

**Medical Laboratory Professionals' Association of Ontario  
Board of Directors - Policy Manual  
Updated February 11<sup>th</sup>, 2019**

## Contents

POLICY TYPE: GOVERNANCE PROCESS .....	3
GOVERNING STYLE .....	3
BOARD JOB DESCRIPTION .....	4
CHAIR'S ROLE .....	5
ROLE OF THE EXECUTIVE COMMITTEE.....	6
ROLE OF THE FINANCE COMMITTEE .....	7
COMMITTEE PRINCIPLES .....	8
BOARD MEMBER CODE OF CONDUCT AND ETHICS.....	9
BOARD MEMBER CODE OF CONDUCT – SOCIAL MEDIA.....	10
MEMBER CONSULTATION AND STRATEGIC PLANNING.....	11
BOARD MEMBER PERFORMANCE EXPECTATIONS/BOARD MEETING PROCESS.....	12
BOARD OF DIRECTORS' TRAVELLING EXPENSES .....	14
IN-CAMERA MEETINGS OF THE BOARD .....	16
ROLE OF THE BOARD DEVELOPMENT COMMITTEE.....	17
ROLE OF THE VICE CHAIR/TREASURER.....	19
ROLE OF THE PAST CHAIR – In development .....	20
ROLE OF THE SECRETARY – In development.....	20
ROLE OF THE TREASURER.....	21
NOMINATION COMMITTEE.....	22
BOARD NOMINATIONS - PREREQUISITES .....	24
BOARD POSITIONS, VOTING AND ADMINISTRATION .....	25
 POLICY TYPE: BOARD-CHIEF EXECUTIVE OFFICER RELATIONSHIP.....	 26
DELEGATION TO THE CHIEF EXECUTIVE OFFICER .....	26
CHIEF EXECUTIVE OFFICER JOB DESCRIPTION AND CODE OF CONDUCT .....	27
MONITORING .....	28
ANNUAL CHIEF EXECUTIVE OFFICER PERFORMANCE EVALUATION .....	29
 POLICY TYPE: CHIEF EXECUTIVE OFFICER LIMITATIONS .....	 30
GENERAL CHIEF EXECUTIVE OFFICER CONSTRAINT .....	30
TREATMENT OF MEMBERS .....	30
STAFF TREATMENT.....	30
COMPENSATION AND BENEFITS .....	31
FINANCIAL PLANNING .....	32
INVESTMENTS AND OPERATIONAL SURPLUS .....	33
ASSET PROTECTION.....	34
CONTINUITY OF EXECUTIVE SERVICES .....	35
COMMUNICATION AND COUNSEL TO THE BOARD .....	35
MEDIA RELATIONS/CRISIS MANAGEMENT .....	36
BOARD INFORMATION NEEDS .....	37
CHEQUE SIGNING .....	38
FRAUD POLICY .....	39

POLICY TYPE: GOVERNANCE PROCESS

<b>GOVERNING STYLE</b>
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The Board will approach its task with a style which emphasizes: outward vision rather than an internal preoccupation, encouragement of diversity in viewpoints, strategic leadership more than administrative detail, clear distinction of Board and staff roles, future rather than past or present, and proactivity rather than reactivity.

In this spirit, the Board will:

1. Focus chiefly on proactive and beneficial change in recognition of intended long term impacts (organizational priorities) and not on the administrative or programmatic means of attaining those priorities.
2. Enforce upon itself whatever consistent behaviour is needed to govern with excellence. This will apply to matters such as attendance, policy-making principles, respect of clarified roles, speaking with one voice, and self-policing any tendency to stray from the governance principles set out in Board adopted policies.
3. Monitor and regularly discuss the Board's own process and performance. Maintain the continuity of its governance capability through retraining and redevelopment. The Board, not the staff, will be responsible for Board performance.
4. Initiate policy in addition to responding to staff initiatives.

POLICY TYPE: GOVERNANCE PROCESS

<b>BOARD JOB DESCRIPTION</b>
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The Board's specific contributions are unique to its trusteeship role and necessary for proper governance and management.

The role of the Board shall be:

1. The link with members.
2. Establishment of written governing policies which at the broadest levels address:
  - a) **Priorities and Objectives:** Develops and regularly revisits a strategic plan from which organizational products, impacts, benefits and outcomes (what good for which needs at what cost) are developed.
  - b) **Executive Limitations:** Establishes constraints on Chief Executive Officer (CEO) authority. Establishes boundaries for acceptable executive activity, decision-making, and organizational circumstances.
  - c) **Governance Process:** Specifies how the Board conceives, carries out and monitors its own task and meets its legal obligations.
  - d) **Board-Chief Executive Officer Relationship:** Hires the Chief Executive Officer and determines how authority is delegated and its proper use monitored.
  - e) **Fiduciary Responsibility:** Reviews and approves the annual budget and the provision of financial oversight.
3. The measurement of Chief Executive Officer (CEO) performance against Board policies, priorities and objectives.

POLICY TYPE: GOVERNANCE PROCESS

<b>CHAIR'S ROLE</b>
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1. The job of the Chair is to ensure that the Board behaves consistently with its own rules and those legitimately imposed upon it from outside the organization. The role of the Chair is to manage the Board, *not* the organization. Accordingly:
  - a) The Chair shall ensure that meeting discussion content will only be those issues which, according to Board policy, clearly belong to the Board to decide, not the Chief Executive Officer.
  - b) Deliberation will be timely, fair, orderly, respectful and thorough, but also efficient, limited to time and kept to the point.
  - c) Nathan's Company Meetings For Share Capital and Non-Share Capital Corporations are to be observed except where the Board has superceded them.
2. The authority of the Chair consists of making any decision on behalf of the Board which falls within or is consistent with Board policies on Governance Process and on the Board-Chief Executive Officer relationship.
  - a) The Chair is empowered to chair Board meetings with all the commonly accepted power of that position (e.g. ruling, recognizing).
  - b) The Chair's authority does not extend to making decisions within Executive Limitations policy areas, each of which is within the scope of the Chief Executive Officer.
  - c) The Chair's authority does not extend to interpreting Board policies, or setting directives or initiatives not directed by the Board.
  - d) The Chair's authority does not extend to supervising or directing the Chief Executive Officer.
3. The Chair shall serve as the official spokesperson for the Board.
4. The Chair's role is to represent the Board in its relationships with members and other related organizations.
5. The Chair maintains direct contact with the Chief Executive Officer on behalf of the Board and provides advice to the Chief Executive Officer consistent with board policy and directions.
6. The Chair reviews the Board agenda for consistency with policies, practices and priorities of the Board.
7. The Chair shall attend the AGM. The following events should be attended by the Chair each year:
  - LABCON - CSMLS
  - A regulatory conference
  - At least 1 MLPAO event other than the AGM

In the event the Chair cannot attend the above, the Vice-Chair shall attend. Should the Vice-Chair be unable to attend, the Board shall designate an appropriate replacement.

