

## GOVERNANCE POLICIES

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**GOVERNANCE POLICIES**

**GOVERNANCE POLICIES**

The purpose of the Board, on behalf of Tourism Vancouver Island, is to ensure Tourism Vancouver Island sets strategic direction to achieve the Association's mission within legal and ethical boundaries and the Board's policies.

## GOVERNANCE POLICIES

### TERMS OF REFERENCE FOR THE BOARD OF DIRECTORS

#### Board Focus:

- a. Outward vision rather than internal preoccupation.
- b. Encouragement of diversity in viewpoints.
- c. Strategic leadership more than administrative detail.
- d. Clear distinction of Board and President & CEO roles.
- e. Collective rather than individual decisions.
- f. Future rather than past or present.
- g. Proactivity rather than reactivity.

#### Duties and Responsibilities:

- a. Developing Tourism Vancouver Island's Vision, Mission, Values and Strategic Priorities.
- b. Ensuring consultation with stakeholders (industry, President & CEO) in the development process.
- c. Appointing the President & CEO and monitoring his/her performance;
- d. Reviewing the President & CEO's performance annually against agreed-upon objectives and Board-approved policies.
- e. Approving the President & CEO's compensation.
- f. Providing outside perspective on the strategic issues facing the organization.
- g. Approving the organization's Strategic Plan.
- h. Establishing clear objectives against which the President & CEO's performance will be measured.
- i. Approving annual operating and capital budgets.
- j. Monitoring operational and financial results on a quarterly basis.
- k. Approving annual financial statements.
- l. Recommending appointment of external auditors and approving auditors' fees.
- m. Ensuring the President & CEO identifies the principal risks facing the organization and implements appropriate systems/programs to manage the risks.
- n. Ensuring that communication and consultation with stakeholders is effective and appropriate.

## GOVERNANCE POLICIES

- o. Approving and monitoring compliance with all Board policies and procedures by which Tourism Vancouver Island is operated.
- p. Communicating at the political level issues of concern to Tourism Vancouver Island and maintaining appropriate political direction.
- q. Evaluating Board performance annually.
- r. Planning for Board succession (directors and officers).
- s. Report to the Board at least annually on consultation with key government representatives in their jurisdiction about the growth and impediments to growth of tourism.

## GOVERNANCE POLICIES

### TERMS OF REFERENCE FOR THE CHAIR

#### Duties and Responsibilities:

- a. Chairing Board meetings and ensuring that the appropriate issues are addressed.
- b. Ensuring that the Board and its committees receive relevant information one week in advance of meetings.
- c. Ensuring that Board meetings are conducted in an efficient, effective and focused manner.
- d. Ensuring that the points of view of all Directors are heard and valued;
- e. Recommending committee members and committee Chair appointments to the Board for approval.
- f. Ensuring the coordination of the agenda and information packages for Board meetings.
- g. Ensuring that the Board has the information it needs to make informed decisions.
- h. Building consensus and teamwork within the Board.
- i. Addressing inappropriate Board member behavior.
- j. Leading the President & CEO performance review process and recommending President & CEO compensation to the Board for approval.
- k. Fostering a constructive and harmonious relationship between the Board and management.
- l. Attending committee meetings as appropriate.
- m. Communicating the Board's direction to the President & CEO.
- n. Acting as a sounding Board for the President & CEO.
- o. Ensuring the President & CEO is aware of concerns of the Board and the stakeholders.
- p. Acting as primary spokesperson for the Board on Tourism Vancouver Island's Vision, Mission, Values and Priorities.
- q. Ensuring that the Board is represented at political functions and meetings.

## GOVERNANCE POLICIES

### TERMS OF REFERENCE FOR THE FIRST VICE-CHAIR

#### Duties and Responsibilities:

- a. Chairing the Governance Committee.
- b. Chairing Board Meetings in the absence of the Chair.
- c. Performing all duties of the Chair as outlined in the Governance Policy Manual, in the Chair's absence or inability to act.

### TERMS OF REFERENCE FOR THE SECOND VICE-CHAIR

#### Duties and Responsibilities:

- a. Chairing the Marketing Committee.
- b. Chairing Board Meetings in the absence of both the Chair and the First Vice-Chair.
- c. Performing all duties of the Chair as outlined in the Governance Policy Manual, in the event of both the Chair and the First Vice-Chair being absent or unable to act.

### TERMS OF REFERENCE FOR THE SECRETARY-TREASURER

#### Duties and Responsibilities:

- a. Chairing the Finance Committee.
- b. Acting as Secretary of all meetings of members of the Board and stakeholders of the Association.
- c. Ensuring that minutes of all such meetings are recorded and maintained in the Minute Books of the Association, and that such Minute Books are stored at the head office of the Association.
- d. Ensuring that the documents, records, and registers referred to in the Societies Act are maintained and stored at the head office of the Association.
- e. Chairing Board Meetings in the absence of the Chair and both of the Vice-Chairs.
- f. Performing all duties of the Chair as outlined in the Governance Policy Manual in the event of the Chair and both Vice-Chairs being absent or unable to act.

## GOVERNANCE POLICIES

### TERMS OF REFERENCE FOR INDIVIDUAL DIRECTORS

#### Duties and Responsibilities:

- a. Being knowledgeable about the industry and the environment in which it operates.
- b. Maintaining a 75% attendance record at Board Meetings except for absences for which one week's advance notice has been provided to the Chair with circumstances acceptable to the Chair.
- c. Attending Association-related social events.
- d. Contributing and adding value to discussions.
- e. Preparing for Board and committee meetings by reading reports and background materials.
- f. Understanding the difference between governing and managing and not encroaching on the President & CEO's area of responsibility.
- g. Respecting the policy that establishes the President & CEO and the Chair as the organizational spokespersons.
- h. Publicly supporting Board-approved policies and positions on decisions and issues.
- i. Respecting the confidentiality requirements of the Code of Conduct and Conflict of Interest Guidelines.

