



# **AIDS Committee of Ottawa**

## **Board Governance Policy**

Approved by the Board of Directors of the ACO on 09/02/2011



1	The Board of Directors .....	4
2	Board Structure .....	5
2.1	Composition .....	5
2.2	Governance Model .....	5
2.3	Reporting Structure .....	5
2.4	Committees .....	6
3	Board Responsibilities .....	7
3.1	Accountability & Authority .....	7
3.2	Due Diligence .....	7
3.3	Confidentiality .....	8
3.4	Code of Conduct .....	8
3.5	Conflict of Interest .....	9
3.5.1	Definition of Conflict of Interest .....	10
3.5.2	Dealing with Conflict of Interest .....	10
3.5.3	Examples of Conflict of Interest .....	10
3.6	Disposition of Complaints and Disputes involving Directors .....	11
4	Role of Executive Officers and Directors .....	11
4.1	Chair .....	12
4.2	Vice Chair .....	13
4.3	Secretary .....	14
4.4	Treasurer .....	14
4.5	Director .....	15
5	Role of Committees .....	16
5.1	Function .....	16
5.2	Relationship to Staff .....	17
5.3	Executive Committee .....	17
5.4	Nominating Committee .....	18
5.5	Finance Committee .....	18
5.6	Policy Committee .....	18
6	Executive Authority .....	19
6.1	Delegation to the Executive Director .....	20
6.2	Appointment of the Executive Director .....	20
6.3	Executive Director's Performance Evaluation .....	20
6.3.1	General .....	20
6.3.2	Procedure .....	21
7	Board Development .....	22
7.1	Recruitment and Screening of New Board Members .....	22
7.2	Orientation of New Members .....	22
8	Board Management .....	23
8.1	Meetings .....	23
8.2	Board Member Attendance .....	23



8.3	Board Work Plan/Objectives .....	23
8.4	Board Self-Evaluation.....	23
8.5	Board Member Expenses .....	24
9	Board Decision-Making.....	24
9.1	Decision-Making Process .....	24
9.2	In Camera Meetings.....	25
10	Dissolution of the ACO .....	25



## 1 The Board of Directors

The Board of Directors is a governing body. As a governing body, the Board:

- Sets goals;
- Develops, reviews and authorizes policies, purpose and mission statement;
- Formulates positions on social issues affecting the organization and its clients;
- Designates signing officers to authorize financial expenditures;
- Advances the organization's public image – including participation as volunteers in fundraising events, community awareness, representation to funders, advocacy;
- Assures sound financial management; and
- Plans for the future.

The principle duties of the Board of Directors are to:

- Counsel and advise the Executive Director, giving the benefit of the Board's judgment, expertise and familiarity with the local setting;
- Consult with the Executive Director on all matters relevant to the Board's responsibilities;
- Delegate responsibility for all executive functions of the administrative staff;
- Share all communications with the Executive Director;
- Provide support to the Executive Director and staff in carrying out their professional duties;
- Support the Executive Director in all decisions and actions consistent with policies of the Board and the standards of the organizations;
- Hold the Executive Director accountable for the supervision of the organization;
- Through the Executive Committee, evaluate the work of the Executive Director; and
- Adhere to the organization's policies, by-laws and rules, including those on boundaries and confidentiality.

The Board of Directors does not:

- Handle administrative details of an operational nature;
- Intervene in staff, volunteer or client conflicts outside of those areas tightly defined within the Complaints Policy;
- Participate in staffing actions outside of the recruitment of the Executive Director;
- Make decisions regarding most personnel management, including hiring, promotions, disciplinary measures, etc.;
- Determine individual expenditures within approved budgets; and
- Represent the organization unless given express permission to do so by the Executive Director or the Board.



## **2 Board Structure**

### ***2.1 Composition***

The Board of Directors is comprised of officers and directors approved for a term of two (2) years at each Annual General Meeting of the organization. Terms of office will generally be staggered in order to maintain Board consistency.

The by-laws of the organization prescribe the frequency of meetings at no less than six (6) during the fiscal year. By practice (and unless unavoidable due to other commitments) the Board of Directors meets monthly or bi-monthly.

Further details are found in the ACO's *By-laws*.

### ***2.2 Governance Model***

The Board of Directors will operate as a Policy Governance Board. Further information on this model can be found in Appendix "A" to this Policy.