POLICY TYPE: GOVERNANCE PROCESS

<b>ROLE OF THE EXECUTIVE COMMITTEE</b>
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In the interest of continuity, familiarity, professionalism and accountability, the Board has defined the roles and responsibilities of individuals and groups of individuals who play a critical role in the organization. This policy speaks specifically to the role of the Executive Committee.

**Policy**

From time to time, the Board may delegate certain tasks or responsibilities to the Executive Committee. In each instance, the Board shall make it clear if they are delegating full authority and responsibility for a specific task, or alternatively, if they expect the Executive Committee to bring forward a recommendation to the full Board for their consideration at a future meeting. The following terms of reference apply to the Executive Committee:

TERMS OF REFERENCE	EXECUTIVE COMMITTEE
Purpose	Discuss urgent matters arising between regular Board meetings in those cases where it is not possible to convene a meeting of the Board, and bring such matters and recommendations to the immediate attention of the Board.
Accountability	The Executive Committee is accountable to the Board of Directors. Minutes shall be provided to the Board as soon as possible after each meeting.
Responsibilities	The Executive Committee shall: <ul style="list-style-type: none"> <li>a) Serve as the selection committee when a new Chief Executive Officer is required;</li> <li>b) Facilitate the annual performance evaluation of the Chief Executive Officer; and,</li> <li>c) Perform any other functions assigned or delegated to it by the Board.</li> </ul>
Committee Composition	The Chair, Past-Chair, Vice-Chair, and Chair of the Finance Committee shall comprise the Executive Committee.
Chair Selection	The Chair of the Board shall serve as Chair of the Executive Committee.
Committee Member Terms of Office	Members shall serve as long as they hold an office cited in committee composition.
Frequency/Method of Meetings	The Executive Committee shall convene as necessary, and may meet by teleconference or any other method deemed appropriate.
Staff Liaison	The Chief Executive Officer shall serve as staff liaison.
Plan of Work and Budget	In October of each year, the Executive Committee shall provide the Board with a plan of work and associated budget for the next fiscal year for Board approval.

POLICY TYPE: GOVERNANCE PROCESS

<b>ROLE OF THE FINANCE COMMITTEE</b>
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The following terms of reference apply to the Finance Committee:

TERMS OF REFERENCE	EXECUTIVE COMMITTEE
Purpose	The Finance Committee is responsible for monitoring the associations overall financial condition.
Accountability	The Finance Committee is accountable to the Board of Directors.
Responsibilities	<ol style="list-style-type: none"> <li>1. Meet quarterly, via teleconference, prior to Board meetings.</li> <li>2. Review the budget and financial reports submitted by the CEO.</li> <li>3. Any cost center with a 10% or \$1,000 favorable or unfavorable deviation from the projected budget will be explained in a variance report.</li> <li>4. Prepares a Variance Report for each quarter.</li> <li>5. Reports are presented to the Board of Directors for their approval.</li> </ol>
Committee Composition	<ul style="list-style-type: none"> <li>• Chair</li> <li>• Treasurer</li> <li>• 2 Directors</li> </ul>
Chair Selection	The Chair of the Finance Committee is the Treasurer.
Committee Member Terms of Office	The term of office is for a one (1) year term.
Frequency/Method of Meetings	Teleconference – quarterly.
Staff Liaison	The CEO is the staff liaison.

*(Updated and approved February 9<sup>th</sup>, 2019)*

POLICY TYPE: GOVERNANCE PROCESS

<b>COMMITTEE PRINCIPLES</b>
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The Board may establish committees or task forces to help carry out its responsibilities. Committees will be used sparingly so as to minimally interfere with the wholeness of the Board's job and so as never to interfere with delegation from the Board to the Chief Executive Officer. Accordingly:

1. The Board shall establish terms of reference for each Board committee or task force, including: purpose of the committee; accountability of committee; responsibilities; committee composition; chair selection process; terms of office; frequency of meetings; and, name of staff liaison.
2. Board committees shall speak or act for the Board only when formally given such authority for specific and time-limited purposes. Such authority will be carefully stated in order not to conflict with authority delegated to the Chief Executive Officer.
3. Board committees are to help the Board do its job, not to help the Chief Executive Officer do his/her job. Committees will primarily assist the Board by preparing policy alternatives and implications for Board deliberation. The Board will not create a committee to advise staff.
4. Board committees shall not exercise authority over staff. In keeping with the Board's focus on the future, Board committees will ordinarily have no direct dealings with current staff operations. Further, the Board will not impede its direct delegation to the Chief Executive Officer by requiring approval of a Board committee before an executive action. The Chief Executive Officer works for the Board, never for a Board committee or an officer.
5. This policy applies only to Board committees which are formed by Board action, whether or not the committees include non-Board members.



