



# Governance Manual

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## TABLE OF CONTENTS

INTRODUCTION .....	1
CORPORATE ENDS .....	3
CE-1 VISION.....	3
CE-2 MISSION.....	3
CE-3 MANDATE .....	3
CE-4 VALUES.....	3
CE-5 KEY RESULT AREAS .....	4
BOARD OPERATIONS.....	5
BO-1 GENERAL BOARD DIRECTIVE .....	5
BO-1.1 ROLE OF THE DIRECTORS .....	5
BO-1.2 DIRECTION AND POLICIES.....	5
BO-1.3 HIRING OF EXECUTIVE DIRECTOR.....	6
BO-1.4 LINKING TO OWNERS .....	6
BO-1.5 RESPONSIBLE TO OWNERS.....	6
BO-1.6 ORGANIZATIONAL IMAGE .....	6
BO-2 BOARD EFFECTIVENESS .....	7
BO-2.1 PROFESSIONAL DEVELOPMENT .....	7
BO-2.2 BOARD PERFORMANCE EVALUATION.....	7
BO-2.3 NEW MEMBER ORIENTATION.....	7
BO-3 PLANNING CYCLE .....	8
BO-4 EXECUTIVE DIRECTOR REMUNERATION .....	8
BO-5.1 MEETING EFFECTIVENESS.....	9
BO-5.2 MEETING ATTENDANCE .....	9
BO-5.3 AGENDA CONTROL.....	9
BO-6 EXECUTIVE RESPONSIBILITIES .....	10
BO-6.1 CO-CHAIRS RESPONSIBILITIES .....	10
BO-6.2 SECRETARY RESPONSIBILITIES .....	10
BO-6.3 TREASURER RESPONSIBILITIES .....	10
BO-7 CODE OF CONDUCT .....	11
BO-8 BOARD AS ONE VOICE .....	14
BO-9.1 DECISION MAKING .....	15
BO-9.2 IN-CAMERA MEETINGS.....	16
BO-9.3 CONFLICT OF INTEREST .....	17
BO-9.4 NON-PARTISAN .....	18
BO-9.5 BOARD MEMBER EXPENSES .....	18
BO-10 CAPITAL ASSETS.....	19
BO-11 PARTICIPATION FUND.....	19
BOARD-MANAGEMENT LINKAGE .....	21
BM-1 UNITY OF CONTROL .....	21
BM-1.1 DIRECTION TO EXECUTIVE DIRECTOR .....	21
BM-1.1.1 INSTRUCTIONS TO EXECUTIVE DIRECTOR.....	21
BM-1.2 BOARD OPERATIONS LINK.....	21
BM-2 EXECUTIVE DIRECTOR JOB DESCRIPTION .....	21
BM-2.1 BOARD ANNUAL STRATEGIC PLAN.....	21
BM-3 DELEGATION TO THE EXECUTIVE DIRECTOR.....	22
BM-3.1 OPERATIONAL RESPONSIBILITY .....	22
BM-3.2 HUMAN RESOURCES MANAGEMENT .....	22
BM-3.3 EXECUTIVE DIRECTOR POLICY INTERPRETATION .....	22
BM-4 MONITORING THE EXECUTIVE DIRECTOR'S PERFORMANCE .....	23
BM-4.1 EXECUTIVE DIRECTOR PERFORMANCE MEASURES.....	23
BM-4.2 PERFORMANCE REPORTS.....	23
BM-4.3 PERFORMANCE DATA.....	23
BM-5 EXECUTIVE DIRECTOR PERFORMANCE REVIEW.....	23

**Four County Labour Market Planning Board**  
**Governance Manual**

OPERATIONAL LIMITS .....	24
GENERAL OPERATIONAL CONSTRAINT .....	24
OL-1 PRUDENT MANAGEMENT OF OPERATIONS .....	24
OL-2 FINANCIAL CONDITION .....	25
OL-3 FINANCIAL DELEGATION .....	26
OL-4 ASSET PROTECTION.....	28
OL-5 RESERVE FUND .....	29
OL-6 COMMUNICATION OF ORGANIZATIONAL PERFORMANCE AND COUNSEL TO THE BOARD .....	30
OL-7 TREATMENT OF STAFF.....	31
OL-8 COMMUNICATION TO STAFF .....	32
OL-9 COMPENSATION AND BENEFITS .....	32
OL-10 TEMPORARY EXECUTIVE RESPONSIBILITIES .....	32
OL-11 TREATMENT OF SPONSORS, PUBLIC, AND PARTNERS .....	32
OL-12 COMMUNICATION WITH SPONSORS, PUBLIC, AND PARTNERS.....	33
OL-13 EXTERNAL COMMUNICATIONS .....	33
OL-14 LANGUAGE OBLIGATIONS.....	33
OL-15 LOGO USAGE .....	33
OL-16 PARTNERSHIP RECOGNITION.....	33
OL -17 INFORMATION MANAGEMENT AND SECURITY .....	34
OL-18 PROCUREMENT OF GOODS AND SERVICES .....	34
OL-19 CAPITAL ASSETS .....	35
APPENDICES .....	36
APPENDIX A BOARD PERFORMANCE EVALUATION.....	36
APPENDIX B CODE OF ETHICS FOR BOARD MEMBERS .....	37
APPENDIX C DIRECTOR CONFIDENTIALITY AGREEMENT .....	39
APPENDIX D DIRECTOR CONFLICT OF INTEREST STATEMENT .....	40
APPENDIX E PARTICIPATION FUND REQUEST FORM .....	42
APPENDIX F PERFORMANCE REPORTS .....	43

## **INTRODUCTION**

The Four County Labour Market Planning Board is a corporation under the provisions of the Corporations Act, R.S.O. 1980, Chapter 95. As a corporation, it has no power to act on its own; it can only act through its Directors or through others to whom the directors have delegated responsibility.

The Four County Labour Market Planning Board believes that policies are an essential tool in its governance. Policies, properly conceived, will, among other things:

- Ensure fairness
- Avoid litigation
- Ensure fiscal responsibility
- Provide stability
- Clarify responsibilities
- Communicate the Board's approach to key matters
- Provide a framework to evaluate progress

The Board's policies are grouped under four headings: Corporate Ends, Board Operations Policies, Board-Management Linkage, and Operational Limits. These headings help to identify priorities and define responsibilities.

- **Corporate Ends** capture the vision and mission of the organization, as well as what the organization will accomplish and for whom. Corporate Ends are the foundation developed from Strategic Planning, and in turn form the basis for annual Operational Planning.
- **Board Operations Policies** describes how the Board governs the organization. These include Board roles and responsibilities, committees of the Board, code of conduct, role of the Co-Chairs, conflict of interest, and confidentiality.
- **Board – Management Linkage** clarifies that the Executive Director is the only employee of the Board, the manner in which the Executive Director takes direction/delegation from the Board, and how the Executive Director will be held accountable by the Board.
- **Operational Limits** describes how the Executive Director conducts the operations of the organization and the limitations placed on his/her authority. These include ensuring there are sufficient funds and insurance for operations, that the employees are treated fairly, and that the Board is informed for decision-making.

The most significant contributions of the Board are:

- To define Corporate Ends (through Strategic Planning)
- To review (and if necessary modify) Corporate Ends on a regular basis to ensure they remain relevant
- To develop policies (as defined above) to govern the organization
- To develop reporting mechanisms to monitor organizational performance

### **Roles & Responsibilities Regarding Policies**

- The Board will decide what governance policies the organization requires. The Board has the authority and responsibility to approve, modify, rescind, and monitor these policies.
- The Executive Director will decide what operational policies are needed, which must be consistent with governance policies. The Executive Director has the authority and responsibility to approve, modify, rescind and monitor these policies.
- To ensure an orderly tracking system for policies, the Executive Director will give each policy a distinct number.
- The Board is responsible for ensuring that all governance policies are reviewed every 2 years.
- The Executive Director is responsible for ensuring that all operational policies are reviewed every 2 years.
- The Co-Chairs and Executive Director will include, as part of the annual plan to be approved by the Board each Fall, their recommendations on the governance policies to be develop or reviewed the following year.
- The Executive Director will provide updates to the Board on work done to create and/or update operational policies.