### ***2.3 Reporting Structure***

Directors will refer all matters involving questions of policy or major issues to the Chair. All matters relating to materials for distribution to Directors or to the membership, and all communications to/from the Board of Directors, are routed to the Secretary and/or Administrator. All matters relating to staff services, matters of day-to-day information, and program administration are to be routed to the Executive Director.

Specific jobs may be assigned to individual Directors by a decision of the Executive Committee, or at the request of the Chair or Vice-Chair. Jobs that may be assigned to a Director are:

To chair a committee, task force or project. This will involve administering the committee or task force, communicating with the Chair, Vice-Chair or Executive Director on work progress, and sharing in the actual work of the committee or task force. It may also include recruiting the committee's membership;



- To engage in research and development work on given issues, including:
  - a. Study topics
  - b. Policy matters
  - c. Organization goals
  - d. Relations with the Organization
  - e. External relations
  - f. Grants and funding
  - g. Any other concerns that may arise from time to time
- To prepare reports relating to the above or to other matters; and
- To work on the planning, organization and preparation of the Annual General meeting, or any other Board related training, professional or social activities

In all cases, the Director will report to the Chair or Vice-Chair as determined at the time a job is assigned.

## **2.4 Committees**

There will be 4 standing committees (Executive, Nominations, Finance, Policy) and any number of ad-hoc committees as deemed necessary by the Board of Directors. A member of the Board shall chair all committees. The composition of the committees shall be representative of the Board and, where possible and appropriate, of staff and members of the community at large. This is an effective way to add expertise, involve more of the community in the work of the ACO and bring to the ACO a reflection of public opinion. It shall also serve as a means of recruiting, orienting and screening prospective candidates for the Board. The Chair of the Board and Executive Director are ex-officio members of all committees.

Committees may, on occasion, develop sub-committees, to implement special projects. If this occurs there will be at least one member who sits on both the committee and the sub-committee.



### **3 Board Responsibilities**

#### ***3.1 Accountability & Authority***

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

Individual members become directors under the authority of the by-laws and are responsible to the members of the ACO who confirm their directorship. However, they have no authority to act or give direction individually other than in such manner as is approved in these policies or by resolution of the Board. The Board may delegate authority to an individual Director or officer or employee or member of a committee; however the Board retains ultimate responsibility and accountability.

The Board will be accountable to the ACO's members, funders and other key stakeholders through annual and periodic reports on the activities and finances of the ACO, annual audited financial statements, providing access to 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.

#### ***3.2 Due Diligence***

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 exercise of the major duties of the Board outlined above, members are responsible to exercise due diligence in the performance of their duties. They are responsible to:

- Be informed of the articles of interest to the ACO and legislation under which the ACO exists, its by-laws, mission, values, code of conduct, and policies as they pertain to the duties of a Board member;
- Keep generally informed about the activities of the ACO and the community, and general trends in the community in which it 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;



- Exercise the same degree of care, diligence and skill that a reasonably prudent person would show in comparable circumstances;
- Offer their 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;
- 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;
- Ask the directors to review a decision, if he/she has reasonable grounds to believe that the Board has acted without full information or in a manner inconsistent with its fiduciary obligations, and, if still not satisfied after such review, ask that the matter be placed before the membership;
- Work with the staff of the ACO 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 these governance policies; and
- Exercise vigilance for and declare any apparent or real personal conflict of interest in accordance with the ACO's by-laws and policies.

### ***3.3 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 any client names and/or circumstances that might identify clients. Similarly, all matters dealt with by the Board during *in-camera* meetings and matters related to personnel and/or human resources 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.

All members of the Board of Directors are required to sign and adhere to the Organization's *Confidentiality and Code of Conduct Agreement*.

### ***3.4 Code of Conduct***

Board members are expected to comply with the following *Board Code of Conduct*.





## Board 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 ACO
- Serves the overall best interests of the ACO rather than any particular constituency
- Brings credibility and good will to the ACO
- Respects principles of fair play and due process
- Demonstrates respect for individuals in all manifestations of their 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 ACO
- Demonstrates good faith, prudent judgment, honesty, transparency and openness in their activities on behalf of the ACO
- 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-laws and policies approved by the Board, in particular this *Board Code of Conduct* and the ACO's *Confidentiality and Code of Conduct Agreement*
- Publicly demonstrates acceptance, respect and support for decisions legitimately taken in transaction of the ACO's business

### 3.5 *Conflict of Interest*

Members of the Board of Directors shall act at all times in the best interests of the ACO rather than particular interests or constituencies. This means setting aside personal self-interest and performing their duties in transaction of the affairs of the ACO 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. However, due to the close relationship that often exists between directors and the organization, it will generally not be considered a conflict of interest where a director qualifies for and accesses standard services offered by the organization.