POLICY TYPE: GOVERNANCE PROCESS

<b>BOARD MEMBER CODE OF CONDUCT AND ETHICS</b>
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1. Board members must represent loyalty free of conflict to the interests or perceived conflict of interest of the ownership (members). This accountability supersedes any conflicting loyalty such as to advocacy or interest groups and membership on other Boards or staffs. This accountability also supersedes the personal interest of any Board member acting as an individual consumer of the organization's services. Board members must also avoid any conflict of interest or perceived conflict of interest with respect to their fiduciary responsibility. Accordingly,
  - a) There must be no direct or indirect self-dealing or any conduct of private business or personal services between any Board member and the organization except as procedurally controlled to assure openness, competitive opportunity and equal access to "inside" information.
  - b) Board members must not use their positions to obtain for themselves, family members or close associates, employment within the organization.
  - c) Should a Board member be considered for employment, s/he must withdraw from Board deliberation, voting and access to applicable Board information. Should a Board member obtain employment with the organization, s/he shall immediately resign their position on the Board.
  - d) A Board member must identify a conflict then recuse him/herself from any issues for which a conflict of interest is perceived or identified.
2. Board members may not attempt to exercise individual authority over the organization (Chief Executive Officer and staff members) except as explicitly set forth in Board policies.
  - a) Board members' interaction with the Chief Executive Officer or with staff must recognize the lack of authority in any individual Board member or group of Board members except as noted above.
  - b) When a Board member is delegated to act on behalf of the Board, their interaction with the public, media or other entities must only reflect that which is consistent with and set forth in Board policies.
  - c) Board members will make no judgments of Chief Executive Officer or staff performance except as that performance is assessed against explicit Board policies by the official process.
3. Board members are to treat information deemed by the organization to be confidential as such. (See Board Charter)

POLICY TYPE: GOVERNANCE PROCESS

<b>BOARD MEMBER CODE OF CONDUCT – SOCIAL MEDIA</b>
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**Purpose:** for communicating with the public and members through social media provides an opportunity to provide information to those online about the activity and services of the MLPAO.

This policy is to guide the members of the Board of Directors on the appropriate use of Social Media. The expectation of this policy is to ensure that members of the Board of Directors follow the appropriate use of Social Media while on the Board

Since social media can cause confusion between personal and board responsibilities it is important to ensure that Directors identify what appropriate for public consumption. The potential risk is the damage to both the Society and the Director.<sup>3</sup>

MLPAO Board of Directors Policy Statement contains the following elements:

1. All Directors will observe the MLPAO position statements and policies approved by the Board of Directors when considering social media posts.
2. All Directors must not post anything that may breach the MLPAO privacy and confidentiality policy.
3. The MLPAO office will be responsible for social media posts unless otherwise approved by the Board of Directors of the MLPAO.
4. Directors wishing to participate in social media posts may do so as an adjunct to current posts.<sup>2</sup>
5. Blogs that are used by Directors shall not indicate any representation of the MLPAO unless approved by the Board of Directors.
6. Approved Social media applications include Facebook, Twitter, LinkedIn and Instagram.
7. Any use of other social media platforms must be approved by the Board of Directors.
8. Any comment or post that may contravene this policy must clearly state that the view expressed is personal.<sup>1</sup>

References:

1. College of Physicians and Surgeons of British Columbia. (2015). *Social Media Policy*. CPSBC.
2. CPSO. (2016). *Social Media — Appropriate Use by Physicians*. Retrieved from College of Physicians and Surgeons of Ontario: <http://www.cpso.on.ca/Policies-Publications/Positions-Initiatives/Social-Media-Appropriate-Use-by-Physicians>
3. ESTELLE METAYER. (2011, September). *When Social Media Matters: a Guide to the Board of Directors for better Governance*. Retrieved from Competia: <http://competia.com/when-social-media-matters-a-guide-to-the-board-of-directors-for-better-governance/>

POLICY TYPE: GOVERNANCE PROCESS

<b>MEMBER CONSULTATION AND STRATEGIC PLANNING</b>
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The Board acknowledges the need to remain in touch with member and stakeholder needs and wants and to ensure the organization's resources are allocated to the achievement of strategic goals that are based on external and internal information.

Accordingly:

- A member needs survey shall be conducted, at minimum, once every three years, unless determined otherwise by the Board.
- Survey results, in addition to internal and external information will be developed to assist the Board in establishing a strategic plan for the organization.
- In November of each year, the Chief Executive Officer shall advance for Board approval an annual operational plan and companion budget, based on the priorities identified in the Board's strategic plan.
- The Chief Executive Officer shall report on the key performance indicators of the operational plan at every meeting of the Board.

## GOVERNANCE PROCESS

### **BOARD MEMBER PERFORMANCE EXPECTATIONS/BOARD MEETING PROCESS**

The Board acknowledges it has an important job to do. The Board is further committed to respecting and valuing the commitment made by individual Board members. With these thoughts in mind, and the knowledge that poor performance left unaddressed will lead to additional poor performance, the Board agrees to the following.

At meetings, the Chair shall:

- Start the meeting on time (or as soon thereafter as a quorum is present) and end the meeting on time (unless consensus from the Board dictates otherwise);
- Ensure all members are familiar with each other by introductions;
- Ensure a 10-minute long break is called at least every 90 minutes to allow Board members to attend to other matters;
- Control the meeting, and respond to the following unacceptable behaviours: repetition; side-conversations; monopolizing the meeting; nit-picking; disrespecting; interrupting; and, straying off topic;
- Endeavour to encourage and invite opinions, imagination and innovation while respecting the agenda and timeframe of meeting, inviting all to speak and contribute; and,
- Take action to ensure discussions come to an appropriate conclusion (i.e. identify consensus, seeking motions, etc.).

At meetings, Board members shall:

- Arrive on time and prepared (having read and understood the Board package prior to arrival) and be prepared to discuss and comment on the issues;
- If arriving late, sit quietly (not interrupting the meeting) and ask to be updated during the first break;
- Contribute at the Board table rather than afterwards (i.e., at a parking lot meeting);
- Resist disrupting meetings by avoiding use of cell phones, and resisting the urge to text or send personal email (stealing attention away from the meeting at hand);
- Practice active listening and respect those who are speaking or making presentations;
- Refrain from advancing personal agendas;
- Constructively participate.

At all times:

- Board members shall attend all meetings and honour all other commitments they make to the Board;
- Board members shall be engaged and attentive to the business of the Board;
- Board members shall act in the interest of the Society and support the decisions of the Board regardless of how the Board member may have voted;
- The Board will not call meetings unless there is a demonstrated need;

- Board members shall notify the Board should personal or business affairs preclude their active participation in Board activity.

In an effort to monitor individual Board member performance and commitment, the following shall transpire when a Board member significantly breaches any of the above-noted performance expectations:

- After two significant breaches, the Chair shall privately discuss this policy and related performance with the Board member in question.
- After three significant breaches, the Chair shall raise the performance of the Board member in question with the full Board, and seek their direction on further action. Such discussion will be held with Board members only (staff shall be excused) and the minutes of said meeting shall record only the action steps to be taken. The Board member shall be invited to attend and participate in the meeting where their performance is under discussion.