### TERMS OF REFERENCE FOR COMMITTEE CHAIRS

#### Duties and Responsibilities:

- a. Sets the agenda for the committee meeting in consultation with the President & CEO.
- b. Oversees the logistics of the committee's operations.
- c. Reports to the Board Chair.
- d. Ensures coordination of information packages and related events for committee meetings so Board members have the information required for decision-making.
- e. Sets the tone for the committee's work.
- f. Chairs committee meetings in an efficient, effective and focused manner.
- g. Ensures the committee fulfills its monitoring responsibilities.
- h. Reports to the full Board on the committee's recommendations.

# Tourism Vancouver Island Board Manual

## GOVERNANCE POLICIES

### TERMS OF REFERENCE FOR THE PRESIDENT & CHIEF EXECUTIVE OFFICER

#### Responsibilities:

- a. Strategic Direction
- b. Board Liaison and Support
- c. Operations Planning and Management
- d. Marketing and Promotion
- e. Human Resources
- f. Financial Management
- g. Stakeholder Relations

#### Functions:

- a. Assist the Board in the development of its strategic plan that is consistent with the Board's vision, mission, values and priorities;
- b. Execute the strategic plan as set forth in item (4) four of the President and CEO employment contract;
- c. Report to the Board and maintain open communication with the Board, and keep the Board informed of all significant matters;
- d. Support operations and administration of the Board by advising and informing Board members, interfacing between Board and staff, and supporting the Board's evaluation of the President and CEO;
- e. With the Chair, enable the Board to fulfill its governance function;
- f. Maintain a plan for President and CEO succession;
- g. Manage and control the operation of the Association on a day-to-day basis in accordance with the plans, policies and parameters approved by the Board;
- h. Identify the principal risks facing the Association and/or maintain appropriate systems to manage the risks;
- i. Oversee the design, marketing, promotion, delivery and quality of programs, products and services in accordance with the strategic marketing plan;
- j. Ensure that the Association has written personnel policies that clarify personnel rules for staff, provide for effective handling of grievances, and protect against wrongful conditions such as nepotism and grossly preferential treatment;
- k. Manage the human resources of the organization according to authorized personnel policies and procedures that fully conform to current laws and regulations;
- l. Develop and recommend the annual budget and business plan as outlined in item (3) three of the President and CEO employment contract;
- m. Prudently manage the Association's resources within those budget guidelines according to current laws and regulations;
- n. Define clearly for Stakeholders the services provided and provide a platform for stakeholder feedback;
- o. Ensure the Association and its mission, programs, products and services are consistently presented in a strong, positive light to Stakeholders;

## GOVERNANCE POLICIES

### CONFLICT OF INTEREST GUIDELINES

#### Each Director shall:

- a. Act honestly and in good faith and in the best interests of the Association when working on Tourism Vancouver Island business. This means a director will not put allegiance to another group ahead of their commitment to Tourism Vancouver Island.
- b. Exercise the care, diligence and skill of a reasonably prudent person.
- c. Not communicate confidential information to anyone not entitled to receive the same.
- d. Not use information, confidential or otherwise, that is gained in the execution of his or her office and is not available to the stakeholders of the Association generally, to further or seek to further the director's private pecuniary or other interest.
- e. Not use his or her position as director to secure special privileges, favors or exemptions for himself or herself personally or for any other person.
- f. Not place himself or herself in a situation where he or she may be under obligation to someone who has business dealings with the Association and who would benefit from special consideration or treatment.
- g. Not use his or her position to influence a decision to be made by another person to further the director's private pecuniary or other interest.
- h. Avoid any situations that could cause any person to believe that he or she may have brought bias or partiality to a question before the Board.

#### In addition:

- a. No director shall receive preferential treatment by way of priority access to leads, special rates or presence at trade shows or in programs.
- b. For the purposes of these guidelines, a director has a conflict of interest with respect to any matter brought before him or her, while sitting as a member of the Board or otherwise, where the director has or appears to have a pecuniary or other interest in a matter which is at variance with the interests of the stakeholders of the Association generally.
- c. For the purposes of these guidelines, "pecuniary interest" means interest consisting of money, measured in money or related to money (including a financial gain or an avoidance of financial loss) and includes the following:
  - i. A "direct pecuniary interest" which exists where the financial interest is directly under the control of the director.
  - ii. An "indirect pecuniary interest" which exists where the director:
    - i. Is a shareholder in, or director or senior officer of, a corporation or agency that has a pecuniary interest in the matter.

## GOVERNANCE POLICIES

- ii. Is a member of a body that has a pecuniary interest in the matter.
  - iii. Is a partner or agent of a person who has a pecuniary interest in the matter.
  - iv. Is in the employment of a person or body that has a pecuniary interest in the matter.
- d. With respect to any issue brought before the Board for its consideration, where any director has a conflict of interest, the director shall:
- i. Immediately inform the other Board members that the conflict of interest exists and the nature of the conflict of interest.
  - ii. Absent himself or herself from the room while the issue is under discussion.
  - iii. Refrain from voting on that issue.
  - iv. Not attempt in any way, whether before, during or after the meeting, to influence the voting on any question in respect of the matter.
- e. The Board members may, by special resolution, remove a director before expiration of that director's terms of office and another director may be elected, or by ordinary resolution appointed, to serve during the balance of the term.
- f. Board members will disclose their involvements with other organizations, with vendors, or any other Associations that might produce a conflict.