### **3.5.1 Definition of Conflict of Interest**

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.

### **3.5.2 Dealing with Conflict of Interest**

The Board member must openly disclose a potential, real or perceived conflict of interest to the Chair or Executive Committee as soon as the issue arises. 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. 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.

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. 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. 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.

### **3.5.3 Examples of Conflict of Interest**

- Benefit to a director or his/her family, business associate or friend. This includes, but is not limited to, accepting any payment for services rendered to the ACO, including contracted work or honoraria; accessing financial or other resources for personal use (i.e. transportation, training costs, supplies, equipment, etc.).



- Personal interests which conflict with the interests of clients or are otherwise adverse to the interests of the ACO.
- Seeking, accepting or receiving any personal benefit from a supplier, vendor, or any individual or organization doing or seeking business with the ACO.
- Being a member of the Board or staff of another organization which might have material interests that conflict with the interests of the ACO or its clients; and, dealing with matters on one Board which might materially affect the other Board.
- Any involvement in the hiring, supervision, grievance, evaluation, promotion, remuneration or firing of a family member, business associate or friend of the director.

### ***3.6 Disposition of Complaints and Disputes involving Directors***

- Complaints involving Directors must be treated very seriously. The ACO Complaints Policy outlines appropriate mechanisms for dealing with disputes involving Directors of the organization.

## **4 Role of Executive Officers and Directors**

Individual Directors and Officers are expected to be loyal to the Organization, represent the confidentiality of matters so designated, to bring clear foresight to goal setting and a balanced perspective to decision making, and to be committed to accomplish specific assignments. Individual Executive Officers and Directors have the following obligations:

- To attend to the procedures and concerns of the Board of Directors;
- To be responsive to the needs of the Organization;
- To be diligent in duties assigned to them by the Executive committee;
- To be prepared to spend a minimum of the six (6) working hours per month on Organization business;
- To maintain an open mind and a willingness to work with other Directors, and to share personal expertise;
- To be a participant on one (1) Organization committee; and
- To bring energy, enthusiasm, flexibility and leadership to the role.

The following job descriptions are provided for the benefit of each Board member. Where it is not possible for a current incumbent to fulfill or undertake total responsibility, it is his/her responsibility to seek assistance from other Board members. Each position is



one part of a team, and it is the team that must collectively achieve all goals and objectives of the Board.

#### 4.1 Chair

Title	Chair, Board of Directors
Reports to	Board of Directors and General Membership
Term	One (1) term of two years with possibility of re-election for one more term by election at the Annual General Meeting
Works with	Board of Directors Executive Committee Executive Director
General Description	The Chair is the Chief Executive Officer of ACO. He/She plans and coordinates all policy aspects of ACO; provides leadership to the volunteer Board of Directors to ensure it meets all its legal and ethical requirements; serves as the chief spokesperson and official representative in all ACO matters; promotes all ACO activities aimed at achieving its goals.
Duties and Responsibilities	<ul style="list-style-type: none"> <li>• Provides leadership in determining or reviewing mandate of ACO and annual goal setting, and in ensuring that ACO functions are carried out legally and ethically, according to its constitution and by-laws</li> <li>• Directs the Board in the fulfillment of its roles through the Executive and the Board</li> <li>• Supervises the Executive Director, assuring that all internal matters are conducted effectively</li> <li>• Assists with recruitment of, and promotes development of, key volunteers to assume future leadership roles in ACO</li> <li>• Oversees annual reporting process and Annual General Meeting procedure</li> <li>• Attends to the business of ACO as it relates to nation (Canadian AIDS Society) and provincial AIDS service organizations</li> <li>• Interagency delegate</li> <li>• Evaluates the performance of Board members</li> </ul>
Qualifications	<ul style="list-style-type: none"> <li>• Considerable knowledge and expertise in HIV/AIDS issues</li> <li>• Proven commitment to the AIDS Committee of Ottawa</li> <li>• Strong interpersonal skills and leadership abilities</li> <li>• Demonstrated ability to communicate with diverse audiences</li> <li>• Established skills in writing and public speaking</li> <li>• Experience in personnel and project management</li> </ul>