#### Meetings

- Board members shall be in receipt of the full agenda and related documentation 10 business days prior to the meeting.
- Board members shall make every attempt to send in questions regarding consent agenda items 7 days prior to the meeting.

POLICY TYPE: GOVERNANCE PROCESS

<b>BOARD OF DIRECTORS' TRAVELLING EXPENSES</b>
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#### Eligibility

In order to be eligible for expenses, Directors must attend the full duration of the meeting.

Board members must not transfer or add their expenses to the account of another member.

In cases where financial support for attendance at meetings has been received from another source, such expenses must not also be claimed from MLPAO.

Expenses incurred because of early arrivals or late departures will not be reimbursed unless shown to be unavoidable due to time schedules or weather conditions.

#### Use of Credit Cards

The Chair, Vice Chair, Chief Executive Officer and any Director that would requires a credit card are provided with a credit card for authorized MLPAO expenses. The Chief Executive Officer will determine credit card needs for office requirements.

a) Receiving Cards: Credit cards will be issued to a Board member as defined above as soon as administratively possible after being elected. Directors will acknowledge receipt of the card in writing/email notification or phone call to the MLPAO office within two weeks of receipt.

b) Returning Cards: Cards shall be destroyed at the completion of a Director's term, or upon resignation from the Board, or upon termination of office. Cards should be cut into pieces and notification of destruction shall be provided in writing/email or phone call.

c) Conditions of Use: MLPAO Credit Cards should be used primarily for the following purposes  
Travel on MLPAO business

Hotel bills (room and meals) for MLPAO business

Meals on MLPAO business

and any other MLPAO Business that has been approved by the Chair and Chief Executive Officer.

d) Expenditure Reports: Arrangements have been made for the MLPAO office to receive central billing for all charges made to MLPAO Directors' credit cards. Any unauthorized use of the card will be followed by immediate termination of the member's card number.

It is the responsibility of every Director to provide an itemized report of expenditures made on his/her credit card within 30 days and must include original receipts. Details to doing this are provided by the MLPAO office. Expenses are to be based on the most efficient and economical means of travel.

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1. Necessary overnight accommodation: receipt required.
  2. Travel outside of 50km radius of home will be covered.

3. Mileage at \$0.50/km to maximum of economy air fare.
  4. Air or train fare (economy): receipt required.
  5. Car rental and gas (not to exceed economy air fare – discuss in advance with the Chief Executive Officer – receipt required.)
  6. Transportation to and from airports: receipt required.
  7. Parking: receipt required.
  8. Postage, photocopying.
  9. Meals: maximum \$75.00 per day (minus value of supplied meals). Breakfast \$15, Lunch \$20, Dinner \$40. NOTE: Receipts required for meals charged to MLPAO credit cards. No reimbursement will be made for meals supplied by MLPAO.
  10. Other expenses incurred on MLPAO business.
  11. NOTES: Try to travel at times to take advantage of seat sales or special rates: this may involve staying over on Sat. night.
  12. The MLPAO negotiates special rates with various hotels. Directors are expected to stay at locations designated by the MLPAO for specific events (e.g., board meetings, convention). Any exceptions should be checked in advance with the Chief Executive Officer.
  13. If one card is used for more than one person, please indicate names.
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(Updated and approved January 27<sup>th</sup>, 2018)

POLICY TYPE: GOVERNANCE PROCESS

<b>IN-CAMERA MEETINGS OF THE BOARD</b>
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The Board is committed to acting in an open and transparent manner. There may be occasions, however, when public disclosures may prejudice the interests of the association or some party to whom the association has an obligation to protect.

If a matter arises during a meeting that triggers the need for an in-camera session, the Board may move any meeting or part of a meeting to an in-camera session. Topics that may be addressed in-camera include:

- legal advice and litigation;
- proprietary information or commercially sensitive information pertaining to a member firm or its employees;
- matters regarding staff related to terms of employment, performance evaluation and discipline;
- the sale, purchase, lease or exchange of property; and
- the disclosure of intimate personal or financial information about an identifiable person.

In-camera sessions will exclude management (the Chief Executive Officer and other staff) when the issues to be addressed are specific to management (i.e., annual performance evaluation, terms of employment, etc.).

Minutes of in-camera meetings shall be created and kept separate from other records to maintain confidentiality as long as warranted. With regard to in-camera sessions, Board members shall not:

- disclose to any member of the public any confidential information acquired by virtue of their position as a Board member;
- use any confidential information acquired by virtue of their position on the Board for their personal financial or other benefit or for that of any other person;
- disclose to any member of the public any confidential information related to the interests of individuals, groups or organizations acquired by virtue of their position on the Board; or,
- permit any unauthorised person to inspect or have access to any confidential documents or other information.

The obligation to protect such confidential matters from disclosure continues even after the individual member is no longer serving on the Board.



POLICY TYPE: GOVERNANCE PROCESS

<b>ROLE OF THE BOARD DEVELOPMENT COMMITTEE</b>
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The Board acknowledges that constant attention must be paid to good governance practices. To achieve that end, the Board has established a Board Development Committee and the following terms of reference:

TERMS OF REFERENCE	BOARD DEVELOPMENT COMMITTEE
<b>Purpose</b>	The Board Development Committee shall identify, promote and discharge functions designed to help the Board of Directors govern with excellence and comply with legislation and regulations that apply to it, to ultimately add value to the association on behalf of its members.
<b>Accountability</b>	The Board Development Committee is accountable to the Board of Directors. Minutes shall be provided to the Board as soon as possible after each meeting.
<b>Responsibilities</b>	<p>The Board Development Committee shall be responsible for:</p> <ol style="list-style-type: none"> <li>1. The identification of education and learning needs on governance matters for both the Board and staff;</li> <li>2. Ensuring communication between the Board and members as to any improvements or enhancements to board governance;</li> <li>3. The identification and delivery of the following elements that contribute to governance excellence:               <ul style="list-style-type: none"> <li>• Facilitating the orientation of new Board members, including identification of the contents of the Board manual;</li> <li>• Evaluating the performance of individual Board members and the Board as a whole;</li> <li>• Identifying the competencies required by the Board to govern with excellence, and ensuring those competencies are applied to the recruitment of future Board members; and</li> <li>• Monitoring and reviewing governance information and governance best practices and bringing recommendations to the Board on how they can enhance their performance.</li> </ul> </li> </ol>
<b>Committee Composition</b>	The Board Development Committee shall be comprised of a minimum of three (3) and a maximum of five (5)