## GOVERNANCE POLICIES

### CODE OF CONDUCT

#### Board members have the following responsibilities:

- a. Understand the mission and the vision of Tourism Vancouver Island:  
*Vision: "Tourism Vancouver Island will be recognized and respected as an innovative leader in Destination Marketing."*  
*Mission: "Is to execute strategic leadership creating Economic, Social and Environmental benefit to the Vancouver Island tourism community"*
- b. Maintain a 75% attendance record.
- c. Be informed:
  - i. Know the duties and responsibilities of a Board Member.
  - ii. Understand the organizational structure of Tourism Vancouver Island.
  - iii. Stay abreast of what is happening in the industry on a national and international level.
- d. Serve on at least one Committee.
- e. Contribute to a sense of camaraderie and teamwork:
  - i. Bring issues to the Board table for discussion.
  - ii. Work cooperatively to resolve issues; do not panic when there are differences of opinion on issues.
  - iii. Be loyal to the organization. When a decision has been made, you have an obligation to defend and explain it publicly even if you disagree with the decision of the majority. If unable to do this, you must decide to remain with the Board and lobby from within to reverse the decision, or to resign.
- f. Support the professional staff:
  - i. Give praise when you see work well done.
  - ii. Speak positively about the organization, its staff and operations at all times in the public forum.
  - iii. Respect the lines of authority and accountability. Direct concerns about performance to the Chair or the CEO, not to a staff member.
- g. Help make meetings work.
  - i. Have a working knowledge of rules of order.
  - ii. Participate: listen, ask questions, discuss, and look for answers.

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- iii. Do not criticize; offer solutions.
- iv. Do not get personal.
- h. Promote Tourism Vancouver Island in the Community.
  - i. Be an advocate for Tourism Vancouver Island in the Community.
  - ii. If you cannot say something good publicly about Tourism Vancouver Island, do not say anything.
- i. Demonstrate leadership.
  - i. Take personal responsibility for decision-making and problem solving.
  - ii. Clarify the issue under discussion.
  - iii. Review Tourism Vancouver Island's objectives regarding the issue.
  - iv. Identify possible courses of action.
  - v. Evaluate alternatives and choose the best one.
  - vi. Make sound decisions.
  - vii. Your decision should aid Tourism Vancouver Island in fulfilling its mission as defined in the constitution and its goals and objectives.
  - viii. The standard of what is right should be applied to each decision you make.

## GOVERNANCE POLICIES

### BOARD COMMITTEE AND TASK FORCE PRINCIPLES

Board committees and task forces, when used, will be assigned so as to reinforce the wholeness of the Board's job and so as never to interfere with delegation from Board to President & CEO.

- a. Board committees are to help the Board do its job, never to help or advise the staff. Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board's broader focus, Board committees will normally not have dealings with current staff operations.
- b. Board committees may not speak or act for the Board except when formally given such authority for specific and time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the President & CEO.
- c. Board committees report to the Board and do not have authority to give direction to the President & CEO.
- d. Committees will be used sparingly and ordinarily in an ad hoc capacity.
- e. Each committee shall have clearly-specified Terms of Reference that include:
  - i. Purpose of the committee.
  - ii. Composition.
  - iii. Defined duties, responsibilities and outputs.
  - iv. Number of meetings.
  - v. Resources and time lines/reporting schedule.
- f. With the Board's approval, the Chair may appoint task forces to undertake a specific task for a defined period of time; and
- g. Terms of reference for the task force are to be clearly defined and shall include:
  - i. Purpose.
  - ii. Composition.
  - iii. Defined duties, responsibilities and outputs.
  - iv. Completion date.
  - v. Resources and timelines/reporting schedule.

## GOVERNANCE POLICIES

### EXPENSE ELIGIBILITY

- The Tourism Association of Vancouver Island will reimburse expenses, as outline in this policy, to elected and appointed directors.
- **Eligible Expenses for meetings held in Nanaimo:**
  - All directors are eligible to be reimbursed for mileage, appropriate per diems, and ferry expenses when attending regular Board of Directors meetings.
  - Directors from North of Campbell River & West of Port Alberni attending regular Board of Directors meeting are also eligible to claim accommodation expenses.
- **Eligible Expenses for alternate location meetings:**
  - All directors are eligible to be reimbursed for mileage, appropriate per diems and ferry expenses when attending regular Board of Directors meetings.
  - Accommodations will usually be provided by meeting host.
- **Eligible Expenses for committee meetings:**
  - All directors are eligible to be reimbursed for mileage, appropriate per diems, and ferry expenses when attending regular Committee meetings.
- **Accommodation Arrangements:**

Accommodations will be made through the Executive Assistant.

- **Method of Application:**

Directors that wish to be reimbursed for expenses must submit an expense request on the approved form within two weeks of the meeting attendance.

- **Expense Rates:**

All expense reimbursement is in accordance with rates that are set by Tourism British Columbia.

## GOVERNANCE POLICIES

### TERMS OF REFERENCE FOR THE FINANCE COMMITTEE

**Purpose:**

The Finance Committee oversees the financial health of the Association.

**Composition:**

- a. The Secretary-Treasurer of the Board of Directors shall serve as Chair of the Committee.
- b. The Committee is to be appointed by the Board at the first meeting following the AGM.
- c. The Committee shall be composed of a minimum of three representatives from the Board of Directors and/or the stakeholders of Tourism Vancouver Island.
- d. A majority of Committee members constitutes a quorum.

**Duties and Responsibilities:**

- a. To prepare an annual timetable of Committee activities.
- b. To recommend the annual budget to the Board.
- c. To recommend the financial statement to the Board.
- d. To recommend the appointment of auditors and the extra parameters of the audit.
- e. To recommend the acceptance of the annual audited financial statements.
- f. To explain significant budget variances to the Board.
- g. To recommend financial parameters to the Board and monitor those parameters.
- h. To publicly support Committee-approved policies and positions on decisions and issues.
- i. Where committee members are not members of the Tourism Vancouver Island Board of Directors they will be required to sign and abide by the Board Code of Conduct and Confidentiality Agreement.