Time Requirement	<ul style="list-style-type: none"> <li>• Five (5) hours per week, related to Board and Executive meetings, on-going ACO duties, public representation, and supervision of Executive Director</li> <li>• Three (3) hour monthly Board Meeting</li> </ul>
------------------	---

#### 4.2 Vice Chair

Title	Vice-Chair, Board of Directors
Reports to	Chair of Board of Directors
Term	One (1) term of two years with possibility of re-election for one more term by election at the Annual General Meeting
Works with	Chair Executive Committee Committee Chairs
General Description	The Vice-Chair assists the Chair in the efficient administration of the ACO and the Board of Directors. He/She attends to the business of ACO as it relates to local AIDS service organizations; represents ACO as designated by the Chair
Duties and Responsibilities	<ul style="list-style-type: none"> <li>• Assists the Board of Directors in fulfilling its role by ensuring that the organizational structure of the committees adequately reflects the mandate of ACO</li> <li>• Works with committee chairs to recruit appropriate committee membership</li> <li>• Liaises with Executive Committee and committee chairs on all referred projects</li> <li>• Chairs the Nominations Committee; recruits and recommends new Board members</li> <li>• Assists in developing selected Board members to assume future leadership roles in ACO</li> <li>• Serves as the ACO Board representative in local AIDS Service Organizations matters</li> </ul>
Qualifications	<ul style="list-style-type: none"> <li>• Considerable knowledge and expertise in HIV/AIDS issues</li> <li>• Proven commitment to the AIDS Committee of Ottawa</li> <li>• Strong communication skills</li> <li>• Effective organizational skills</li> <li>• Good understanding of group dynamics</li> <li>• Experience in personnel and project management</li> </ul>
Time Requirement	<ul style="list-style-type: none"> <li>• Five (5) hours per week on Committee and other related work</li> <li>• Three (3) hours monthly Board Meeting</li> </ul>



### 4.3 Secretary

Title	Secretary, Board of Directors
Reports to	<ul style="list-style-type: none"> <li>• Chair</li> <li>• Board of Directors</li> </ul>
Term	One (1) term of two years with possibility of re-election for one more term by election at the Annual General Meeting
Works with	<ul style="list-style-type: none"> <li>• Chair</li> <li>• Executive Committee</li> <li>• Board of Directors</li> </ul>
General Description	The Secretary is the Chief Record Keeper of the AIDS Committee of Ottawa, and a member of the Executive Committee; performs general administrative tasks for the Board of Directors; provides recording and reporting services to the Board.
Duties and Responsibilities	<ul style="list-style-type: none"> <li>• Provides accurate reports for the Board of Directors</li> <li>• Assists Chair with agenda preparation, prepares and circulates Board packages in advance of monthly meetings</li> <li>• Takes minutes</li> <li>• Attends Executive meetings, records proceedings</li> <li>• Maintains records of all documents pertaining to ACO's status</li> <li>• Maintains and updates Directors' list</li> <li>• Prepares information packages for Annual General Meeting, including agenda, voting procedures, minutes, resolutions and reports in conjunction with appropriate ACO staff (i.e.: Administrator)</li> </ul>
Qualifications	<ul style="list-style-type: none"> <li>• Strong organizational skills</li> <li>• Ability to work with a diverse group of people</li> <li>• Commitment to the mandate of the AIDS Committee of Ottawa</li> </ul>
Time Requirement	<ul style="list-style-type: none"> <li>• Four (3) hours per week on Committee and other related work</li> <li>• Three (3) hours monthly Board Meeting</li> </ul>

### 4.4 Treasurer

Title	Treasurer
Reports to	<ul style="list-style-type: none"> <li>• Board of Directors</li> <li>• General Membership</li> </ul>
Term	One (1) term of two years with possibility of re-election for one more year by election at the Annual General Meeting



