Financial Administration and Budgeting

6.1 Prepare the annual budget for consideration by the Corporation's Board.

6.2 Manage the operation of the Corporation's programs within the approved budget, subject to variance in demand and exceptional circumstances.

6.3 Provide periodic expenditure forecasts and financial reports to the Board.

6.4 Ensure the development of systems for monitoring and controlling expenditures within approved budget levels.

6.5 Secure, with the assistance of the Board, the resources necessary to implement and maintain the Corporation's programs.

6.6 Provide periodic reports as required to funding authorities.

6.7 Ensure the development and maintenance of "risk management" policies and procedures that will minimize financial, public relations and other liabilities for the Corporation, its Board, staff, volunteers, agents and clients.

7. Corporate and Community Relationships

7.1 Build and maintain confidence in the character and integrity of the Corporation, with its clients, staff members, volunteers, collateral agencies, the public and respective levels of government.

7.2 Deal with client complaints in a manner that generally maintains positive agency/client relationships within the context of a professional service.

7.3 Alert the Board to incidents, occurrences, or activities that may place clients, staff, volunteers or the Corporation at unusual risk, censure, criticism or public disapprobation.

7.4 Subject to the Corporation's policies on communications, routinely act as the Corporation's primary spokesperson with the media and the public.

8. Authority of Position

Subject to the approved operating plan, budget and policy directives of the Corporation, the Executive Director has the necessary authority to carry out the responsibilities outlined for the position and to respond to legitimate emergencies as required. Authority is specifically withheld in regard to the following:

“Authorization of expenditures beyond the approved budget with the exception of variance for excessive demand and other exceptional circumstances such as emergency or crisis situations which require an immediate statutorily mandated response.”

9. Delegation of Responsibilities

The Executive Director will discharge assigned responsibilities through such senior staff, department directors, supervisors, employees, volunteers and other positions as he/she may from time to time determine. The incumbent may delegate and assign part of the executive, managerial, functional and operating responsibilities and corresponding authority, but remains responsible for overall results.

10. Measure of Accountability

The performance of the Executive Director will be measured on an annual basis in relationship to performance of job functions and achievement of objectives. The quality of implementation of the Corporation's operating plan and budget, the handling of exceptional events, and the quality of services as reflected in the findings of accreditation and/or operational reviews will also be taken into consideration in assessing the performance of the Executive Director.

Appendix A – Other Committees

Many boards appoint committees other than those described as core committees for Results-driven boards. Regardless of the board type, maintaining a focus on results can enhance the work of such committees. These may be regular or ad hoc committees. The board should have at least one of its members on the committee although that need not be the committee chair. In some instances less formal ad hoc task forces or working groups may be more appropriate than creating a formal committee. These are offered as just some examples of other committees:

1. *Advocacy (Education or Policy Advocacy)*

Some organizations (particularly those with a strong focus on developing and advocating public policies of benefit to their members or the general public) may create advocacy committees. These may be called 'policy advocacy' committees, or education committees in circumstances where term advocacy may carry a negative connotation with funders or regulators. The specific purposes of such a committee may vary from what is presented here, according to the specific mandate of the organization.

PURPOSE

The purpose of the advocacy committee is to assist the board in identifying current and emerging

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issues of importance to the members of the organization (or consumers of its services), develop, for consideration of the board (and/or the organization's members), policy positions that reflect or promote the interests of the organization's constituents, advise on strategies to advance those interests, and participate in implementation of those strategies.

SPECIFIC DUTIES

Within the general mandate and purposes of the organization:

1. Maintain ongoing surveillance of current and emerging public policy issues of importance to the organization, its members, the general public, consumers of its services, or other key stakeholders.
2. Identify those issues that present the most immediate threats or opportunities in this regard.
3. Recommend to the board the priority that should be accorded to each of these and recommend actions to be taken including allocation of resources essential to the achievement of related tasks.
4. Develop a work plan to address those issues established by the board as requiring most immediate attention.
5. Establish working groups or ad hoc task forces, as necessary, to assist in researching issues and developing policy documents.
6. Develop, or oversee the development of, discussion papers or policy documents concerned with any of these issues.
7. Recommend public policy positions to the board along with strategies for education or policy advocacy.
8. Participate in the implementation of the strategies.
9. Evaluate the results of such efforts.
10. Report to the board annually, or more often as necessary, on its activities and the outcomes of its efforts.