	members, at least one of whom shall be a serving member of the Board of Directors. All Committee members shall be appointed by the Board. Committee members should have prior governance experience.
<b>Chair Selection</b>	The Board shall appoint the Chair of the Board Development Committee.
<b>Committee Member Terms of Office</b>	Members shall be appointed for a two-year term, and are eligible for reappointment.
<b>Frequency/Method of Meetings</b>	The Board Development Committee shall convene as necessary, and may meet by teleconference or any other method deemed appropriate.
<b>Staff Liaison</b>	The Chief Executive Officer (or his or her delegate) shall serve as staff liaison.
<b>Plan of Work and Budget</b>	In October of each year, the Board Development Committee shall provide the Board with a plan of work and associated budget for the next fiscal year for Board approval.

POLICY TYPE: GOVERNANCE PROCESS

<b>ROLE OF THE VICE CHAIR/TREASURER</b>
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**Purpose:**

The responsibility of the Vice-Chair is to assist the Chair.

**Accountability**

Vice-Chair is accountable to the Board of Directors.

**Responsibilities**

1. Delegate for the Chair in his/her absence.
2. Is familiar with the issues of the MLPAO.
3. Supports ongoing advancement of the MLPAO in keeping with the MLPAO's mandate, strategic plan, policies and positions.
4. Along with the Chair and/or the CEO attend conferences, consultative sessions, and other functions as deemed appropriate by the Board of Directors.
5. Is a co-signatory officer.
6. Attends the AGM and reports the financials to the membership.
7. Attends the CSAE Chief Staff Officer – Symposium prior to the start of their term.

**Terms of office**

The Vice-Chair is selected by the Board of Director for a one (1) year term (and/or two year term if the Chair chooses to stay a second year)

**Staff Liaison**

The CEO is the staff liaison.

*(Updated and approved February 9<sup>th</sup>, 2019)*

POLICY TYPE: GOVERNANCE PROCESS

**ROLE OF THE PAST CHAIR – In development**

POLICY TYPE: GOVERNANCE PROCESS

**ROLE OF THE SECRETARY – In development**

POLICY TYPE: GOVERNANCE PROCESS

<b>ROLE OF THE TREASURER</b>
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**Purpose**

The responsibility of Treasurer is to oversee financial reporting of the society.

**Accountability**

The Treasurer is accountable to the Board of Directors.

**Responsibilities**

1. Chair of the Finance Committee.
2. Review financial reports - quarterly.
3. Prepare financial variance reports to be presented to the Board of Directors.
4. Is a co-signatory.

**Terms of office**

The Treasurer is selected by the Board of Director for a one (1) year term. The Treasurer may hold more than one officer position (such as Vice Chair and or Secretary). If the Treasurer wishes to carry on for a second term they must declare their intentions prior to the nominations process.

**Staff Liaison**

The CEO is the staff liaison.

*(Updated and approved February 9<sup>th</sup>, 2019)*

POLICY TYPE: GOVERNANCE PROCESS

<b>NOMINATION COMMITTEE</b>
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The Nomination Committee is a sub-committee of the Board Development Committee which is solely used for the nomination and election of Board directors.

TERMS OF REFERENCE	NOMINATIONS COMMITTEE
Purpose	<p>The Board Development Committee will strike a Nominations Committee when required.</p> <p>The Board Nominations Committee shall provide oversight to the Board nominations process(es)</p>
Accountability	<p>The Board Nominations Committee is accountable to the Board of Directors. The minutes and/or committee report shall be provided to the Board as soon as possible after each meeting.</p>
Responsibilities	<p>The Board Nominations Committee shall be responsible for:</p> <ol style="list-style-type: none"> <li>1. The verification that the submitted nominations are valid as submitted according to the By-Laws governing the Corporation;</li> <li>2. The verification that the persons nominated are qualified to represent the district or the Director-at-Large position stated in the submitted nomination;</li> <li>3. The proper handling of the balloting and/or election process according to the By-Laws of the Corporation;</li> <li>4. The determination of voter eligibility immediately prior to an election according to the By-Laws of the Corporation;</li> <li>5. Conducting an election if required in accordance with the By-Laws of the Corporation;</li> <li>6. The notification of all Directors whose terms are due to expire and provide them with the appropriate nomination form and deadlines;</li> <li>7. The presentation of the Nominations Committee report at the AGM;</li> <li>8. The officiation of any elections, including:               <p>Informing the person who is chairing the AGM of the number of voting members present at the AGM and other members' meetings and announce the names of guests; Appointing scrutineers to count</p> </li> </ol>

	the votes requiring a show of cards and to report the total numbers; Receiving and holding, in trust, the voting cards of members who wish to leave a membership meeting and return; Ensuring the destruction of ballots following the appropriate motion.
Chair Selection	The Chair of the Nominations Committee is the Past-President (or delegate) of the MLPAO. The current Chair may delegate any duties of the Chair to another Nominations Committee Board member in the absence or resignation of the Past-President.
Committee Composition	The Board Nominations Committee shall be comprised of a minimum of three (3) and maximum of five (5) Board members, including the Chair.
Committee Member Terms of Office	Members shall be appointed for a 1-year term, and are eligible for reappointment.
Frequency/Method of Meeting(s)	The Board Nominations Committee shall convene as necessary, and may meet by teleconference or any other method deemed appropriate.
Staff Liaison	The CEO (or his or her delegate) shall serve as staff liaison.
Plan of Work and Budget	In October of each year, the Board Nominations Committee shall provide the Board with a plan of work and associated budget for the next fiscal (if applicable) for Board approval.

*(Updated and approved February 9<sup>th</sup>, 2019)*

POLICY TYPE: GOVERNANCE PROCESS

<b>BOARD NOMINATIONS - PREREQUISITES</b>
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**Purpose:**

All Board of Director nominations are sent to the Nominations Committee for review. A list of pre-requisites will be required for consideration of an open board position.

**Accountability**

Board nominations review will be the responsibility of the Nominations Committee.  
The Nominations Committee is accountable to the Board of Directors.