Works with	<ul style="list-style-type: none"> <li>• Chair</li> <li>• Executive Committee</li> <li>• Executive Director</li> </ul>
General Description	The Treasurer is the Chief Financial Officer of the AIDS Committee of Ottawa; monitors the financial well being of ACO through development of operating budgets and review of accounting records.
Duties and Responsibilities	<ul style="list-style-type: none"> <li>• Ensures financial accountability of ACO by assuring proper accounting procedures are followed</li> <li>• Oversees on-going process of budget development, approval and review</li> <li>• Prepares final annual budget with Executive Director</li> <li>• Reviews financial statements and reports on financial position for monthly Board meetings and Annual General Meeting</li> <li>• Works with Executive Director to ensure adequate funds are available to support ACO programs and services</li> <li>• Oversees annual audit process; recommends contract firm</li> </ul>
Qualifications	<ul style="list-style-type: none"> <li>• Chartered Accountant or Certified General Accountant or possesses relevant related skills</li> <li>• Demonstrated ability to work with non-profit budget process</li> <li>• Experience in financial project management</li> <li>• Ability to work with a variety of people with a range of financial skills</li> <li>• Strong commitment to the AIDS Committee of Ottawa</li> </ul>
Time Requirement	<ul style="list-style-type: none"> <li>• Three (3) hours per week Committee and related work</li> <li>• Three (3) hours monthly Board Meeting</li> </ul>

#### **4.5 Director**

Title	Member, Board of Directors
Reports to	<ul style="list-style-type: none"> <li>• Vice Chair</li> <li>• Board of Directors</li> </ul>
Term	Two (2) years with the possibility of extending the directorship for two additional terms.
Works with	<ul style="list-style-type: none"> <li>• Committee Chair and members</li> <li>• Board of Directors</li> </ul>
General Description	Directors set goals; develop, review and authorize policies; formulate positions on social issues affecting ACO and its community; authorize financial expenditures and fundraising ventures.
Duties and	<ul style="list-style-type: none"> <li>• Directors chair or participate in a committee or project</li> </ul>



Responsibilities	<ul style="list-style-type: none"> <li>• Engage in research and development work on AIDS-related issues</li> <li>• Participate in strategic planning</li> <li>• Prepare reports and recommendations to the Board</li> <li>• Work on the planning and organization of ACO Board activities including nominations to the Board and the Annual General Meeting</li> </ul>
Qualifications	<ul style="list-style-type: none"> <li>• Energetic, enthusiastic and flexible</li> <li>• Strong commitment to the ACO</li> <li>• Have experience in committee work, critical thinking, decision-making, group process, leadership and HIV/AIDS issues</li> </ul>
Time Requirement	<ul style="list-style-type: none"> <li>• Three (3) hours per week Committee and related work</li> <li>• Three (3) hours monthly Board Meeting</li> </ul>

## 5 Role 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 (for standing committees) annually for one-year terms. Committees use valuable Board and staff resources so should be confined to the minimum number essential to ensure efficient and effective governance. This advice pertains to establishment of both standing and ad hoc committees.

### 5.1 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 ACO'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 isolate the key issues requiring Board consideration, 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.





A Committee may meet and adjourn, as they deem appropriate, usually once monthly for one to two hours. Committees are required to keep minutes, which they will distribute, to committee members. The Chair of the Committee will, at each Board meeting, present a written and verbal summary of the events of their committee and the progress of any initiatives that are being pursued.

Each standing committee should have a mission statement and terms of reference that compliment those of the ACO.

Each committee (standing or ad-hoc) should have a clear concept of the role they play within the department, Board, and organization. These may include policy development and action initiatives. They should also have a way of working that is appropriate for that committee.

## ***5.2 Relationship to Staff***

Board and staff work co-operatively to carry out the objectives of the ACO. The Board relies upon the ability, training, expertise and experience of staff to plan for and provide services within the ACO'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, or designate, may be required at some committee meetings as a resource, and staff support is essential to the effective work of the committees. Committees may advise the Board or the Executive Director 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; and
- Concerns regarding any aspect of programs or administration.

## ***5.3 Executive Committee***

The Board Chair chairs the Executive Committee, which is comprised of the officers of the ACO including the Executive Director as a non-voting member. This committee possesses specific powers under the by-laws to make decisions between Board meetings if necessitated by unusual circumstances. Such decisions are subject to ratification by the Board at its next meeting. The Executive Committee also has responsibility for the annual



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

The Executive Committee also subsumes Human Resource responsibilities. In this capacity, the Committee is responsible for overseeing the establishment of general policies for the management of the ACO's staff and volunteer resources and monitoring compliance with those policies.