## **CORPORATE ENDS**

### **CE-1 VISION**

A skilled workforce with meaningful job opportunities and quality employment in a sustainable and prosperous economy

### **CE-2 MISSION**

The Four County Labour Market Planning Board plans and promotes local labour market strategies to meet the challenges of a changing economy

### **CE-3 MANDATE**

The Four County Labour Market Planning Board plays a leadership role in the development of innovative labour market strategies by:

- 3.1 Providing reliable research;
- 3.2 Identifying employment trends;
- 3.3 Targeting workforce opportunities;
- 3.4 Promoting skills development; and,
- 3.5 Raising public awareness of workforce issues
- 3.6 Support Training

The Board accomplishes its mandate by working collaboratively with business, workforce and community organizations to plan and initiate projects and programs that address the specific needs of workforce development in Bruce, Grey, Huron and Perth counties.

### **CE-4 VALUES**

All our activities will be congruent with our core values. These values, ranked in priority order, are:

- 4.1 Leadership: We commit to leadership that is innovative, visionary and relevant towards accomplishing shared goals.
- 4.2 Integrity: We commit to a strong ethical code of conduct, striving to continuously build trust with our partners, stakeholders, sponsors and the community.
- 4.3 Equality/Inclusiveness: To recognize the diversity within our Region and its residents.
- 4.4 Accountability: To act in a responsible and open manner.
- 4.5 Commitment: To fulfill our role of partner to achieve maximum value and establish long-term relationships; to support the participants in Bruce, Grey, Huron and Perth's labour force achieve sustainable employment.
- 4.6 Professional: We will conduct our business in a manner which is professional and respectful.

## **CE-5 KEY RESULT AREAS**

Our vision outstretches our resources. Therefore, we choose to be deliberate and strategic to focus our resources on achieving results in areas that will best propel us forward in our mission.

### **Community: Partnerships, Supporting Labour Market Development**

- Improve Partnership Development
- Increase Impact on Labour Force Development

### **Planning Process**

- Increase Reliability of the Planning Process
- Increase the Relevancy of the Planning Process
- Improve the Quality of Actions Proposed

### **Learning and Development**

- Improve Professional Development – Staff
- Improve Collective Performance of Board of Directors

### **Funding**

- Funding Allocations Support Identified Labour Market Needs
- Projects and Deliverables are completed within budget

## **BOARD OPERATIONS**

### **BO-1 GENERAL BOARD DIRECTIVE**

The Four County Labour Market Planning Board is a governing Board, focusing on leadership by planning and policy setting and delegating the implementation to the staff and volunteers through the Executive Director.

#### **BO-1.1 ROLE OF THE DIRECTORS**

The Board is responsible for directing and protecting the organization in the interests of the owners – the residents of our community. Directors of the Board are required to act in accordance with the mandate of the Board, statutory requirements, contractual agreements with the Sponsors, any other contractual agreements of the Board and in accordance with the By-Laws and Policies.

#### **BO-1.2 DIRECTION AND POLICIES**

The Board is responsible to determine the vision and directions of the organization, set policies through which those directions are achieved, and monitor the operations of the organization.

- 1.2.1 Keep the local Board vision and mandate clearly in focus;
- 1.2.2 Preserve and support the corporation's core values.
- 1.2.3 Set short and long term goals and measurable objectives and develop strategies for the organization;
- 1.2.4 Ensure that the objectives of its various initiatives promote the Board's mandate and that said initiatives run efficiently and effectively;
- 1.2.5 Establish clear relations between Board and Executive Director;
- 1.2.6 Hire, evaluate, set objectives and set compensation for the Executive Director;
- 1.2.7 Establish and hold the Executive Director accountable to measures of organizational performance;
- 1.2.8 Meet the Local Board's fiduciary responsibilities, which involves preserving all the assets of the Local Board through the establishment of effective control mechanisms (e.g. budgets, accounting, purchasing policies, tendering policies, etc.);
- 1.2.9 Establish governance policies, and review and update them (as needed) every two years;
- 1.2.10 Gain and maintain reasonable assurance that the corporation meets all financial reporting and disclosure obligations imposed on the organization by applicable laws and regulations;
- 1.2.11 Adopt and ensure adherence to a written Code of Conduct and Conflict of Interest Policy;
- 1.2.12 Ensure appropriate management of major risks (including financial, as well as risks to the corporation's assets, reputation, and intellectual property) to the corporation.
- 1.2.13 Communicate effectively with the Community and the Sponsors; and,

**Four County Labour Market Planning Board**  
**Governance Manual**  
**Board Operations Policy Statements**

- 1.2.14 Ensure sound relationships are maintained with members, clients and other key stakeholders.

### **BO-1.3 HIRING OF EXECUTIVE DIRECTOR**

The Board is responsible to hire the Executive Director and ensure effective performance by the Executive Director.

### **BO-1.4 LINKING TO OWNERS**

The Board is responsible to be the link between the organization and the “owners”

### **BO-1.5 RESPONSIBLE TO OWNERS**

The Board is responsible to make decisions in the best interests of the ownership as a whole.

### **BO-1.6 ORGANIZATIONAL IMAGE**

The Board is responsible to contribute to the positive image of the organization.

Directors have a duty to:

- 1.6.1 act in accordance with statutory requirements, contractual agreements and the By-Laws and Policies.
- 1.6.2 Position the organization as a highly effective, reputable, credible organization and leader in its field.

## **BO-2 BOARD EFFECTIVENESS**

The Board will be composed of people who have the skills and commitment to do an effective job of governing the organization.

### **BO-2.1 PROFESSIONAL DEVELOPMENT**

Board members will participate in at least 2 days of professional development per year in areas that will enhance their effectiveness on the Board.

### **BO-2.2 BOARD PERFORMANCE EVALUATION**

The Board will objectively monitor and regularly discuss the Board's own process and performance. The Board members will give feedback on the performance of themselves and each other based upon set criteria at least annually, discussing plans for improvement. (See Appendix A)

### **BO-2.3 NEW MEMBER ORIENTATION**

New Board members will receive an orientation to ensure familiarity with the organization, its issues, and the process of governance.

- 2.3.1 a new Board member will be appointed a mentor;
- 2.3.2 the appointment of the mentor will be determined by the next Board meeting;
- 2.3.3 orientation will be completed within three (3) months of their appointment;
- 2.3.4 orientation will include the Board policies, principles of governance, and explanation of major issues and minutes from the last six (6) meetings;
- 2.3.5 a Board handbook including all governing policies will be provided.

### **BO-3 PLANNING CYCLE**

To fulfill its role in a governance style consistent with Board policy, the Board will establish and follow an annual planning cycle that ensures it provides regular direction to the organization.

- 3.1 The Board will undertake an annual planning cycle that enables the organization to operate effectively.
- 3.2 The Board will review and update the strategic plan no later than the fourth quarter of every fiscal year.
- 3.3 The Board will develop financial performance expectations for the next fiscal year at least two months prior to the beginning of that fiscal year.
- 3.4 The directors will review the Board's own compliance with its Board Operations' policies and review the policy manual themselves annually.

### **BO-4 EXECUTIVE DIRECTOR REMUNERATION**

The Executive Director's performance review will be conducted and remuneration determined annually.

- 4.1 Salaries, wages and benefits shall be reviewed by the Board, either annually as of March 31<sup>st</sup> or in conjunction with performance evaluation.
- 4.2 Remuneration changes will be reflected in Board minutes.

### **BO-5.1 MEETING EFFECTIVENESS**

Each Board member is to be regarded as having equal rights and power equal to every other Board member and is expected to voice an opinion.

- 5.1.1 All Board members are expected to participate in the meetings;
- 5.1.2 Communicate respectfully with each other and with invited guests;
- 5.1.3 Speak to the issue, rather than to the person;
- 5.1.4 Listen quietly, attentively and with open minds to each speaker.

### **BO-5.2 MEETING ATTENDANCE**

Board members will notify the office as soon as they are aware that they are unable to attend a meeting. If a member does not participate in three (3) consecutive Board Meetings, without just cause, they will be removed by a decision of the Board of Directors.

### **BO-5.3 AGENDA CONTROL**

The Co-Chairs, in consultation with the Executive Director, will set the agenda for its meetings.

- 5.3.1 The agenda will be circulated so all Board members receive it at least seven days in advance;
- 5.3.2 Anyone wishing to add an item to a Board meeting agenda will notify the Co-Chairs. The Co-Chairs will add this item to the agenda for the next scheduled meeting or a meeting scheduled for a future date;
- 5.3.3 The Board may insist that an item be added to the agenda if that is the preference of a two-thirds majority of Board members present at the day of the meeting;
- 5.3.4 Prior to each meeting, the Co-Chairs will agree who will be the meeting Chair and identify this person on the advance agenda;
- 5.3.5 Approval of the agenda by the Board will be one of the first items of business at every meeting;
- 5.3.6 Board members will be provided with adequate background information on every agenda item at least seven days in advance;
- 5.3.7 Documents to be included in the 'Board Package' are of four major types: Agendas; Minutes of Meetings; Backgrounders; and Working Documents;
- 5.3.8 The Board will adopt a consent agenda for each meeting;
- 5.3.9 Meeting packages will be emailed to the Directors and provided in electronic display at face-to-face meetings.