Pre-requisites for nominations:

1. Must be a member in good standing of the MLPAO
2. Must have 2 or more years work experience.
3. Cannot be currently employed by a competitor, and will only be considered following a 2 year cooling off period.
4. If successful, the candidate must provide a Criminal Reference Check (CRC). (MLPAO to reimburse the cost of a CRC for this purpose).
5. Significant findings from a CRC will be brought to the Nominations Committee for consideration. Recommendations on suitability will be made to the Board of Directors for final approval.

**Staff Liaison**

The CEO is the staff liaison.

*(Updated and approved February 9<sup>th</sup>, 2019)*



POLICY TYPE: GOVERNANCE PROCESS

<b>BOARD POSITIONS, VOTING AND ADMINISTRATION</b>
---

Nominations for board positions will follow the MLPAO by-laws. Administration for these positions shall be:

1. Members that wish to run for a District position and Director at Large position may do so.
2. They must indicate on their nomination form their intent to run for two positions.
3. If a member wins both positions that they have been nominated for, they must identify which position they want to fill. The remaining position will be filled by the second most votes.
4. If a member runs for two positions, the administration will keep track of total votes in case a second place nominee is required.

Ballots

1. Ballots will be provided electronically or by mail to members for voting purposes.
2. Ballots must be clearly labeled with name and corresponding board position.
3. Return ballots must be completed properly as per the ballot instructions.
4. Ballots that are incomplete or have not followed the stated instructions will be considered spoiled and will not be counted.

POLICY TYPE: BOARD-CHIEF EXECUTIVE OFFICER RELATIONSHIP

<b>DELEGATION TO THE CHIEF EXECUTIVE OFFICER</b>
--

The Board's job is to establish primary policies, leaving implementation and subsidiary policy development to the Chief Executive Officer.

The Board's priorities and objectives direct the Chief Executive Officer to achieve certain results, and Executive Limitations policies constrain the Chief Executive Officer to act within acceptable boundaries of prudence and ethics.

All Board authority delegated to staff is delegated through the Chief Executive Officer. All authority and accountability of staff is affected insofar as the Board is concerned through the authority and accountability of the Chief Executive Officer.

In this spirit:

1. The Chief Executive Officer is authorized to make all decisions, take all actions and develop all activities which are true to the Board's policies. The Board will ensure the Chief Executive Officer's independence relative to the prescribed duties as outlined in policy. Notwithstanding, the Board, at its discretion, may change policies that may alter or impact upon the Chief Executive Officer's authority.
2. No individual Board member, officer or committee has authority over the Chief Executive Officer. Information may be requested, but if such request, in the Chief Executive Officer's judgment, requires a material amount of staff time and resources that will affect other priorities, the Chief Executive Officer may propose alternatives or suggest the request be referred to the Board for possible reallocation of priorities and timing.
3. The Chief Executive Officer may not perform, allow, or cause to be performed any act which is contrary to explicit Board constraints (Executive Limitations policies).
4. Should the Chief Executive Officer violate a Board policy, the Chief Executive Officer shall immediately inform the Board who will debate the nature of the violation and determine if corrective or disciplinary action is necessary.

POLICY TYPE: BOARD-CHIEF EXECUTIVE OFFICER RELATIONSHIP

<b>CHIEF EXECUTIVE OFFICER JOB DESCRIPTION AND CODE OF CONDUCT</b>
--

As the Board's single official link to the organization, the Chief Executive Officer is accountable for all organizational performance and exercises all authority transmitted into the organization by the Board. Chief Executive Officer performance will be considered to be synonymous with organizational performance as a whole.

Consequently, the Chief Executive Officer's job contributions can be stated as performance in only two areas:

1. Organizational accomplishment of the priorities and objectives set out annually by the Board.
2. Organizational operation within the boundaries of prudence and ethics established in Board policies on Executive Limitations.

The Chief Executive Officer shall also comply with the following code of conduct (adapted from the Canadian Society of Association Executives' code of conduct for association executives):

- Serve the association faithfully, respecting confidentiality, and avoiding conflicts of interest and activities for personal gain at the expense of the association or its members;
- Act with fairness, integrity and dignity and in a manner not detrimental to the interest of the public, the association, or its members;
- Advise the Board concerning any contemplated action or decision which they know to be illegal or unethical, and further advise the Board of the possible consequences of proceeding with such actions or decisions; and,
- Serve all members of the association impartially, provide no special privilege to any individual member, and accept no personal compensation from a member except with the knowledge and consent of the Board.

POLICY TYPE: BOARD-CHIEF EXECUTIVE OFFICER RELATIONSHIP

<b>MONITORING</b>
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Monitoring Chief Executive Officer (CEO) performance is synonymous with monitoring organizational performance against Board approved priorities and objectives and on Executive Limitations. Monitoring will be as automatic as possible, using a minimum of Board time so that meetings can be used to create the future rather than review the past.

1. The purpose of monitoring is simply to determine the degree to which Board policies, priorities and objectives are being fulfilled. Information which does not do this will not be considered to be monitoring.
2. A given policy, priority and objective may be monitored in one or more of three ways:
  - **Internal report:** Disclosure of compliance information to the Board from the Chief Executive Officer.
  - **External report:** Discovery of compliance information by a disinterested external auditor, inspector or judge who is selected by and reports directly to the Board. Such reports must assess Chief Executive Officer (CEO) performance only against policies of the Board, not the external party, unless the Board has previously indicated the party's opinion to be the standard.
  - **Direct Board inspection:** Discovery of compliance information by a Board member, or a committee of the Board as a whole. This is a Board inspection of documents, activities or circumstances directed by the Board which allows a "prudent person" test of policy compliance.
3. Upon the choice of the Board, any policy can be monitored by any method at any time. However, each Executive Limitations policy of the Board will be classified by the Board according to frequency and method of regular monitoring.
4. Performance shall be measured annually in accordance with pre-defined objectives.