#### ***5.4 Nominating Committee***

The current Vice Chair of the Board chairs the Nominating Committee. The Board annually names other members to the committee. These may include representatives from the general membership of the ACO. The committee is responsible for:

- Developing and recommending to the Board the skills, experience and diversity criteria for directors necessary to ensure balanced community representation and effective governance;
- Identifying, interviewing and checking references on prospective candidates for vacant positions on the Board of Directors;
- Recommending, to the Board or membership, candidates suitable, according to the approved criteria, to fill director vacancies;
- Ensuring that Board members receive proper orientation to their responsibilities; and
- Monitoring Board member attendance.

#### ***5.5 Finance Committee***

The Board Treasurer chairs the Finance Committee, which shall include the Executive Director, ex officio, non-voting. The Board appoints at least two other directors to the committee annually. The Finance Committee is responsible for generally overseeing and ensuring the development and approval of the annual budget including:

- Reviewing revenue forecasts and expenditure plans presented by management;
- Making recommendations to the Board for approval of an annual budget;
- Monitoring actual revenues and expenditures against the budget forecast and recommending to the Board any adjustments that it deems necessary; and
- Reviewing the annual audited financial statements with the auditor.

#### ***5.6 Policy Committee***



The Chair of the Policy Committee shall be a Director elected by their co-directors. Other members of the committee will be self-nominated Directors, staff or organization volunteers. The Committee is responsible for:

- Striking up and dismantling sub-committees as deemed necessary by the Committee;
- Drafting new policy on key issues pertaining to the governance of the ACO, and presenting it to the Board for review and vote; and
- Reviewing existing policy at regular intervals as dictated by the policy itself or as deemed necessary by the Committee or Board

## **6 Executive Authority**

The Board contracts with the Executive Director for the management and administration of the ACO. The Executive Director is responsible, within parameters established by the Board, for determining the methods by which the Board's directions and policies will be executed and the desired outcomes achieved.

The Executive Director 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 and consistent with the requirements of any legislation or regulations. In the exercise of these responsibilities, the Executive Director is:

- Authorized to expend funds within the limits of the annual budget and operating plan approved by the Board;
- Responsible for bringing to the attention of the Board, the need for special and exceptional expenditures not included in the budget;
- Required to report to the Board if it is not possible to operate within the limits of the budget approved by it;
- Expected to serve as an advisor to the Board on policy and program issues that affect the services provided by the ACO;
- Required to provide the Board with the information it requires to govern effectively, make informed decisions and monitor the overall performance of the ACO in achievement of approved goals;
- Responsible for employing 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 or to a person designated by him or her, not the Board as a whole or any individual officer or director. In the supervision,



- direction and deployment of personnel, the Executive Director is governed by the documented personnel practices and procedures approved by the Board; and
- 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.

## ***6.1 Delegation to the Executive Director***

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. All Board authority delegated to staff is delegated through the Executive Director, so that the authority and accountability of staff derives from the authority and accountability of the Executive Director.

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

## ***6.2 Appointment of the Executive Director***

Recruitment, selection and appointment of an Executive Director are, along with performance monitoring, among the most important responsibilities of the Board. Appointment of an Executive Director requires the approval of an eighty percent (80%) majority of the incumbent directors. Ideally, an Executive Director's appointment should be made with the confidence of the full Board.

In the event that the Executive Director's performance is deficient or there is 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 shall require a motion passed by two-thirds of the Board of Directors, plus one additional director, voting in favour of dismissal at a meeting duly called to consider such action.

## ***6.3 Executive Director's Performance Evaluation***

### **6.3.1 General**

The Executive Director is the sole official link between the Board of Directors and the organization that it governs. The responsibilities of the Executive Director lie in the



exercise of delegated authority and compliance within parameters established by Board policy and directives. Consequently, the Executive Director's job contributions can be expressed as performance with respect to six components:

1. Executive Director's Job Description
2. Annual performance objectives negotiated with the Board through its Executive Committee.
3. Organizational achievement of operating plan and corporate objectives.
4. Organizational operation within the boundaries established in Board policies.
5. Quality of relationship with senior staff.
6. Quality of relationship with major community 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.

### **6.3.2 Procedure**

The Executive Director will, in the first quarter of each fiscal year, draft objectives for that year and may discuss these with the Executive Committee, prior to presenting them to the Board for approval.

The Executive Director 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. Staff shall provide said feedback directly to Executive Committee.