**Accountability:**

The Committee will report to the Board at each Board meeting.

**Meeting Dates:**

The committee shall meet prior to each Board meeting.

**Staff Resources:**

Internal staff resources will be provided for the Committee through the President & CEO.

## GOVERNANCE POLICIES

### TERMS OF REFERENCE FOR THE GOVERNANCE COMMITTEE

**Purpose:**

To oversee Tourism Vancouver Island's governance structure and election procedure as outlined in the Constitution.

**Composition:**

- a. The Governance Committee shall be appointed at the first Board meeting following the AGM.
- b. The First Vice Chair of the Board shall be the Chair of the Governance Committee.
- c. The Committee shall be composed of a minimum of three representatives from the Board of Directors Tourism Vancouver Island.
- d. A majority of Committee members constitutes a quorum.

**Duties and Responsibilities:**

- a. To prepare an annual timetable of Committee activities.
- b. To conduct an annual review of the Constitution, By Laws and Board policies and recommendation of changes to the Board.
- c. To coordinate an annual orientation program for Directors.
- d. To conduct an annual Board evaluation.
- e. To develop criteria for an annual Board evaluation and Director's self-evaluation.
- f. To maintain a record of the term of service of each Board Member.
- g. To provide recommendations to the Board, based on Board Competency Matrix, candidates to fill vacancies on the Board.
- h. To develop recommendations based on Board Competency Matrix to the Board of a slate of officers, from the voting stakeholders, for election prior to the Annual General Meeting.
- i. To oversee the election process and to advise the Board of the outcome.
- j. To publicly support Committee-approved policies and positions on decisions and issues.
- k. Where committee members are not members of the Tourism Vancouver Island Board of Directors they will be required to sign and abide by the Board Code of Conduct and Confidentiality Agreement.

**Accountability:**

The Committee will report to the Board following each Committee meeting.

**Meeting Dates:**

The Committee will meet as and when required.

**Staff Resources:**

Internal staff resources will be provided for the Committee through the President & CEO.

## GOVERNANCE POLICIES

### TERMS OF REFERENCE FOR THE APPOINTED DIRECTORS NOMINATING COMMITTEE

**Purpose:**

To oversee Tourism Vancouver Island's Appointed Director Nominating Process as outlined in the Bylaws.

**Composition:**

- a. The Appointed Director Nominating Committee shall be comprised of the Past Board Chair, a minimum of two additional Board members who are not seeking an Appointed Board position, plus the CEO
- b. The Past Chair shall be the Chair of the Appointed Director Nominating Committee.
- c. A majority of Committee members constitutes a quorum.

**Duties and Responsibilities:**

- d. To provide recommendations to the Board, based on Board Competency Matrix, candidates to fill vacancies in the Appointed Director positions.
- e. Each year prior to the last regular Board meeting, the nominating committee will circulate to the Board the names and biographies of candidates who fulfill the desired competencies and are willing to serve as an Appointed Director to Tourism Vancouver Island

**Accountability:**

The Committee will report to the Board following their completed review of candidates. This report must be not less than 90 calendar days prior to the Annual General Meeting.

**Meeting Dates:**

The Committee will meet as and when required.

**Staff Resources:**

Internal staff resources will be provided for the Committee through the President & CEO.

## GOVERNANCE POLICIES

### TERMS OF REFERENCE FOR THE MARKETING COMMITTEE

**Purpose:**

The Marketing Committee monitors the development and performance of the Association's marketing plan.

**Composition:**

- a. The Marketing Committee shall be appointed at the first Board meeting following the AGM.
- b. The Second Vice Chair of the Board of Directors shall serve as Chair of the Committee.
- c. Committee members are to be from the Board of Directors and/or the stakeholders of Tourism Vancouver Island.
- d. The Committee shall include a minimum of three members of the Board of Directors and three stakeholders of the tourism industry who are to be selected by the Chair.
- e. A majority of Committee members constitutes a quorum.

**Duties and Responsibilities**

- a. To act as a sounding Board for the President & CEO in the development of the marketing plan.
- b. To prepare an annual timetable of Committee activities.
- c. To recommend the annual marketing plan and budget to the Board.
- d. To report the performance of the marketing plan to the Board.
- e. To publicly supporting Board-approved policies and positions on decisions and issues.
- f. Where committee members are not members of the Tourism Vancouver Island Board of Directors they will be required to sign and abide by the Board Code of Conduct and Confidentiality Agreement.

**Accountability**

The Committee will report to the Board at each Board meeting.

**Meeting Dates**

The Committee shall meet prior to each regularly scheduled Board Meeting.

**Staff Resources**

Internal staff resources will be provided for the Committee through the President & CEO.

## GOVERNANCE POLICIES

### TERMS OF REFERENCE FOR THE AUDIT COMMITTEE

#### Purpose

The key function of the Audit Committee is as liaison between the auditor and the corporation's financial manager, the President & CEO. The Audit Committee is a governance body concerned with the integrity of the corporation's financial procedures. The Committee shall monitor the financial activities of Tourism Vancouver Island in a manner and frequency that it deems appropriate to ensure that the policies and procedures are being adhered to. Members of the Audit Committee shall be familiar with basic accounting principles and be able to read and understand financial statements.

#### Composition

- a. The Audit Committee is comprised of the Officers the Society.
- b. The Audit Committee Chair will normally be the Tourism Vancouver Island Treasurer.
- c. The chairperson of the Board of Directors may not be the chairperson of the audit Committee.
- d. A majority of Committee members constitutes a quorum.