## **BO-6 EXECUTIVE RESPONSIBILITIES**

The Board will maintain clear descriptions of the duties of each officer. By-Law 6.

### **BO-6.1 CO-CHAIRS RESPONSIBILITIES**

The authority of the Co-Chairs is only to make reasonable interpretations on behalf of the Board within the policies on Board Operations and Board-Management Linkage, except where the Board specifically delegates portions of its authority to them.

The Co-Chairs will:

- 6.1.1 have no authority to supervise or direct the Executive Director;
- 6.1.2 be responsible to communicate the decisions and policies of the Board to the Executive Director;
- 6.1.3 ensure that the Board behaves consistently with its own rules and those legitimately imposed upon it from outside the organization;
- 6.1.4 work within Board policy when making any necessary decisions between Board meetings;
- 6.1.5 be the public spokespersons for the Board along with the Executive Director, unless someone else is appointed by the Board;
- 6.1.6 ensure the minutes are prepared and distributed within two weeks following a Board meeting;
- 6.1.7 Sign all minutes of meetings of the Board of Directors.

### **BO-6.2 SECRETARY RESPONSIBILITIES**

The Secretary of the Board will ensure:

- 6.2.1 that all documentation of Board business is up to date and in compliance with legal obligations;
- 6.2.2 that the policy manual is updated following each Board meeting;
- 6.2.3 that any corporate reporting has been completed and maintained as required;
- 6.2.4 that records, including meeting minutes, together with the Corporate Seal, will be held at the head office of the Corporation.

### **BO-6.3 TREASURER RESPONSIBILITIES**

The Treasurer of the Board will ensure that all financial records and reporting are up to date and in compliance with legal requirements and standards.

## **BO-7 CODE OF CONDUCT**

- 7.1 The Board commits itself to ethical, efficient, and lawful conduct.
- 7.2 Board members will function in an ethical manner, contribute to the work of the Board, support the decisions of the Board, and respect the confidentiality of privileged information.
- 7.3 Board members will not use privileged information to their personal benefit or gain.
- 7.4 Directors will sign a Confidentiality Agreement and Code of Ethics Agreement annually at the April Board meeting or next subsequent meeting attended. (See Appendix B, C) (amended 2020)
- 7.5 All Directors are expected to:
- 7.5.1 be familiar with and abide by the rules and policies for the governance of organization;
  - 7.5.2 focus on the long term strategic direction of organization;
  - 7.5.3 respect fellow Directors and staff;
  - 7.5.4 respect the process for debate and discussion on issues;
  - 7.5.5 act honestly and in good faith;
  - 7.5.6 participate in educational activities designed to assist in the carrying out of their duties;
  - 7.5.7 develop and maintain a sound and up-to-date knowledge of the organization and its environment;
  - 7.5.8 conduct themselves in a manner consistent with the values and ethical standards of organization;
  - 7.5.9 conduct themselves in a manner free from bias, prejudice and harassment;
  - 7.5.10 hold themselves to the highest standard of professional and personal conduct; and
  - 7.5.11 avoid any conflict of interest with respect to their legal and fiduciary responsibilities (see Conflict of Interest policy).
- 7.6 **Legal Obligations:** Directors will:
- 7.6.1 Act within the *Ontario Corporations Act*, and abide by the bylaws, policies and procedures of the organization.
  - 7.6.2 Act in the best interests of the Corporation as a whole, and not as a representative of any group – considering what is best for the Corporation and delivery of its mandate, and avoiding bringing the Corporation into disrepute. (See conflict of interest policy)
  - 7.6.3 Protect confidential information in the course of their duties (see Confidentiality policy).
  - 7.6.4 Support the objects and mission of the Corporation, using any skills or knowledge they have to further that mission and seeking expert advice where appropriate.
  - 7.6.5 Use the organization’s resources responsibly, and when claiming expenses will do so in line with the organization’s policy.

**7.7 Board Functioning:** Directors will:

- 7.7.1 Prepare fully for all meetings and work for the organization. This will include reading papers, questioning anything they do not understand and thinking through issues before meetings.
- 7.7.2 Attend and actively engage in discussion, debate and voting in meetings; contributing in a considered and constructive way, listening carefully, challenging sensitively and avoiding conflict.
- 7.7.3 Participate in collective decision making, and accept decisions of the board. See Policy BO-8.
- 7.7.4 Accept responsibility for ensuring that the organization is well run and will raise issues and questions in an appropriate and sensitive way to ensure that this is the case.
- 7.7.5 Seek to do what additional work they can outside of board meetings, including sitting on board committees and task forces.

**7.8 Relationship with Staff:** Directors will:

- 7.8.1 Not interfere with the Executive Director's responsibility for staff.
- 7.8.2 Recognize that their interaction with the Executive Director or staff carries no authority or formal influence.
- 7.8.3 Provide input into Executive Director performance in accordance with an officially established performance review process.
- 7.8.4 **External Communications:** Directors will:
- 7.8.5 Not speak with the media as a representative of the Board unless designated and trained as a media contact.
- 7.8.6 Not represent the Board to external organizations unless specifically authorized to do so.

**7.9 Process for Addressing Violations of the Code: In the case of a Director who is alleged to have violated the Code of Conduct, the following process shall be followed:**

- 7.9.1 For a 1<sup>st</sup> violation:
  - 7.9.1.1 If possible, the issue shall first be resolved between the parties impacted by the violation;
  - 7.9.1.2 If a resolution of the issue between the two parties cannot be achieved, then one of the Co-Chairs of the Board will have a discussion with the Director;
  - 7.9.1.3 If a resolution of the issue cannot be resolved by a one-on-one conversation between the Director and the Co-Chair, then the Director shall be allowed to present his/her views at the next meeting of the Board and the Board will be responsible for determining whether any further action is required. A decision of the Board shall be considered final.

7.9.2 For a 2nd violation or a violation that could put the organization at significant risk:

7.9.2.1 The Director who is alleged to have violated the Code of Conduct shall be informed in writing by the Co-Chairs and shall be allowed to present his/her views at the next meeting of the Board. The Board will be responsible for determining whether any further action is required. A decision of the Board shall be considered final.

## **BO-8 BOARD AS ONE VOICE**

The Board will speak with one voice.

- 8.1 All Board members will support all Board decisions outside of the Board meetings.
- 8.2 Only persons authorized by the Board will speak on behalf of the Board.
- 8.3 All Directors and Representatives, as well as all Board employees and agents, are required to maintain confidentiality.
- 8.4 If an issue is deemed to be confidential by the Co-Chairs and is so indicated and accepted by the Board, then all discussion of that issue by the Board shall remain confidential until a clear and definite decision is reached or until such time as the Board no longer considers the matter to be confidential.

## **BO-9.1 DECISION MAKING**

The Board has adopted consensus as the primary decision making process for the organization.

If the decision-making process does not result in consensus a vote shall be used.

The Board applies Robert's Rules of Order to all meetings. A summary of Robert's Rules includes, but are not limited to, the following:

- 9.1.1 Directors are not required to obtain the floor and can make motions or speak while seated;
- 9.1.2 Motions need not be seconded;
- 9.1.3 At the discretion of the Chair, there is no limit to the number of times a Director can speak to a question;
- 9.1.4 Informal debate can take place with no motion on the floor;
- 9.1.5 When a proposal is perfectly clear to all present, a vote can be taken without a motion being introduced;
- 9.1.6 Motions to close or limit debate are generally not used;
- 9.1.7 Subject to rule or custom, the Chair usually can make motions and vote on all questions;
- 9.1.8 The presiding Officer need not stand while putting questions to a vote; and
- 9.1.9 Decisions are often made by unanimous consent or consensus, rather than by formal vote. (amended 2006)