The essential elements of this material, along with Board members' observations of the Executive Director'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 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 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 to his/her attention in writing. The Chair shall meet with the Executive Director 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 shall be provided with a reasonable opportunity to redress any deficiencies in performance.

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

## **7 Board Development**

### ***7.1 Recruitment and Screening of New Board Members***

The Nominating Committee will, as director vacancies occur or are anticipated, review the needs of the Board for specific expertise, resources or skills necessary to bring strength and balance to the Board. The Nominating 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 ACO in a manner consistent with the by-law and these policies. The Nominating 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 one month of becoming a member of the Board. Each new member shall also be assigned a more experienced member as a 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 organization's:

- History, mission and purpose;
- Constitution, by-laws and governance policy;
- Funding sources;
- Key policy areas and copies of policy to study;
- Role, structure and functions of the Board;
- Board member Oath of Office & Confidentiality Agreement, Code of Conduct and Conflict of Interest policies;
- Procedural guidelines for Board meetings;
- Procedures for Board member expenses; and
- 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 ACO's headquarters. All meetings of the Board will be open to the public, except when dealing with confidential matters 'in-camera'. Boards of Directors meetings are chaired by the Chair or designate. Meetings have a formal structure and Roberts' Rules of Order are followed when not inconsistent with the by-laws. Agenda items may be suggested or requested by individual directors. During meetings, Directors are encouraged to bring their best analytical and creative thought to bear on agenda topics. Directors may debate each other's opinions with respect and without unduly hampering or delaying the process of the meeting. A consensus on issues is desirable. If a Director cannot agree with the others, then at least a graceful acceptance of the majority decision is expected. During meetings, all dealings go through the Chair.

### ***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 ACO'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 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 ACO.

- The Board, in accordance with accepted community standards, shall annually decide the rate at which mileage expenses are reimbursed.
- The rate at which all other expenses are reimbursed (such as childcare during meetings, Board training, honoraria, all other transportation costs or limits for meals) shall be decided annually by Board motion.
- 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.
- 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 (including at least 2 members of the Executive Committee). A quorum is required for the transaction of any business of the ACO. 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 support 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. client or employee)
- Acquisition or sale of land
- 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 ACO or its clients.

## **10 Dissolution of the ACO**

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

**Approved by the Board of Directors on February 9, 2011.**



## Appendix "A"

### The Policy Governance Model

Policy Governance®, an integrated Board leadership paradigm created by Dr. John Carver, is a groundbreaking model of governance designed to empower Boards of directors to fulfill their obligation of accountability for the organizations they govern. As a generic system, it is applicable to the governing body of any enterprise. The model enables the Board to focus on the larger issues, to delegate with clarity, to control management's job without meddling, to rigorously evaluate the accomplishment of the organization; to truly lead its organization.

In contrast to the approaches typically used by Boards, Policy Governance separates issues of organizational purpose (ENDS) from all other organizational issues (MEANS), placing primary importance on those Ends. Policy Governance Boards demand accomplishment of purpose, and only limit the staff's available means to those which do not violate the Board's pre-stated standards of prudence and ethics.

The Board's own Means are defined in accordance with the roles of the Board, its members, the chair and other officers, and any committees the Board may need to help it accomplish its job. This includes the necessity to "speak with one voice". Dissent is expressed during the discussion preceding a vote. Once taken, the Board's decisions may subsequently be changed, but are never to be undermined. The Board's expectations for itself also set out self-imposed rules regarding the delegation of authority to the staff and the method by which Board-stated criteria will be used for evaluation. Policy Governance Boards delegate with care. There is no confusion about who is responsible to the Board or for what Board expectations they are responsible. Double delegation (for example, to a Board committee as well as to the CEO) is eliminated. Furthermore, Boards that decide to utilize a CEO function are able to hold this one position exclusively accountable.

Evaluation, with such carefully stated expectations, is nothing more than seeking an answer to the question, "Have our expectations been met?" The Board, having clarified its expectations, can assess performance in that light. This focused approach reduces the mountains of paperwork Boards often feel obliged to review. Moreover, those Boards which worry that they are only furnished the data management wants to give them find that, in stating their expectations and demanding a relevant and credible accounting of performance, they have effectively taken over control of their major information needs. Their staff no longer has to read their minds.

Policy Governance is a radical and effective change in the way Boards conceive of and do their job. It allows greater accountability. Board leadership isn't just rhetoric. It's a reality.