#### Duties and Responsibilities

- a. To conduct a periodic review of the accounting policies of Tourism Vancouver Island.
- b. To provide a periodic assessment of the financial risks to Tourism Vancouver Island and where appropriate, provide recommendations to the Board of Directors regarding the management of the identified risks.
- c. To supervise the implementation of an effective system of internal financial controls.
- d. To conduct a periodic review of the financial statements of the Association and provide recommendations to the Board of Directors regarding those statements.
- e. To determine whether an auditor or a candidate for the position of auditor is independent, in particular by examining any existing or past relationship, whether contractual or otherwise, between the auditor or candidate and the Association or any corporation in which the Association has an ownership interest.
- f. To make recommendations to the board regarding the appointment, removal and remuneration of the auditor.
- g. To approve the scope of internal and external audits and approving non-audit services to be performed for the Association by the auditor.
- h. To review the findings of the internal and external audits and management's response to them, make recommendations to the Board of Directors regarding the findings and response and review the implementation if any of the board's decisions regarding the recommendations of the Committee.

#### Accountability

The Committee will report to the Board as required.

#### Meeting Dates

## GOVERNANCE POLICIES

The chairperson of the Audit Committee may call a meeting of the Committee at any time, but shall call a meeting at the request of the auditor or one member of the Committee. The auditor shall attend any meetings of the Audit Committee held during the auditor's term of office if so requested by a member of the Committee. The auditor has the right to attend and to be heard at every meeting of the Audit Committee except when the Audit Committee is discussing the auditor's performance or compensation.

### **Staff Resources**

Internal staff resources will be provided for the Committee through the President & CEO.

## GOVERNANCE POLICIES

### TERMS OF REFERENCE FOR THE FINANCIAL SUSTAINABILITY TASK FORCE

**Purpose:**

To secure long term sustainable funding

**Composition:**

- a. The Chair of the Board of Directors shall serve as the Chair of the task force.
- b. The task force shall be composed of a minimum of two representatives from the Board of Directors together with the CEO.

**Duties and Responsibilities:**

- a. To acquire a thorough understanding of all available funding sources, including but not limited to government.
- b. To develop strategies to secure long term sustainable funding.
- c. To make recommendations to the Board for approval.

**Accountability:**

- a. The task force will report to the Board at each Board meeting.

**Meeting Dates:**

The task force shall meet as required.

This task force will dissolve on the date of the Annual General Meeting.

**Staff Resources:**

Internal resources may be provided for the task force through the CEO.

## GOVERNANCE POLICIES

### TERMS OF REFERENCE FOR THE HUMAN RESOURCE COMMITTEE

**Purpose:**

The Human Resource Committee is responsible for taking the lead role for CEO recruitment, succession planning, annual review and performance evaluation, contract negotiation, contract renewal and disciplinary or dismissal action.

**Composition:**

- a. The Human Resource Committee shall be comprised of the Chair of the Board, the Chair of the Governance Committee, the Chair of the Marketing Committee and the Chair of the Finance Committee.
- b. The Chair of the Board shall serve as the Chair of the Committee.
- c. A majority of Committee members constitutes a quorum.

**Duties and Responsibilities:**

To make recommendations to the Board with regards to:

- a. CEO Recruitment.
- b. CEO Succession planning.
- c. CEO Annual review and performance evaluation.
- d. CEO Contracts.
- e. CEO Disciplinary or dismissal action.

**Accountability:**

The Committee will report to the Board through the Board Chair as required.

**Meeting Dates:**

The Committee will meet as and when required.

**Staff Resources:**

Internal staff resources will be provided to the Committee as required.

**Financial Resources:**

The Committee will identify resources when and as required for Board approval.

## GOVERNANCE POLICIES

### COST OF GOVERNANCE

Because poor governance costs more than learning to govern well, the Board will invest in its governance capacity.

- a. Board skills, methods, and supports will be sufficient to ensure governing with excellence.
  - i. Training and retraining will be undertaken to orient new Directors as well as to maintain and increase the existing Director skills and understandings.
  - ii. Outside monitoring assistance may be arranged so that the Board can exercise confident control over organizational performance. This includes but is not limited to fiscal audit.
  - iii. Outreach mechanisms will be used as needed to ensure the Board's ability to listen to stakeholder viewpoints and values.
- b. Costs will be prudently incurred, though not at the expense of endangering the achievement of the Association's mission.

# Tourism Vancouver Island Board Manual

## GOVERNANCE POLICIES

<b>BOARD / PRESIDENT &amp; CEO ROLES</b>			
CORE RESPONSIBILITY	BOARD'S ROLE	CEO'S ROLE	COMMENTS
<b>ORGANIZATIONAL DIRECTION AND PERFORMANCE</b>			
VISION, MISSION AND VALUES	✓		
STRATEGIC PLAN	✓	✓	
ORGANIZATION STRUCTURE		✓	
ANNUAL BUSINESS PLAN		✓	
ANNUAL OPERATING AND CAPITAL BUDGETS	✓	✓	
CORPORATE PERFORMANCE MEASURES	✓	✓	
<b>CORPORATE COMMUNICATIONS</b>			
STRATEGY AND CORPORATE IMAGE		✓	
STAKEHOLDER COMMUNICATIONS		✓	
<b>HUMAN RESOURCES MANAGEMENT</b>			
CEO APPOINTMENT	✓		
CEO SALARY	✓		
CEO PERFORMANCE OBJECTIVES AND EVALUATION	✓		
STAFF APPOINTMENTS		✓	
STAFF PERFORMANCE OBJECTIVES AND EVALUATION		✓	
SUCCESSION PLANNING – CEO	✓	✓	
STAFF GRIEVANCES		✓	
STAFF SALARIES		✓	
SUCCESSION PLANNING – MANAGEMENT		✓	
<b>FINANCIAL MANAGEMENT AND PERFORMANCE</b>			
APPOINTMENT OF EXTERNAL AUDITOR	✓		
OPERATING POLICIES		✓	

### BOARD- PRESIDENT & CEO LINKAGE POLICIES

The Board's sole official connection to the operating organization, its achievement, and conduct will be through the President & CEO.