## BO-9.2 IN-CAMERA MEETINGS

- 9.2.1 *In camera* meetings of the Board may occur when limitations are required on attendance at Board meetings by Senior Management and other advisors who customarily attend such meetings.
- 9.2.2 *In camera* shall not be used as a forum to raise and discuss issues that should appropriately involve the Executive Director.
- 9.2.3 *In camera* meetings of the Board may occur with or without the Executive Director
- 9.2.3.1 The Board with the Executive Director (no other staff present) in a confidential forum for the Executive Director to engage with his/her Board on sensitive issues: related to legal, human resources or other sensitive issues.
- 9.2.3.2 The Board alone (no staff present) in a confidential forum for the Board to discuss sensitive matters about an identifiable individual that require Board discussion, including (1) Board performance issues and individual Director issues; and, (2) ongoing performance, performance evaluation, objective setting, remuneration and succession planning of the Executive Director. The Board may also go in *camera* for issues that require the Board to meeting independently of staff, such as the annual audit.
- 9.2.3.3 As appropriate, the results of the *in camera* session of the Board only are to be communicated to the Executive Director as soon as possible thereafter by the Board Chair or his/her designate
- 9.2.4 *In camera* sessions will follow set procedures:
- 9.2.4.1 An *in camera* session will be held at Board meetings as needed.
- 9.2.4.2 The Chair will determine and announce who will remain in the meeting and, if requested, the rationale for excluding any individuals being asked to leave the meeting.
- 9.2.4.3 While the Executive Director is in attendance during an *in camera* session, she/he is expected to take a record of any decisions taken. When the Executive Director is excused from the *in camera* meeting, the Chair should assign a recorder of decisions from amongst the participating Directors, if required.  
*NOTE: Unless confidentiality requires otherwise, the Board will come out of camera and any decisions will then be read into the meeting minutes.*
- 9.2.4.4 The Chair must ensure that Directors discuss only those items that have been identified as being required to be held *in camera*, and do not hold discussions on issues that are not properly *in-camera* items.
- 9.2.5 Minutes of the *in-camera* session are confidential. The secretary takes minutes but keeps them separate from the public minutes. The original minutes of *in-camera* sessions are given to the organization's lawyer for safe-keeping. These minutes are protected by lawyer-client privilege.
- 9.2.6 The Board reviews and approves the confidential minutes the next time it goes into *in-camera* session. If copies are distributed, the secretary collects them before the end of the *in-camera* session and destroy them immediately. If there is only one copy, the secretary reads the minutes aloud and the Chair asks for corrections and/or approval.
- 9.2.7 When the *in-camera* (should it be any *in-camera* session) session is adjourned, the "public" minutes should record that the in-camera session has concluded. If, while in *in-camera* session, the Board has decided that secrecy should be lifted from a decision, the

secretary records the decision in the “public” minutes. Otherwise, all Directors are bound to respect the confidentiality of the session. (amended 2006)

## **BO-9.3 CONFLICT OF INTEREST**

- 9.3.1 Directors owe a duty of loyalty to organization. Fulfilling the duty of loyalty includes effectively identifying, declaring and appropriately managing conflicts of interest.
- 9.3.2 A Director is in a conflict of interest if they:
  - 9.3.2.1 exercise an official power, duty or function that provides a real, potential or perceived opportunity to further their private, professional and/or institutional interests or those of their relatives or friends or to improperly further another person's private interests in a material manner;
  - 9.3.2.2 stand to personally and materially benefit in any way from a transaction or proposed transaction with organization.
- 9.3.3 Some examples (Illustrative, not exhaustive) of possible Real, Potential and/or Perceived Conflicts of Interest are:
  - 9.3.3.1 A board member who is also an employer that might want to take advantage of the Labour Market Board's programming;
  - 9.3.3.2 A board member who is also a service provider that could offer services to the Labour Market Board; and,
  - 9.3.3.3 A board member whose organization might partner with the Labour Market Board on economic development projects
- 9.3.4 Board Processes
  - 9.3.4.1 On election a director will act in a manner that will prevent real, potential or perceived conflicts from arising in their private, professional and institutional interests; declare any real, potential or perceived conflict of interest and sign a conflict of interest declaration.
  - 9.3.4.2 Directors will also annually update the declaration and sign it.
  - 9.3.4.3 At the beginning of each board and committee or task force meeting there will be a call for any real, potential or perceived conflicts of interests.
  - 9.3.4.4 Directors may, at any time and at their own discretion, seek advice from the Chair of the Board or the full Board on whether an actual, potential or perceived conflict of interest exists, prior to declaring a conflict.
- 9.3.5 Declarations of Conflict (General)
  - 9.3.5.1 In the event that a director is in a conflict of interest or believes they might be in a conflict of interest at any time over their term as a director, they will immediately disclose any real, potential or perceived conflicts of interest to one of the Co-Chairs of the Board.
  - 9.3.5.2 If a conflict is declared
  - 9.3.5.3 When a conflict of interest has been declared the affected director(s) will abstain from participation in any discussion on the matter, not attempt to personally influence the outcome, refrain from voting on the matter, and leave the meeting room for the duration of any such discussion or vote. The time the affected Director(s) left and returned to the meeting room will be recorded in the minutes.

**Four County Labour Market Planning Board**  
**Governance Manual**  
**Board Operations Policy Statements**

- 9.3.6 The organization will meet any contractual obligations pertaining to conflicts of interest specified in agreements with funders.
- 9.3.7 This policy applies to all directors during their term of office.

#### **BO-9.4 NON-PARTISAN**

Four County Labour Market Planning Board will not join, affiliate or support any politically partisan organization or body.

#### **BO-9.5 BOARD MEMBER EXPENSES**

Board members may be reimbursed for any direct expenses related to their involvement with the Board or at its direction and on its behalf.

- 9.5.1 Board members may claim for reimbursement of their out-of-pocket expenses as defined in the current operating guidelines or by special approval of the Board.
- 9.5.2 The Co-Chairs or other designated officers will sign the cheques and ensure that transactions are recorded.
- 9.5.3 The Co-Chairs will review each other's expense claims.
- 9.5.4 Signing officers shall sign any cheque payable to himself/herself, with review of all supporting paperwork by an additional signing officer.

## **BO-10 CAPITAL ASSETS**

It is the responsibility of the Board of Directors to approve the capital budget for the coming year and to assure itself that capital costs are being managed and controlled effectively. A "capital asset" refers to anything of enduring value. It includes tangible assets such as building and equipment (also called fixed assets) and intangible assets such as patents and trademarks.

In the event of dissolution, assets will be used to meet the financial obligations of the organization and any residual assets or residual value will be directed to another operating organization with similar purpose.

## **BO-11 PARTICIPATION FUND**

An honorarium of up to \$75.00 per day or part thereof may be paid where attendance at a Planning Board meeting or event creates undue economic hardship for a director.

- 11.1 The process and eligibility for a director to access the participation fund is in accordance with the annual guidelines provided by the funding organization(s). (See Appendix E)
- 11.2 The criteria for undue economic hardship must relate to:
  - 11.2.1 exceptional circumstances;
  - 11.2.2 the director personally and not to a third party;
  - 11.2.3 a direct loss of income which is unavoidable;
  - 11.2.4 costs that go beyond what is normally accepted for personal inconvenience related to participation on a volunteer Board.
- 11.3 The majority of the Executive Officers will approve all Participation Fund requests

## **BO-12 BOARD COMMITTEES AND TASK FORCES**

Board Committees and Task Forces are established by the Board to help the Board fulfill its role and carry out its responsibilities. To preserve Board authority, Board Committees and Task Forces will be used only as required to support the Board's work.

- 12.1 A Board Committee is a standing Committee of the Board. A Board committee will typically be composed of Directors, with an ongoing, defined role in supporting the work of the Board. A Board Committee may also be composed primarily or entirely of outside experts tasked with providing advice directly to the Board on policy or other issues requiring specialized expertise.
- 12.2 A Task Force is a time-limited, task-specific Committee of the Board established to undertake specific tasks or deliverables within a predetermined timeframe. Once the tasks are completed the Task Force is dissolved. A Task Force may include both Directors and/or non-Directors based on the needs of the Board.
- 12.3 Board Committees and Task Forces, unless otherwise specified by the Board, do not have any independent authority to act on behalf of the Board.
- 12.4 The Board of Directors is responsible for establishing, overseeing and ensuring accountability of its Committees and Task Forces, including establishing terms of reference for Committees and Task Forces.
- 12.5 An assigned Co-Chair will be an ex-officio, non-voting member of each Board Committee and Task Force unless otherwise specified in terms of reference, and he/she may participate on assigned Committees or Task Forces at his/her discretion.
- 12.6 The Executive Director will be notified of all Committee and Task Force meetings and may be invited to attend in a non-voting capacity, but his/her attendance is not counted for the purpose of Committee or Task Force quorum requirements.
- 12.7 If Committees, Task Forces and Working Groups are established they:
  - 12.7.1 Do not speak or act for the organization except when formally given such authority for specific and time-limited purposes. Such authority will be stated through terms of reference, or documented in Board minutes.
  - 12.7.2 Are to assist the Board in doing its job by recommending, analyzing and/or acting as directed by the Board.
  - 12.7.3 Cannot exercise authority over staff and operations and must work within the organization's mission and policy framework.
  - 12.7.4 Will receive their terms of reference, specific tasks, staffing, reporting process, time lines, etc. from the Board as the Committee or Task Force is established.
  - 12.7.5 May only establish sub-Committees or other subgroupings if approved by the Board.