COMPOSITION

Chair: Member of the board with experience in policy development and education/advocacy

Members: May include other directors, staff and others with specialized expertise.

President, ex officio

Executive Director, ex officio (non-voting)

TERM OF OFFICE

Established to coincide with the needs of the committee and commitment and expertise of its members.

2. Professional (Scientific or Medical) Advisory

PURPOSE

The sole purpose of this committee is to advise the Board of the name of organization on medical and/or scientific and/or professional matters pertaining to the mandate of the organization.

SPECIFIC DUTIES

1. Provide advice to the board concerning all the aspects of the committee mandate.
2. Advise the board on questions related to research, standards, best practices and emerging issues within the areas of the individual and collective expertise of committee members.
3. Liaise, on behalf of the name of organization, with related professional bodies and private agencies in addressing issues of importance to the established mandate of the organization and this committee.

COMPOSITION

Chair: Appointed by the board in consultation with the relevant medical, scientific and/or professional communities.

Members: Additional members from the relevant community of interest and at least one board member, if the appointed committee chair is not a board member.

SELECTION CRITERIA

Representation on the committee should be reasonably representative of the community or communities of interest (skill and expertise) including gender, geography, racial, cultural, linguistic, ethnic, disability and any other relevant diversity factors.

TERM OF OFFICE

Members of this committee shall be appointed for one, two and three-year terms and may serve a maximum of two consecutive terms. The first rotation may be established by drawing straws, past length of service, or personal preference of current members. Vacancies in committee membership occurring thereafter shall be filled by board appointment of a person, after consultation with the committee chair (or committee if it is the chair that has become vacant) to the un-expired term of the vacant position.

3. *Fundraising (Fund or Resource Development)*

A board that needs to regularly supplement operating revenues or occasionally to raise funds for specific capital (equipment, building or other facilities) requirements may use a fundraising committee rather than establishing an arms-length foundation. A separate foundation may be advised if there is a continuing need for a substantial amount of revenue from community and corporate sources.

PURPOSE

This committee is responsible for ensuring that fund-raising activities generate or supplement the resources necessary to successfully operate the organization (procure equipment or build facilities) and deliver programs to clients within the parameters of the organization's mandate.

SPECIFIC DUTIES

1. Collaborate (with staff, if any) in the establishment of objectives; and development, implementation, and evaluation of all fund raising activities to ensure generation of sufficient funds to meet operational goals and/or capital requirements.
2. Develop (in consultation with the CEO and/or chief fundraising officer, if any) fund raising strategies to meet the program needs of the organization.
3. Ensure fund raising programs promote public awareness of issues related to the organization's mandate, increase organizational visibility and present an organizational profile that is consistent with its goals, objectives, and policies.
4. Recommend, for board approval, ethical guidelines for fund raising operations, activities and accounting and monitor compliance with these.
5. Review, develop, and interpret fund raising policies of the organization and make recommendations to the board with respect to such policies.
6. Plan fund raising strategies and plans consistent with sound fund raising practices and respectful of the organization's mandate and stakeholders.
7. Review fund raising strategies to ensure that the donor base is expanded appropriately to ensure long-term financial stability.
8. Actively recruit other individuals to fulfil volunteer fund raising roles.
9. Evaluate the outcomes of fund raising activities, the effectiveness of resource development strategies and the efficiency of operations.
10. Ensure accuracy of fund raising records and review these on a regular basis against projections; make adjustments as necessary, within the approved budget, and report these to the board.
11. Ensure coordination of fund raising programs with affiliated organizations or partners.
12. Report annually and make recommendations to the board in regard to any of these matters.