#### Unity of Control

Only decisions of the Board acting as a body are binding on the President & CEO. In the case of individual directors or committees requesting information or assistance without Board authorization, the President & CEO will determine whether resources are available to respond.

#### Accountability of the CEO

The President & CEO is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority of the President & CEO.

- a. The Board will hold the CEO accountable for the execution of the strategic plan provided that:
  - i. The Board refrains from making operational decisions.
  - ii. The Board does not give instructions to persons who report directly or indirectly to the President & CEO.
  - iii. The Board refrains from evaluating, either formally or informally, any staff other than the President & CEO.
- b. The Board will view President & CEO performance as identical to organizational performance so that successful accomplishment of the Board's strategic plan and compliance to the Board's policies will be viewed as successful President & CEO performance.

#### Delegation to the CEO

The Board will instruct the President & CEO through written policies that prescribe the results to be achieved and describe organizational situations and actions to be avoided, allowing the President & CEO reasonable interpretation of these policies.

- a. The Board will approve a Strategic Plan that instructs the President & CEO to achieve certain results.
- b. The Board will develop policies that limit the latitude the President & CEO may exercise in managing the organization. These policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called Executive Limitations policies.
- c. As long as the President & CEO uses any reasonable interpretation of the Strategic Plan and Executive Limitations policies, the President & CEO is authorized to establish all further policies, make all decisions, take all actions, establish all practices, and develop all activities.
- d. As long as the Board has delegated authority to the President & CEO, the Board will respect and support the CEO's choices.

### Monitoring CEO Performance

Systematic monitoring of President & CEO job performance will be solely against the expected President & CEO outputs: organizational accomplishment of the Strategic Plan (results) and organizational operation within the boundaries established in Board policies on Executive Limitations.

- a. Monitoring is simply to determine the degree to which Board policies are being met. Data that does not contribute to this objective will not be considered to be monitoring data.
- b. The Board will acquire monitoring data by one or more of three methods:
  - i. by internal report, in which the President & CEO discloses compliance information to the Board;
  - ii. by external report, in which an external, disinterested third party selected by the Board assesses compliance with Board policies, and
  - iii. by direct Board inspection, in which a designated member or members of the Board assess compliance with the appropriate policy criteria.
- c. In every case, the standard for compliance shall be any reasonable President & CEO interpretation of the Board policy being monitored.
- d. All policies that instruct the President & CEO will be monitored at a frequency and by a method chosen by the Board. The Board can monitor any policy at any time by any method, but will ordinarily depend on a routine schedule.

### EXECUTIVE LIMITATION POLICIES

The President & CEO shall 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 or regulations of regulatory bodies.

#### **Treatment of Stakeholders**

With respect to interactions with stakeholders, the President & CEO shall not cause or allow conditions, procedures, or decisions that are unsafe, undignified, unnecessarily intrusive or that fail to provide appropriate confidentiality or privacy.

#### **Treatment of Staff**

With respect to the treatment of paid and volunteer staff, the President & CEO may not cause or allow conditions that are unfair or undignified.

#### **Financial Planning and Budgeting**

Financial planning for any fiscal year or the remaining part of any fiscal year shall not deviate materially from the Board's strategic priorities, risk fiscal jeopardy, or fail to be derived from a multi-year plan.

#### **Financial Condition and Activities**

With respect to the actual financial conditions and activities, the President & CEO shall not cause or allow the potential for fiscal jeopardy or a material deviation of actual expenditures from Board priorities established in the Strategic Plan.

The President & CEO will not:

- a. Make a single capital purchase or commitment greater than \$25,000 cumulative to \$50,000 in the fiscal year at the President & CEO's discretion for non-budgeted expenses.
- b. Acquire, encumber, or dispose of real property.
- c. Authorize his or her own expenses.

#### **Emergency CEO Succession**

In order to protect the Board from sudden loss of President & CEO services, the President & CEO may not operate without a Board-approved President & CEO succession plan.

#### **Asset Protection**

The President & CEO shall not allow the assets to be unprotected, inadequately maintained, or unnecessarily risked.

# **Tourism Vancouver Island Board Manual**

## **EXECUTIVE LIMITATION POLICIES**

### **COMPENSATION AND BENEFITS**

With respect to employment, compensation and benefits to employees, consultants, contract workers and volunteers, the President & CEO shall not cause or allow fiscal jeopardy or harm the public image.

### **COMMUNICATION AND SUPPORT TO THE BOARD**

The President & CEO shall not withhold or delay information that the Board requires to make informed decisions.

### **CONTRACTS**

The President & CEO shall not enter into any contract arrangements that violate the organization's Bylaws.

# **Tourism Vancouver Island Board Manual**

## **EXECUTIVE LIMITATION POLICIES**

## CEO PERFORMANCE EVALUATION PROCESS

### PURPOSE

The Board of Directors is responsible for establishing and implementing a timely, fair, objective and constructive process for evaluating the CEO's performance. A good performance review links CEO activities and achievements to the annual priorities and strategic directions for the organization, promotes a healthy dialogue between the Board and the CEO. It creates an opportunity to provide the CEO with formative feedback on his/her performance and identifies areas for professional growth and development.

### PERFORMANCE DIMENSIONS

The CEO will be evaluated on the following dimensions of performance.