## **BOARD-MANAGEMENT LINKAGE**

### **BM-1 UNITY OF CONTROL**

Only officially-passed motions of the Board are binding upon the Executive Director.

#### **BM-1.1 DIRECTION TO EXECUTIVE DIRECTOR**

The Board will instruct the Executive Director through written policies that prescribe the organization's Strategic Plan and Operational Limits.

##### **BM-1.1.1 INSTRUCTIONS TO EXECUTIVE DIRECTOR**

Decisions or instructions of individual Board members, officers, or committees are not binding on the Executive Director except in rare instances when the Board has specifically authorized such exercise of authority.

#### **BM-1.2 BOARD OPERATIONS LINK**

The Executive Director is the Board's only link to operational achievement.

### **BM-2 EXECUTIVE DIRECTOR JOB DESCRIPTION**

The Executive Director's performance will be considered to be organizational performance and Operational Limits. The Executive Director is responsible to achieve the organization's Corporate Ends policies and strategic plan, follow the policies on Board-Management Linkage, and adhere to the policies on Operational Limits.

#### **BM-2.1 BOARD ANNUAL STRATEGIC PLAN**

The Board will develop a Strategic Plan each year for the Executive Director to pursue. The Board may change its Strategic Plan and Operational Limits policies. By so doing, it can change the latitude of choice given to the Executive Director.

### **BM-3 DELEGATION TO THE EXECUTIVE DIRECTOR**

All Board authority delegated to staff is delegated through the Executive Director so that all authority and accountability of staff and operations is considered to be the authority and accountability of the Executive Director.

#### **BM-3.1 OPERATIONAL RESPONSIBILITY**

The Executive Director is responsible and accountable for the complete operations of the organization.

#### **BM-3.2 HUMAN RESOURCES MANAGEMENT**

The Board delegates Human Resources management to the Executive Director; this means the Board will not direct, manage, hire, or fire any staff (full or part-time, temporary, consultants etc.) other than the Executive Director. The Board will refrain from evaluating, either formally or informally, any staff other than the Executive Director.

#### **BM-3.3 EXECUTIVE DIRECTOR POLICY INTERPRETATION**

The Board will accept any reasonable interpretation by the Executive Director of Board policies on Strategic Plan and Operational Limits.

## **BM-4 MONITORING THE EXECUTIVE DIRECTOR'S PERFORMANCE**

Monitoring the Executive Director's performance is synonymous with monitoring the organization's performance against Board policies on Strategic Plan and Operational Limits and compliance with Board policies on Board-Management Linkage. Any evaluation of the Executive Director's performance, formal or informal, will be derived from these monitoring data.

### **BM-4.1 EXECUTIVE DIRECTOR PERFORMANCE MEASURES**

The organizational accomplishment of the Strategic Plan, compliance with Board policies on Board-Management Linkage, and Operational Limits will be viewed as successful Executive Director performance.

### **BM-4.2 PERFORMANCE REPORTS**

The Board will monitor the organization's performance based upon the following reports. (See Appendix F)

### **BM-4.3 PERFORMANCE DATA**

The Board will acquire monitoring data by one of three methods:

- 4.3.1 by internal report by two people for which the Executive Director will provide the Board with a report;
- 4.3.2. by external report for which an external, objective third party is selected and provides a report;
- 4.3.3. by direct Board inspection for which a designated person or people from the Board assess compliance with appropriate policy criteria.

## **BM-5 EXECUTIVE DIRECTOR PERFORMANCE REVIEW**

The Board will provide a formal, verbal, and written performance review of the Executive Director annually not later than the first two (2) months following a fiscal year end.

## **OPERATIONAL LIMITS**

### **GENERAL OPERATIONAL CONSTRAINT**

The Executive Director will not cause or allow any practice, activity, decision or organizational circumstance that is either unlawful, imprudent, or in violation of commonly accepted business and professional ethics.

### **OL-1 PRUDENT MANAGEMENT OF OPERATIONS**

The Executive Director will:

- 1.1 not fail to manage operations in a prudent and effective manner;
- 1.2 not fail to maintain a skilled, ethical, results-oriented workforce of paid and volunteer staff;
- 1.3 not allow the organization to operate in a manner that exposes it to undue risk;
- 1.4 not fail to develop, maintain and protect effective information systems that assist the organization in effectively carrying out and evaluating the Strategic Plan, including backup of all corporate data on a weekly basis with two (2) secure disaster-proof storages.
- 1.5 not fail to ensure that a competent fill in is developed from staff

## **OL-2 FINANCIAL CONDITION**

The Executive Director will not:

- 2.1 allow the organization to be placed in a position of undue financial risk or deviate materially from the Board's Strategic Plan;
- 2.2 fail to have its books and accounts audited on a yearly basis by a public accounting firm licensed under the laws of Ontario as dictated in the By-Laws of the organization;
- 2.3 allow funds to be spent beyond budget;
- 2.4 allow staff to borrow funds on behalf of the organization beyond their individual corporate credit limit;
- 2.5 allow personal expenses to be charged to the corporate credit card;
- 2.6 allow payables or receivables to accumulate in an untimely manner;
- 2.7 fail to provide the Board with a monthly consolidated project and operating financial summary and a quarterly income summary with variance to budget;
- 2.8 allow government ordered payments or filings to be overdue or inaccurately filed;
- 2.9 the signing officers shall single-sign cheques up to \$5,000 with all supports documentation verified by two signing officers; (amended November 2016)
- 2.10 the Executive Director will only sign Operating agreements that align within the operational limits of the organization.
- 2.11 fail to inform the board within normal and expected business timelines of all signing or pending signing of Operating agreements. Should valid reasons be provided the board reserves the right to limit the Executive Director's signing authority and this can be adjusted between board meetings by a simple majority of the co-chairs and the treasurer or at any board meeting.
- 2.12 allow the Reserve Fund to fall below the annual dollar value to adequate to safely close the organization
- 2.13 access the Reserve Fund without Board approval;
- 2.14 fail to ensure that the Planning Board has sufficient funds to pay wind-down expenses, which includes severance and termination pay, to be assessed annually
- 2.15 Fail to notify the Board annually of the amount needed in the Reserve Fund to meet obligations.

### **OL-3 FINANCIAL DELEGATION**

- 3.1 The purpose of the policy is to ensure that adequate controls are in place for the proper authorization of Contracts, to safeguard the assets of the Organization against loss through fraud, theft and/or improper use, to protect the Organization from unwarranted liability and to produce reliable records of the Organization's obligations.
- 3.2 For the purposes of this policy, Contract means any document that binds the Organization, including undertakings, work orders, purchase orders, agreements, settlements, releases and employment contracts
- 3.3 The policy is based on the principle that responsible and risk-based delegation of authority is an essential element of sound business management, provided appropriate controls are in place, the delegation is consistently applied and there is appropriate accountability.
- 3.4 The policy is founded on the principle that Delegation of Authority is granted to a position ("Authorized Position"), not to named individuals. Accordingly, when a person leaves an Authorized Position, the person loses signing authority associated with that Authorized Position.
- 3.5 Delegation of Authority derives from the Board of Directors of the Organization's Signing Authority Resolution. The resolution sets out the limits under which the Executive Director of the Organization may sign contracts and allows for delegation of that power, without Board Approval. The Policy applies to items in the normal course of business and does not include the authority to agree to or enter into new business ventures on behalf of the organization, nor to discontinue or cease the operations of a division or business unit, nor to dispose of a significant portion of the assets of a division or business unit, all which require approval of the Board of Directors.
- 3.6 The Executive Director will notify the Board in writing if/ when he/she delegates the authority to sign contracts to other Authorized Persons within the limits therein.
- 3.7 Any Contract committing the Organization must be signed in accordance with this policy and the Financial Conditions outlined in OL-2
- 3.8 The Delegation of Authority is not a delegation of responsibility. An Authorized Delegate may only sign contracts in his/her areas of responsibility and only if he or she is capable of taking in that responsibility, having regard to his/her function and level of operational or business autonomy, The Authorized Delegate and the Executive Director are both responsible for the business terms of the Contract and for ensuring that:
- 3.9 The Contract is consistent with the Organization's' strategic plans, budget and business plans
  - 3.9.1 The Organization will be able to meet its obligations under the contract
  - 3.9.2 The Contract is compliant with applicable laws
  - 3.9.3 The appropriate level and type of reviews and approvals have been obtained for the contract

- 3.9.4 Risk mitigation plans are in place for any identified significant business and legal risks
- 3.10 Individuals are prohibited from acting as a signing authority in transactions that may result in a direct or indirect personal benefit.
- 3.11 Signing authority may only be delegated to employees of the organization; it cannot be delegated to a consultant or independent contractor.