POLICY TYPE: BOARD-CHIEF EXECUTIVE OFFICER RELATIONSHIP

<b>ANNUAL CHIEF EXECUTIVE OFFICER PERFORMANCE EVALUATION</b>
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The Board, through ongoing monitoring of policy compliance and achievement of the goals outlined in the annual business plan, constantly tracks Chief Executive Officer (CEO) performance. On a more formal basis, the Board, on an annual basis, will address Chief Executive Officer (CEO) performance in the following manner:

1. At the first meeting of a new fiscal year, the full Board shall convene in-camera to discuss and document Chief Executive Officer performance by responding to the following questions:
  - Did the Chief Executive Officer achieve the goals outlined in the operational plan for the previous fiscal year?
  - Did the Chief Executive Officer comply with all Board policies that apply to the Chief Executive Officer?
  - Did the Chief Executive Officer achieve budget targets for the previous fiscal year?
2. The Board shall appoint at least two individuals who shall meet with the Chief Executive Officer prior to the next meeting of the Board to share the Board's performance assessment and discuss related matters such as terms of employment, professional development, etc.
3. At the second meeting of a new fiscal year, the Board shall convene in-camera to receive a report from those who met with the Chief Executive Officer on the evaluation meeting and consider any recommendations that may arise as a result of those discussions.

POLICY TYPE: CHIEF EXECUTIVE OFFICER LIMITATIONS

<b>GENERAL CHIEF EXECUTIVE OFFICER CONSTRAINT</b>
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The Chief Executive Officer shall not be the cause of, or knowingly allow any violation of good association business practices and professional ethics.

POLICY TYPE: CHIEF EXECUTIVE OFFICER LIMITATIONS

<b>TREATMENT OF MEMBERS</b>
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With respect to treatment of members, the Chief Executive Officer shall not cause or allow conditions to occur which are unfair or undignified. The Chief Executive Officer shall not disclose information which may be considered privileged or confidential.

POLICY TYPE: CHIEF EXECUTIVE OFFICER LIMITATIONS

<b>STAFF TREATMENT</b>
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The Chief Executive Officer shall foster a positive work environment where employees and volunteers are treated with dignity and respect. Consequently, the Chief Executive Officer shall not cause or allow conditions to persist which are inhumane, unsafe, unfair or undignified.

The Chief Executive Officer shall not knowingly violate any current legislative standard such as the Canadian or Provincial Human Rights Code, The Employment Standards Act, or any legislation governing Pay Equity, Employment Equity, and Workplace Health and Safety.

POLICY TYPE: CHIEF EXECUTIVE OFFICER LIMITATIONS

<b>COMPENSATION AND BENEFITS</b>
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The Chief Executive Officer shall maintain fiscal integrity and a positive public image with respect to employment, compensation and benefits to employees, consultants and contract workers.

Accordingly, the Chief Executive Officer:

1. Shall not change his or her own compensation and benefits.
2. Shall not promise or imply permanent or guaranteed employment.
3. Shall not establish current compensation and benefits which deviate materially from the geographic or professional market for the skills employed.
4. Shall ensure a formal performance evaluation is conducted for every employee on an annual basis.
5. Shall ensure a formal salary review is conducted for every employee on an annual basis.

POLICY TYPE: CHIEF EXECUTIVE OFFICER LIMITATIONS

<b>FINANCIAL PLANNING</b>
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With respect to planning fiscal events (budgeting for all or any remaining part of a fiscal period), the Chief Executive Officer may not jeopardize the fiscal integrity of the organization.

Accordingly, the Chief Executive Officer shall ensure annual budgets:

1. Contain sufficient detail to enable: an accurate projection of revenues and expenses, separation of capital and operational items, subsequent audit trails and disclosure of planning assumptions.
2. Do not plan for the expenditure in any fiscal year of more funds than are conservatively projected to be received in that year.
3. Allocate funds in accord with Board-stated priorities and objectives.
4. Do not jeopardize the integrity of the services provided by the organization.



POLICY TYPE: CHIEF EXECUTIVE OFFICER LIMITATIONS

<b>INVESTMENTS AND OPERATIONAL SURPLUS</b>
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With respect to the investment of association surplus funds, the Chief Executive Officer shall ensure:

1. Surplus funds are invested to obtain the highest possible return by utilizing a mix of low-risk investment instruments.
2. Low-risk shall be defined to include: Federal or Provincial government bonds, government backed debt instruments (e.g., hydro, utilities, etc.), crown corporation bonds, treasury bills, guaranteed investment certificates from Schedule A chartered banks, and commercial paper or derivatives thereof and mutual funds.
3. A minimum of 75% of funds will be invested in instruments backed by either the Federal or Provincial governments or the Canadian Deposit Insurance Corporation. CDIC insurance limitations should be considered with all eligible investments.
4. A maximum of 25% of funds may be invested in mutual funds.
5. The services of an investment firm will be utilized and the firm selected will be provided with a copy of this policy as a limit to its activity on our behalf.

With respect to the organization's surplus, the Board has determined that the annual surplus shall be established and maintained at 50% of annual operating expenses.

Should the operational surplus fall below 50%, the Chief Executive Officer shall advance the following to the Board who shall determine the formula to be utilized to re-achieve the 50% surplus.

1. Effective the next fiscal year, allocate a contribution to the operating surplus of not less than 100% of budgeted annual net income as part of the expense budget until the goal of 50% of annual operating expenses is achieved.
2. Once the operating surplus goal of 50% of annual operating expenses is achieved, continue to budget annually an appropriate amount to maintain the operating surplus at that level.

The Board reserves the right to modify the above during the annual budget approval process should special circumstances or the needs of the organization demand in order to maintain a balanced annual budget.

*(Approved April 2018)*

POLICY TYPE: CHIEF EXECUTIVE OFFICER LIMITATIONS

<b>ASSET PROTECTION</b>
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With respect to proper stewardship of organizational assets, the Chief Executive Officer shall not risk losses beyond those necessary in the normal course of business unless authorized by the Board.

Accordingly, the Chief Executive Officer shall not:

1. Fail to insure related property, premises and activities against property/liability losses and shall not fail to insure Board members and staff against liability losses arising from MLPAO related duties and activities.
2. Knowingly expose the organization, the Board or its staff to claims of liability.
3. Approve any purchase or make budgeted economic commitments exceeding \$10,000.00 for a single purchase of goods without conducting a competitive procurement process.
4. Fail to reasonably ensure that adequate measures are taken to protect the integrity and continuity of the organization and its records.