1. Strategic goals and annual priorities.
2. Financial performance.
3. Operational performance.
4. Leadership.

### TIMETABLE – OBJECTIVE SETTING FOR NEXT FISCAL YEAR

ACTIVITY	RESPONSIBILITY	TIMELINE
Board approves Corporate Objectives and performance metrics for the next fiscal year at the annual Board retreat.	Board	March
CEO in conjunction with the Board identifies leadership objectives for the next fiscal year at the annual Board retreat.	CEO	March

### ANNUAL TIMETABLE

ACTIVITY	RESPONSIBILITY	TIMELINE
CEO reports on performance outcomes against targets set in annual business and strategic plan.	CEO	April
CEO discusses performance report with the HR Committee.	CEO and HR Committee	April
The CEO's performance report is distributed electronically to the Board.	Board Chair	April
Board members submit written assessments of the CEO to the Board Chair.	Board	April
Board Chair summarizes input.	Board Chair	April
Consolidated input is discussed within the HR Committee and recommendations for the Board prepared with rationale.	HR Committee	May
Board reviews HR Committee	Board	May

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recommendations and approves any compensation and incentive award deemed appropriate.		
Board Chair meets with CEO and presents written feedback and the formal letter confirming the Boards' decision regarding performance.	Board Chair and CEO	May
The CEO submits written response to the Board through the Board Chair and the Board Chair distributes electronically to the Board.	CEO and Board Chair	June

# Tourism Vancouver Island Board Manual

## BOARD CALENDAR

### 2011 – 2012 Tourism Vancouver Island: Board Schedule & Critical Dates

Date	Activity	Key Activities
22 Sept 2011 (Th)	1 <sup>st</sup> Board Meeting <sup>1</sup>	AGM with outgoing Board, followed by 1 <sup>st</sup> board meeting with incoming members. Main order of business: Elect the Board Chair, the appoint committee chairs & TVIC rep.
04 Oct 2011 (Tu)	2 <sup>nd</sup> Board Meeting <sup>2</sup>	Board governance session, and approve 2012-13 marketing plan, monitoring & reporting.
17 Jan 2012 (Tu)	3 <sup>rd</sup> Board Meeting	Approve 2012-13 business plan, elections schedule, monitoring & reporting.
19-20 Mar, 2012 (M/T)	4 <sup>th</sup> Board Meeting <sup>3</sup>	Full day retreat to focus on strategic planning, strategic issues, performance, discuss 2013 board vacancies, and desired competencies, plus regular meeting for monitoring & reporting.
<b><i>Apr/May</i></b>	<b><i>HR Committee</i></b>	CEO reports to HR Committee on performance review, committee reviews and recommends to the Board.
<b><i>Apr 19 to 30<sup>th</sup>, 2012</i></b>	<b><i>Board/Chair Self Evaluation</i></b>	Feedback on board/chair performance to date.
29 May 2012 (Tu)	5 <sup>th</sup> Board Meeting	CEO performance review, monitoring & reporting.
<b><i>June 2012</i></b>	<b><i>Elections Process Begins</i></b>	Notice of nomination to stakeholders for 2012-13 Board.
6 Sep 2012 (Th)	6 <sup>th</sup> Board Meeting	Final board meeting to approve year-end audited statements, approve financial statements, approve the 2012-13 board calendar, receive election results for AGM, approve recommendations for the appointed board members and length of term, monitoring & reporting.
<b>Sept 2012</b>	<b>AGM at the Conference</b>	AGM: Announce new board members, thanks to departing.

<sup>1</sup> Board meetings are held in Nanaimo, BC at the Tourism Vancouver Island Offices unless otherwise notified by the Chair. The estimated time commitment is 12:00 – 3:00 pm however this will be confirmed prior to the meeting by the Chair depending on the size of the agenda.

<sup>2</sup> Facilitator limited in her availability, hence impacting the date for the governance training.

<sup>3</sup> In the event the board is comprised of people impacted by the BC children's school break, these dates can be reconsidered by the new board.



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h) I help draw out contributions from others.	<b>SD D N A SA</b>
9. I respect confidentiality.	<b>SD D N A SA</b>
10. I have a clear understanding of what I should or should not be communicating outside the Board.	<b>SD D N A SA</b>
11. I identify potential conflict areas—real or perceived—and ensure they are appropriately identified and reviewed.	<b>SD D N A SA</b>
12. I am an available resource to the Board.	<b>SD D N A SA</b>
13. I advise the Chair when introducing significant and/or previously unknown information or material at a Board meeting.	<b>SD D N A SA</b>
14. I am a “good” Board member in the following ways.	
a) I listen to and consider others’ comments.	<b>SD D N A SA</b>
b) I am willing to change my viewpoint.	<b>SD D N A SA</b>
c) I accept challenges from others without becoming defensive.	<b>SD D N A SA</b>
d) I have the courage to say what is on my mind.	<b>SD D N A SA</b>
e) I am free of conflicts of interest or I’ve declared any potential conflicts.	<b>SD D N A SA</b>
f) I exercise independent judgment.	<b>SD D N A SA</b>
g) I support the decisions of the Board publicly.	<b>SD D N A SA</b>
<b>VALUE ADDED</b>	
15. I understand and focus on issues that are key to the organization.	<b>SD D N A SA</b>
16. I help colleagues understand and focus on issues that are key to the organization.	<b>SD D N A SA</b>
17. I cut through complex issues.	<b>SD D N A SA</b>
18. I help colleagues cut through complex issues.	<b>SD D N A SA</b>
19. My questions or comments are:	
a) incisive and penetrating.	<b>SD D N A SA</b>
b) appropriately timed.	<b>SD D N A SA</b>
c) value added.	<b>SD D N A SA</b>
20. I keep discussions on track by avoiding talking too much, reminiscing, or engaging in philosophical arguments.	<b>SD D N A SA</b>
21. My judgments are genuinely independent.	<b>SD D N A SA</b>

## Tourism Vancouver Island Board Manual

22. I apply my experience and wisdom to matters that come before the Board.	<b>SD D N A SA</b>
23. I take into account the viewpoints of all stakeholders.	<b>SD D N A SA</b>
24. I contribute to the Board's perspective and wisdom by sharing my knowledge and experience without trying to run the operation.	<b>SD D N A SA</b>
25. I open doors to my network to help organization.	<b>SD D N A SA</b>
<b>ORGANIZATION AND INDUSTRY KNOWLEDGE</b>	
26. I understand the unique role of the organization within its various communities.	<b>SD D N A SA</b>
27. I maintain an understanding of the legislative, social and political environments within which the organization operates.	<b>SD D N A SA</b>
28. I am an effective ambassador and representative of the organization.	<b>SD D N A SA</b>