## **OL-4 ASSET PROTECTION**

The Executive Director will not:

- 4.1 allow assets, including physical, intellectual and tangible property, to be unprotected, inadequately maintained, or unnecessarily risked;
- 4.2 allow insurance coverage of equipment, furniture, fixtures, and buildings to fall below 80% of current replacement value;
- 4.3 allow unnecessary exposure of the organization, its Board, or staff to claims of liability;
- 4.4 allow insurance coverage to lapse and shall maintain at all times Commercial General Liability, Directors and Officers Liability, Travel, Accident, Property, and Crime;
- 4.5 allow investments or hold operating capital in insecure instruments, including uninsured chequing accounts and bonds of less than AA rating, or in non-interest bearing and outside of Canada accounts except where necessary to facilitate ease in operational transactions;
- 4.6 allow acquisitions, encumbrances, or disposal of real property and physical, intellectual and tangible property without Board approval;
- 4.7 allow any documents, reports, software, physical, intellectual and tangible property that is developed, designed or produced by employees, contractors or volunteers to belong to the individual.
- 4.8 allow capital purchases outside of the prescribed action:
  - 4.8.1 capitalize capital assets less than \$1000, only costs that are disbursements to third parties may be capitalized; internal costs such as salaries and overhead costs may not be capitalized;
  - 4.8.2 capital budget purchases or leases without authorization.

## **OL-5 RESERVE FUND**

The Board will operate in a manner that generates surpluses, provided that those surpluses are invested in the pursuit of the objects of incorporation found in the Charter of Incorporation, and time spent obtaining other revenue sources do not compromise the Operating Agreement. Revenue generated annually will vary according to the number of contracts outside the Sponsors' Operating Agreement with the Board in any given year.

The criteria for Reserve Fund are:

- 5.1 to supplement board operations to carry out additional workload and responsibilities in support of the project(s). All project(s) shall include an administrative charge of no less than 10 per cent of the total project costs. During the life of the project the administrative charge will be applied, but not limited to, covering the costs of salaries, overhead, and other project incidentals. A time log for each additional project should be maintained for documentation purposes.
- 5.2 Staffing options are as follows:
  - 5.2.1 hire Temporary staff to assist with increased workload during the duration of the project, or to offset workload at peak periods during the fiscal year and/or;
  - 5.2.2 compensate full-time staff for lieu time for time spent in excess of their regular work week to carry out project responsibilities such as (bookkeeping, monitoring and reporting) rather than accumulated lieu time.
- 5.3 to form a due diligence reserve to be used to provide for the due diligence requirements of the Board such as added protection of the Board of Directors and its staff, severance pay out or in the event of closure to pay off any outstanding leases, and/or as an appropriate reserve fund as approved by Revenue Canada for up to six (6) month's Operating Costs.
- 5.4 for use in funding important projects in the community for which other funding is unattainable.
- 5.5 the policy will be re-assessed on an annual basis.

## **OL-6 COMMUNICATION OF ORGANIZATIONAL PERFORMANCE AND COUNSEL TO THE BOARD**

With respect to providing information and counsel to the Board, the Executive Director may not permit the Board to be uninformed about matters essential to carrying out its duties.

The Executive Director will not:

- 6.1 fail to keep the Board up to date on organizational performance;
- 6.2 fail to ensure the Board receives all requested reports decided by Directors by the deadline assigned, including:
  - 6.2.1 A compliance report
  - 6.2.2 A risk report
  - 6.2.3 A financial report including income statement, balance sheet and cash flow
  - 6.2.4 A report from the Executive Director on progress against strategic initiatives and current and/or emerging issues
- 6.3 fail to copy to the Board all communication insinuating liability on the organization's part from any lawyer acting on behalf of the organization or taking action against the organization;
- 6.4 withhold any operational matter from the Board that is being hindered by current Board policy;
- 6.5 cause or allow the board to be uninformed or unsupported in its work.
- 6.6 fail to report in a timely manner any actual or anticipated noncompliance with any policy of the board
- 6.7 neglect to submit unbiased decision information required periodically by the board or let the board be unaware of relevant trends
- 6.8 let the board be unaware of any significant incidental information it requires, including anticipated media coverage, threatened or pending lawsuits, and material internal and external changes
- 6.9 fail to advise the board if, in the Executive Director's opinion, the board is not in compliance with its own policies, particularly in the case of board behavior that is detrimental to the work relationship between the board and the Executive Director
- 6.10 present information in unnecessarily complex or lengthy form or in a form that fails to differentiate among information of three types: monitoring, decision preparation, and other
- 6.11 fail to provide a workable mechanism for official board, officer, or committee communications
- 6.12 fail, when addressing official business, to deal with the board as a whole except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the board

## **OL-7 TREATMENT OF STAFF**

The Executive Director will not allow staff (paid or volunteer) to be treated in any way which shows disregard for their quality of life or the quality of their work experience.

The Executive Director will not:

- 7.1 allow staff to be exposed to unsafe or unhealthy conditions;
- 7.2 allow staff to be denied a due-process grievance procedure; (as outlined in the HR Policies)
- 7.3 allow staff to be discriminated against;
- 7.4 allow or cause staff working conditions or hiring practices which are unfair, undignified, inequitable, unsafe or in contravention of legislated employment standards;
- 7.5 fail to develop and implement processes to ensure that staff members have the skills necessary to fulfill their job requirements;
- 7.6 fail to ensure that staff members treat others with respect and professionalism;
- 7.7 fail to ensure annual staff performance reviews are completed.

## **OL-8 COMMUNICATION TO STAFF**

The Executive Director will not fail to make staff, whether paid or volunteer:

- 8.1 aware of Board policies, particularly Strategic Plan and Operational Limits;
- 8.2 communicate to staff of the process of the grievance procedure.

## **OL-9 COMPENSATION AND BENEFITS**

With respect to employment, compensation, and benefits, the Executive Director will not cause or allow jeopardy to the organization's fiscal integrity or public image.

The Executive Director will:

- 9.1 not change his/her own compensation or benefits;
- 9.2 not promise or guarantee indeterminate employment to people, as all employment positions are dependent upon availability of funding;
- 9.3 not fail to develop and follow a staff compensation strategy that is based on a methodical process, including benefits, that is clear, fair and equitable;
- 9.4 not create obligations over a longer term than revenues can be safely projected.

## **OL-10 TEMPORARY EXECUTIVE RESPONSIBILITIES**

The Executive Director will:

- 10.1 Not fail to protect the board from sudden loss of Executive Director services, the Executive Director shall not permit there to be fewer than one other staff person sufficiently familiar with board and Executive Director issues and processes to enable either to take over with reasonable proficiency as an interim successor
- 10.2 not be absent from the work place without indicating contact information and for absences more than five (5) days indicating a temporary replacement and providing the replacement with all information necessary to carry out his or her duties.

## **OL-11 TREATMENT OF SPONSORS, PUBLIC, AND PARTNERS**

With respect to interactions with owners and customers, the Executive Director will not cause or allow conditions, procedures, or decisions which are unsafe, undignified, unnecessarily intrusive, or which fail to provide appropriate confidentiality or privacy in keeping with the pertinent privacy legislation.

## **OL-12 COMMUNICATION WITH SPONSORS, PUBLIC, AND PARTNERS**

With respect to communication with owners and customers, the Executive Director will not fail to ensure that utmost effort is made to convey information so that it can be understood by all parties through a secure channel.