POLICY TYPE: CHIEF EXECUTIVE OFFICER LIMITATIONS

<b>CONTINUITY OF EXECUTIVE SERVICES</b>
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In order to protect the Board from the loss of Chief Executive Officer services, the Chief Executive Officer shall not have less than one other staff member familiar with Board and Chief Executive Officer issues and processes, and shall not fail to maintain appropriate records and documentation which would facilitate continuity of operations.

When at all possible, the two most senior staff members of MLPAO shall travel separately.

POLICY TYPE: CHIEF EXECUTIVE OFFICER LIMITATIONS

<b>COMMUNICATION AND COUNSEL TO THE BOARD</b>
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With respect to providing information and counsel to the Board, the Chief Executive Officer shall not cause or allow the Board to be uninformed or misinformed.

Accordingly, the Chief Executive Officer shall not:

1. Fail to inform the Board in a timely manner of relevant trends, material external or internal changes, particularly changes in the assumptions upon which any Board policy, priority or objective has been previously established.
2. Fail to gather staff and external points of view, issues and options and advice as needed for fully informed Board choices.
3. Fail to inform the Board on program changes or staff changes related to services offered.

POLICY TYPE: CHIEF EXECUTIVE OFFICER LIMITATIONS

<b>MEDIA RELATIONS/CRISIS MANAGEMENT</b>
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The Chief Executive Officer serves as the association's official spokesperson and conveys the official association position on issues of general industry impact or significance and responds to situations that are of a particularly controversial or sensitive nature.

Inquiries from the media about such issues shall be referred to the Chief Executive Officer. Depending on the specific circumstances, the Chief Executive Officer may designate another individual to serve as spokesperson on a particular issue.

Accordingly, the Chief Executive Officer shall maintain a location (website) for board positions that captures the Board's public policy positions on issues of the day.

In the event of a crisis or emergency situation, where the Chief Executive Officer is unable to determine the association's preferred public policy position on a given issue, the Chief Executive Officer shall:

- a) Develop a "position paper" to detail the known facts of the situation and make recommendations on the appropriate association position in response to the issue;
- b) Circulate the document to all Board members urging quick endorsement of the proposed response;
- c) Upon receiving approval from a majority (50% +1) of Board members, the Chief Executive Officer may proceed to respond to media and advance the association's view on the issue.

POLICY TYPE: CHIEF EXECUTIVE OFFICER LIMITATIONS

<b>BOARD INFORMATION NEEDS</b>
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The Chief Executive Officer shall provide the Board with information on a regular and timely basis. Such information shall include:

- Information on external trends and issues that may impact on the organization and its members and/or stakeholders;
- Internal strengths and weaknesses;
- Member expectations;
- Information on internal trends (i.e. increased or decreased utilization of the organization's products or services);
- Reports by Governments or external agencies containing recommendations that may have an impact on the association and/or its members and/or stakeholders;
- Information to support and monitor strategic and business plans;
- Financial and operational reports to enable the Board monitor and evaluate plans and ensure accountability;
- Information required by the Board to monitor compliance with its policies;
- Information to help Board members promote the organization;
- Copies of articles, presentations, best practices and information from websites or publications relating to governance that might help the Board enhance its governance capacity.

POLICY TYPE: CHIEF EXECUTIVE OFFICER LIMITATIONS

<b>CHEQUE SIGNING</b>
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The official signing officers for bank and other financial transactions are any two of the following: Chair, Vice-Chair, Finance Chair, and Chief Executive Officer.

All cheques or Electronic Fund Transfer under \$2,500 require a signature from two senior staff members (Chief Executive Officer, Manager, Professional Services) and/or any board of directors signing officers (Chair, Vice Chair, Finance Chair or Board delegate)

All cheques or EFTs over \$2,500 require a signature/online approval from any two signing officers (Chair, Vice Chair, Finance Chair, Chief Executive Officer or Board delegate.)

POLICY TYPE: CHIEF EXECUTIVE OFFICER LIMITATIONS

<b>FRAUD POLICY</b>
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Management is responsible for the detection and prevention of fraud, misappropriations, and other irregularities. Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury. Each member of the team will be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of irregularity.

Any irregularity that is detected or suspected must be reported immediately to the CEO or \*(delegate).

**ACTIONS CONSTITUTING FRAUD**

The terms defalcation, misappropriation, and other fiscal irregularities refer to, but are not limited to:

- Any dishonest or fraudulent act
- Misappropriation of funds, securities, supplies, or other assets
- Impropriety in the handling or reporting of money or financial transactions
- Profiteering as a result of insider knowledge of Association activities
- Disclosing confidential and proprietary information to outside parties
- Disclosing to other persons securities activities engaged in or contemplated by the Association
- Accepting or seeking anything of material value from contractors, vendors, or persons providing services/materials to the Association
- Destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment; and/or
- Any similar or related irregularity

**OTHER IRREGULARITIES**

Irregularities concerning an employee's moral, ethical, or behavioral conduct should be resolved by the CEO.

**INVESTIGATION RESPONSIBILITIES**

The CEO has the primary responsibility for the investigation of all suspected fraudulent acts as defined in the policy. If the investigation substantiates that fraudulent activities have occurred, the CEO will issue reports to the Board of Directors.

Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in conjunction with legal counsel and senior management, as will final decisions on disposition of the case.

## **CONFIDENTIALITY**

The CEO treats all information received confidentially. Any employee who suspect's dishonest or fraudulent activity will notify the CEO or (delegate) immediately, and should not attempt to personally conduct investigations or interviews/interrogations related to any suspected fraudulent act (see REPORTING PROCEDURE section below).

Investigation results will not be disclosed or discussed with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct and to protect the Company from potential civil liability.

## **REPORTING PROCEDURES**

Great care must be taken in the investigation of suspected improprieties or irregularities so as to avoid mistaken accusations or alerting suspected individuals that an investigation is under way.

An employee who discovers or suspects fraudulent activity will contact the CEO or (delegate) immediately. The employee or other complainant may remain anonymous.

The reporting individual should be informed of the following:

- Do not contact the suspected individual in an effort to determine facts or demand restitution.
- Do not discuss the case, facts, suspicions, or allegations with any one unless specifically asked to do so by the CEO

*\*(delegate could be Manager, Professional Services or Chair in the case where fraud is occurring at the CEO level)*

*(Updated April 2018)*