Note: Committee members are expected to actively participate in one or more fund raising campaigns and/or make personal charitable contributions within their means.

COMPOSITION

Chair: Board or community member with experience, commitment and prestige

Members: At least one member of the board if the committee chair is not otherwise a director, and at least ten other persons with skills or interest in fund raising

President, ex officio

Executive Director, ex officio (non-voting)

Director of Fund Raising, ex officio (non-voting)

SELECTION CRITERIA

Individuals with high credibility; good ‘social capital’ that they are willing to expend on behalf of the organization; strong community networks that have access to personal wealth, corporate philanthropy and marketing resources; and, that can solicit funds, organize fundraising programs and events and recruit volunteers to support such programs and events. Representation from as broad as possible a cross-section of community leaders and power brokers is desirable on the committee (foundation board) and working groups, while maintaining a pragmatic balance between ‘doers’, ‘donors’ and ‘getters’.

TERM OF OFFICE

Whatever it takes to attract and retain the most productive committee members and gracefully retire those who don’t pull their weight. A fixed term for the chair may assist in attracting non-board members to this position. The term of office of a chair, who is also a member of the board, will be influenced, though not necessarily limited, by that person’s term on the board.

4. *Allocations (Grants)*

PURPOSE

The Allocations (Grants) Committee is responsible to support the purposes, goals and objectives, approved by the board of the name of organization, for which it raises funds; and, has board-delegated responsibility for the grant-making function.

SPECIFIC DUTIES

- Develop and recommend for board approval:
 - Purposes, objectives (outputs and outcomes) to be achieved through its solicitation and allocation of funds;
 - Eligibility criteria for grants and allocations;
 - Fair policies and efficient procedures for grant applications and the allocation of funds;
 - Processes and criteria for evaluating the effectiveness of individual grants;
 - Processes and criteria for evaluating the overall effectiveness of the grants program;
 - Authority levels for approval of grants of varying amounts;
 - Review and update these regularly.
- Develop, and recommend for board approval, an annual operating and allocations budget and committee work plan;
- Receive and review grant applications, evaluate these against approved objectives and criteria;
- Recommend for board approval those applications which, on merit, best meet the eligibility criteria and are most likely to achieve the desired objectives.
- Ensure the establishment of systems, records and information on revenues, funds,

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disbursements and benchmarks sufficient to evaluate the effectiveness and efficiency of grants making programs;

- Evaluate (commission or receive reports on the evaluation of) individual grants and the overall effectiveness and efficiency of the grants program; and,
- Report annually to the board on these and any other matters of direct relevance to the mandate of the committee and make any recommendations deemed advisable.

COMPOSITION

Chair: Board member with community prestige and a clear understanding of and commitment to the objectives of the organization.

Members: At least one other member of the board such that board members comprise at least a third of the committee membership and three or more other members of the community.

Board President, ex officio

CEO, ex officio (non-voting)

Director of Fund Raising, ex officio (non-voting)

SELECTION CRITERIA

All members of the committee should have a commitment to the objectives of the grants program as well as respect within and good knowledge about the capacities and needs of the communities of interest toward which the organization's grants are directed.

TERM OF OFFICE

Members of this committee shall be appointed for one, two and three-year terms and may serve a maximum of two consecutive terms. The first rotation may be established by drawing straws, past length of service, or personal preference of current members. Vacancies in committee membership occurring thereafter shall be filled by board appointment of a person, after consultation with the committee chair (or committee if it is the chair that has become vacant) to the un-expired term of the vacant position.

MEETINGS and VOTING

Grant application deadlines are date and date. Meetings normally occur during these two time periods and are called by the Chair as necessary.

- A simple majority will constitute a quorum.
- Motions arising at any committee meeting shall be decided by consensus if possible; otherwise by a majority vote. In the case of an equality of votes the Chair, in addition to an original vote, shall have a second and casting vote.
- The authority for final approval of all allocations shall rest with the board of name organization.