## **OL-13 EXTERNAL COMMUNICATIONS**

The Executive Director will ensure the organization does not:

- 13.1 use social media for personal messages to fans or users;
- 13.2 use social media for registrations for events;
- 13.3 use social media for payments for events;
- 13.4 fail to ensure staff privacy is protected;
- 13.5 fail to ensure that all staff promote the Planning Board in a positive and professional manner, including on the website, social media, Twitter, LinkedIn.
- 13.6 fail to be visible in and communicate with the organization's members and other stakeholders
- 13.7 fail to review and approve all external written communications. The Executive Director may delegate this responsibility to another staff person on specific issues or products
- 13.8 fail to ensure the Board is aware of, and where appropriate engaged in, strategic communications initiatives undertaken by the staff of the organization, including media interviews or coverage.
- 13.9 fail to inform the Board of relevant trends and anticipated adverse media coverage.

## **OL-14 LANGUAGE OBLIGATIONS**

The Executive Director will not fail to fulfill the organization's obligations to adequately meet the communication needs of the all languages required by the community as it relates to labour market and work force development.

## **OL-15 LOGO USAGE**

The Executive Director will not fail to ensure that the use of the "Four County Labour Market Planning Board" logo on organization publications is adhered to.

## **OL-16 PARTNERSHIP RECOGNITION**

The Executive Director will not fail to recognize our partners in the collaborative work they do with the Planning Board and support for the relevant components of any and all Local Board community involvement.

## **OL -17 INFORMATION MANAGEMENT AND SECURITY**

The Executive Director will not:

- 17.1 Fail to ensure adequate management and security of the information that the organization generates, collects and possesses
- 17.2 Fail to ensure the information is stored appropriately with security and back-up measures commensurable to the type of information on hands;
- 17.3 Fail to ensure that the information stored or archived is retrievable as necessary for a pre-determined period of time; and
- 17.4 Fail to ensure that information is not disclosed to unauthorized persons.

## **OL-18 PROCUREMENT OF GOODS AND SERVICES**

The Executive Director shall not:

- 18.1 Fail to ensure that goods and services procured by the organization are acquired through a process that is fair, open, transparent and accessible to qualified vendors;
- 18.2 Fail to specify the responsibilities of individuals and organizations in each stage of the procurement process; Fail to ensure consistency in the management of procurement related processes and decisions.
- 18.3 Fail to ensure that the organization acquires the goods and services required to meet its needs in the most economical and efficient manner.
- 18.4 Fail to ensure that conflicts of interest, both real and perceived, are avoided during the procurement process and the ensuing Contract
- 18.5 Fail to endeavor to use local vendors where possible, all things being equal, determined at the discretion of the Executive Director.
- 18.6 Fail to receive and evaluate a minimum of three quotes for any contract amount totaling over \$5,000
- 18.7 With regard to a public accountant, the Executive Director shall not:
  - 18.7.1 Fail, every five years (or sooner if required), to develop or update the organization's expectations for the public accountant with the Board.
  - 18.7.2 Fail to implement a call for proposal process based on the identified expectations and secure at least two proposals.
  - 18.7.3 Fail to review proposals received and bring forward to the Board at least two proposals that best meet the needs of the organization.
  - 18.7.4 Fail to facilitate the engagement and all interactions with the organization's public accountant on behalf of the Board of Directors.
- 18.8 With regard to legal advice, the Executive Director shall:
  - 18.8.1 On an as needed basis, secure legal counsel for aspects of the organization's operations, and ensure the Board is kept informed of any legal counsel engaged and for what purposes;

- 18.8.2 At the request of the Board, ensure the Board has direct access to legal advice and/or the ability to secure independent legal advice.

## **OL-19 CAPITAL ASSETS**

The Executive Director will not fail to:

- 19.1 Ensure that fixed asset purchases or leases approved in the capital budget are authorized by the Executive Director or Finance Manager.
- 19.2 Ensure only capital assets with a cost exceeding <\$1,000> shall be capitalized. Only costs that are disbursements to third parties may be capitalized; internal costs such as salaries and overhead costs may not be capitalized.
- 19.3 Ensure that fixed asset purchases not approved in the capital budget and costing over <\$5,000 - \$10,000> are authorized by the Board of Directors.
- 19.4 Ensure that fixed asset purchases greater than <\$25,000 - \$50,000> are not approved without an accompanying business case, including cash flow impact.
- 19.5 Establish, implement and ensure compliance with expense authorization procedures
- 19.6 Ensure physical inventories of both fixed assets and sales inventories are conducted once annually and reconciled to records.
- 19.7 Ensure that capital costs are authorized appropriately, both at the time of commitment and at the time of payment, that they are consistent with the intent of the capital budget and that appropriate internal controls are established over asset purchases.
- 19.8 Ensure that appropriate insurance coverage (at replacement level) and security measures are in place to protect the organization's major assets.
- 19.9 Assess cash flow impacts of major asset purchases, and advise the Board of Directors on the pros and cons of specific lease versus purchase decisions.
- 19.10 Reject capital expenditures which will place the organization on tenuous financial footing.
- 19.11 Monitor, assess and address the impact which asset acquisitions may have on the organization's disbursement quota.
- 19.12 Ensure all fixed asset purchases follow expense authorization procedures except where superseded by this policy.

*Four County Labour Market Planning Board*  
**Governance Manual**  
*Appendices*

**APPENDICES**

**APPENDIX A BOARD PERFORMANCE EVALUATION**

**Director Check List -- Measures for Effective Board Governance**

<b>Individual Member Evaluation</b>	<b>Rate from 1 to 5</b> 1 - needs improvement 5 - excellent
Attending all Board of Directors' meetings	
Educating yourself on the business affairs of the corporation	
Reading all financial statements	
Reviewing any information supplied prior to meetings	
Ensuring compliance with the Four County Labour Market Planning Board's goals and the objects of the corporation	
Resigning if you cannot perform your role	
<b>Board Evaluation</b>	
Noting in the minutes all Director opposition to corporate actions	
Recording all conflicts of interest and ensuring Board policy is strictly followed	
Retaining Board of Directors' responsibilities at the Board level (i.e. appropriate delegation to Staff)	
Ensuring corporate record keeping is up-to-date and accurate	
Including a by-law that indemnifies Directors and Officers	
Insisting the corporation seek professional advice when required	
Ensuring a timely audit is prepared	

## **APPENDIX B CODE OF ETHICS FOR BOARD MEMBERS**

The Four County Labour Market Planning Board (Local Board) is governed by a Code of Ethics. This code offers general principles to guide the conduct and the judicious appraisal of conduct in situations that have ethical implications. This Code of Ethics is intended to provide the basis for making ethical judgments about actions before and after they occur.

In and of itself, however, this code does not represent a set of rules that will prescribe all the behaviors of Directors in all complexities of the Local Board activities. In most cases, the particular situation would determine the ethical principles that apply and the manner of the application. In such cases, however, not only the particular ethical principles should be taken into immediate consideration, but also the entire code and its spirit.

### **General Principles**

1. Directors owe a fiduciary duty to the Local Board. Directors must safeguard the interest of the Local Board at all times, especially when making decisions or undertaking activities in their communities.
2. Directors must strive to assist the Local Board in providing the highest caliber of service to their community. Directors must avoid all situations in which their decisions or actions may not be in the best interest of the Local Board and/or which may adversely affect the public image of the Local Board.
3. Ethical behaviour on the part of the Local Board must be expected at all times. When information is possessed that raises doubts as to the ethical behaviour of a Director, that Director must immediately disclose all circumstances leading to the condition and take action to attempt to rectify the condition.
4. The willingness to be a Director of the Local Board implies that a Director is in agreement with the general principles of the Local Board and will abide by its policies. If, despite concerted efforts, a Director cannot reach agreement with the Local Board as to acceptable standards of conduct, then the Board of Directors should terminate the director's affiliation in consultation with the appropriate Labour Market Partner Group or equivalent.
5. The Board funds are to be used solely for Local Board expenditures authorized by the Board of Directors and such expenditures must be able to be accounted for in a financial audit.
6. Each Director is expected to sign the Code of Ethics each year.

**Four County Labour Market Planning Board  
Governance Manual  
Appendices**

**Expectations of Directors**

- Directors will function in an ethical manner, contribute to the work of the Board, support the decisions of the Board, and respect the confidentiality of privileged information.
- Directors will not use privileged information to their personal benefit or gain.
- All Directors are expected to:
  - respect fellow Directors and staff;
  - respect the process for debate and discussion on issues;
  - act honestly and in good faith;
  - conduct themselves in a manner consistent with the organization’s Code of Conduct Policy;
  - conduct themselves in a manner free from bias, prejudice and harassment;
  - hold themselves to the highest standard of professional and personal conduct; and
  - avoid any conflict of interest with respect to their legal and fiduciary responsibilities (see Conflict of Interest Policy);
  - Act within the *Ontario Corporations Act*, and be familiar with, and abide by, the bylaws, policies and procedures of the organization;
  - Act in the best interests of the Corporation as a whole, and not as a representative of any group – considering what is best for the Corporation and delivery of its mandate, and avoiding bringing the Corporation into disrepute;
  - Support the objects and mission of the Corporation, using any skills or knowledge they have to further that mission and seeking expert advice where appropriate;
  - Use the organization’s resources responsibly, and when claiming expenses will do so in line with the organization’s policy;
  - Strive to fulfill Director roles and responsibilities based on the principles of accessibility, accountability, coordination, equity, self-reliance, mutual responsibility and simplicity;
  - Practice the values and attributes of consistency, honesty, quality, fairness, excellence integrity, encouragement, patience, service and human dignity
  - Not interfere with the Executive Director’s responsibility for staff;
  - Not represent the Board to external organizations or media unless specifically authorized to do so.

**Bankruptcy Disclosure:** By signing this form I certify that I am not an undisclosed bankrupt.

**Failure to Comply**

A Director of the Board may be asked to resign, from the Four County Labour Market Planning Board, if he/she is not in agreement with the Code of Conduct (BO-7) and this Code of Ethics, or if his/her behaviour has violated the Code of Conduct or Code of Ethics.

\_\_\_\_\_  
Director Name (please print)

\_\_\_\_\_  
Director Signature

\_\_\_\_\_  
Date

**Four County Labour Market Planning Board  
Governance Manual  
Appendices**

**APPENDIX C DIRECTOR CONFIDENTIALITY AGREEMENT**

I acknowledge that during the course of my term(s) as Director for the Corporation of the Four County Labour Market Planning Board (herein called The Corporation), I will acquire information which is confidential to The Corporation, its Directors and/or its Staff.

I acknowledge and agree that such information is the exclusive property of The Corporation, or such related party and that the information could be used to the detriment of The Corporation. I therefore undertake to treat confidentially all such information and agree not to disclose any such information to any person either during my term(s) under this Agreement or, at any time after the date of the end of my term(s).

I agree that upon the end of my term(s), I will return to The Corporation all Corporation property that I may have taken possession of during my term(s).

I acknowledge that in addition to any other rights and remedies of The Corporation to enforce its rights arising from this Agreement, in the event of a breach by me of the undertaking and agreement set out above, The Corporation is entitled to apply to a Court of competent jurisdiction for a restraining order and injunction to prohibit disclosure by me of any such information, in order to protect its rights and property as set forth above.

I agree that my rights and obligations under this Agreement will survive the end of my term(s) as Director for the Corporation.

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Name (please print)

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Signature

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Date

## **APPENDIX D DIRECTOR CONFLICT OF INTEREST STATEMENT**

Directors owe a duty of loyalty to organization. Fulfilling the duty of loyalty includes effectively identifying, declaring and appropriately managing conflicts of interest.

A Director is in a conflict of interest if they:

- exercise an official power, duty or function that provides a real, potential or perceived opportunity to further their private, professional and/or institutional interests or those of their relatives or friends, or to improperly further another person's private interests in a material manner;
- stand to personally and materially benefit in any way from a transaction or proposed transaction with organization.

On election a Director will provide full and accurate disclosure of actual, potential and/or perceived conflicts of interests annually, and as soon as these become known to the individual through ad-hoc disclosures.

A Director will seek clarification from the Chair of the Board, or the Board as a whole, about what is or might be seen as a conflict of interest, if the situation is in doubt.

*I have read and understand the Conflict of Interest Policy (BO-9.3) and this Conflict of Interest Statement, and agree to abide by the terms and conditions outlined in the Policy and herein:*

\_\_\_\_\_  
Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Four County Labour Market Planning Board  
Governance Manual  
Appendices**

APPENDIX D *CONTINUED* DIRECTOR CONFLICT OF INTEREST STATEMENT

***Disclosure of Conflict of Interest Form***

I, \_\_\_\_\_ [FULL NAME] hereby declare the following actual, potential or possible perceived conflicts of interest:

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I request that the above described nature and extent of my interest be recorded in the minutes of any meeting of the Four County Labour Market Planning Board of Directors at which any discussion or decisions regarding this situation be held.

Conflicts declared as of the \_\_\_\_\_ (DAY, MONTH, YEAR)

\_\_\_\_\_  
Name of Director Declaring Conflict (please print)

\_\_\_\_\_  
Name of Witness (please print)

\_\_\_\_\_  
Signature of Director Declaring Conflict

\_\_\_\_\_  
Signature of Witness

**Four County Labour Market Planning Board  
Governance Manual  
Appendices**

**APPENDIX E PARTICIPATION FUND REQUEST FORM**

Director Name: \_\_\_\_\_

Date of Event: \_\_\_\_\_

Nature of Event:

- Board Meeting
- Committee Meeting
- Outreach
- Professional Development
- Other (Please explain) \_\_\_\_\_

Number of Hours of Lost Income: \_\_\_\_\_

Total Cost of Lost Income: \_\_\_\_\_

Relevant Details:

As a result of attending a board function, I suffered financial hardship due to the following:

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Approval: The member's request for the honorarium is consistent with the Board's Participation Fund Policy.

\_\_\_\_\_  
(Signature of Applicant)

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Approval Signature)

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Approval Signature)

\_\_\_\_\_  
Date

Approved Amount for Payment \$ \_\_\_\_\_

Cheque Number \_\_\_\_\_

**Four County Labour Market Planning Board  
Governance Manual  
Appendices**

**APPENDIX F PERFORMANCE REPORTS**

**Monitoring Schedule (Year)**  
(Approved \_\_\_\_\_)

Index Key: Internal – Executive Director; External – Auditor/consultant;  
Direct Inspection – Board member team

Report Description	Method	Frequency	Schedule	Policy Reference
Vision Fulfillment	Internal	Annually	3 <sup>rd</sup> Quarter of fiscal yr	CE - 1
Mission Progress	Internal	Annually	3 <sup>rd</sup> Quarter of fiscal yr	CE - 2
Values Alignment	Direct Inspection	Annually	1 <sup>st</sup> month	CE - 3
Operational Foundation	Internal	Semi-Annually	end of Q2 and Q4	CE - 4
Performance Measurement System	Internal	Semi-Annually	end of Q2 and Q4	CE - 4
Employer Supports	Internal	Semi-Annually	end of Q2 and Q4	CE - 4
Transportation Linkages	Internal	Semi-Annually	end of Q2 and Q4	CE - 4
Newcomer's Employment Strategy	Internal	Semi-Annually	end of Q2 and Q4	CE - 4
Prudent Management of Operations	External	Annually	2 <sup>nd</sup> Quarter of fiscal yr	OL - 1
Prudent Management of Operations	Direct Inspection	Annually	4 <sup>th</sup> Quarter of fiscal yr	OL - 1
Financial Condition	External		End of fiscal year	OL - 2
Audited Financial Reports According to GAAP	External	Annually	One month after year-end	OL - 2
Consolidated financial summaries	Internal	Quarterly	By the 15 <sup>th</sup> of the following month	OL - 2
Financial budget vs. actual discrepancy reports indicating any item which varies from year to date budget by more than 10% and providing an explanation for the variance	Internal	Quarterly	By the 15 <sup>th</sup> of the following month	OL - 2
One page budget with 30 to 50 lines of detail with comparisons to last year actual, current year budgeted, year to date actual, and current year expected.	Internal	Annually	One month prior to the beginning of the fiscal year	OL - 2

**Four County Labour Market Planning Board  
Governance Manual  
Appendices**

**Monitoring Schedule *Continued***

<b>Report Description</b>	<b>Method</b>	<b>Frequency</b>	<b>Schedule</b>	<b>Policy Reference</b>
Asset Protection	Internal	Annually	February	OL - 3
Communication of Corporate Performance and Counsel to the Board	Direct Inspection	Annually	Final month of fiscal year	OL - 4
Treatment of Staff	Internal	Annually	April	OL - 5
Treatment of Staff	Direct Inspection	Annually	October	OL - 5
Communication to Staff	Direct Inspection	2 - 3 times year	Randomly	OL - 6
Compensation and Benefits	External	Annually	2 <sup>nd</sup> Quarter	OL - 7
Temporary Executive Responsibilities	Internal	Biannually	1 <sup>st</sup> and 3 <sup>rd</sup> Quarters	OL - 8
Treatment of Sponsors, Public, and Partners	External	Annually	3 <sup>rd</sup> Quarter	OL - 9
Communication with Sponsors, Public, and Partners	External	Annually	3 <sup>rd</sup> Quarter	OL - 10