## BOARD EVALUATION

<b>KNOWLEDGE</b>	
1. Directors have a solid understanding of the mandate of organization.	<b>SD D N A SA</b>
2. Directors have a solid understanding of the political and social environment in which the organization operates.	<b>SD D N A SA</b>
<b>GOVERNANCE</b>	
3. Directors have full and common understanding of the roles and responsibilities of a Board.	<b>SD D N A SA</b>
4. Directors place the interests of the organization above any representative or constituent interests they may hold.	<b>SD D N A SA</b>
5. There are clear written terms of reference for:	
a. the Board.	<b>SD D N A SA</b>
b. the Chair.	<b>SD D N A SA</b>
c. individual directors.	<b>SD D N A SA</b>
6. There is an annual comprehensive CEO evaluation process.	<b>SD D N A SA</b>
7. The Board reviews and approves consulting contracts.	<b>SD D N A SA</b>
8. The organization maintains a conflict-of-interest policy and all directors acknowledge and comply with the policy.	<b>SD D N A SA</b>

## Tourism Vancouver Island Board Manual

9. There is an annual review process for the evaluation of:	
a. the performance of the Board as a whole.	SD D N A SA
b. the performance of individual directors.	SD D N A SA
10. Directors understand :	
a. their common objectives.	SD D N A SA
b. are willing to dedicate the time to accomplish them.	SD D N A SA
11. The Board's nominating process ensures that the Board remains appropriately diverse with respect perspective, skills, and experiences.	SD D N A SA
12. Directors receive regular training and information about the addictions/addictions research and their responsibilities.	SD D N A SA
13. New directors are oriented to the organization, including the mission, bylaws and policies, as well as their roles and responsibilities as Board members.	SD D N A SA
14. The Board effectively represents the organization to the community.	SD D N A SA
<b>STRATEGIC PLANNING</b>	
15. The Board approves organization strategy.	SD D N A SA
<b>MONITORING</b>	
16. The Board regularly monitors and evaluates progress toward strategic goals and performance.	SD D N A SA
17. Directors receive information on a regular basis about the organization's financial performance.	SD D N A SA
18. Directors receive information on a regular basis about the organization's non-financial performance.	SD D N A SA
<b>BOARD COMMUNICATION</b>	
19. Board meetings allow enough time for the exchange of ideas.	SD D N A SA
20. The Board has sufficient dialogue.	SD D N A SA
21. Board members take reasoned, independent positions.	SD D N A SA
22. Board members share their knowledge and experience to organization.	SD D N A SA
23. Board discussions are open and candid.	SD D N A SA
24. The atmosphere of the Boardroom encourages critical thinking.	SD D N A SA
25. Board discussions reach closure.	SD D N A SA

## CHAIR'S EVALUATION

<b>KNOWLEDGE</b>	
1. I have a solid understanding of the mandate of Tourism Vancouver Island.	<b>SD D N A SA</b>
2. I have a solid understanding of the political and social environment in which Tourism Vancouver Island operates.	<b>SD D N A SA</b>
<b>WORKING WITH MANAGEMENT</b>	
3. I act as principal sounding Board for the CEO.	<b>SD D N A SA</b>
4. I ensure that the CEO is aware of concerns of the Board, the stakeholders and the public.	<b>SD D N A SA</b>
<b>GOVERNANCE</b>	
5. I set Board meeting agendas in consultation with the other Board members, the CEO and the Board Secretary.	<b>SD D N A SA</b>
6. I ensure the Board has adequate and appropriate information for timely decision making.	<b>SD D N A SA</b>
7. I provide the Board with timely updates on major or potential developments.	<b>SD D N A SA</b>
8. I ensure that the Board meets its statutory duties.	<b>SD D N A SA</b>
9. I ensure that the Board fulfills its roles and responsibilities.	<b>SD D N A SA</b>
10. I review Director conflict of interest issues immediately.	<b>SD D N A SA</b>
11. I ensure that Board meetings are:	
a. Constructive.	<b>SD D N A SA</b>
b. Effective.	<b>SD D N A SA</b>
c. Efficient.	<b>SD D N A SA</b>
d. Focused.	<b>SD D N A SA</b>
12. I draw out the best of the directors in meetings and ensure that the views of all are considered.	<b>SD D N A SA</b>
13. I build consensus and teamwork.	<b>SD D N A SA</b>
14. Interface with Government and Stakeholders.	<b>SD D N A SA</b>
15. I ensure effective relations with the government and stakeholders.	<b>SD D N A SA</b>

### BOARD OF DIRECTORS COMPETENCY FRAMEWORK

The following framework identifies the net mix of essential and desirable skills that form the basis of the TVI Board of Directors. For the 2010 – 2011 year, there are four appointed seats out of five that can be filled via board appointment; the 5<sup>th</sup> seat is the Tourism Victoria appointed member which will continue into the new board year.

At the 29 June 2010 meeting of the Board of Directors, in consideration of the rotation of elected members and - end of term of current appointed members, the following knowledge and experience areas were highlighted as important for this upcoming year:

- Finance/accounting
- Governance
- Corporate memory
- Transportation

**A) Knowledge: The Board must ensure that a minimum of one Director demonstrate thorough and comprehensive knowledge of the essential areas. The remainder of the Board of Directors should represent one of the desirable categories.**

- Essential: Finance/accounting (with appropriate designations), marketing, governance, government relations, transportation, municipal/economic development
- Desirable: HR, media relations, tourism/industry education, restaurants, hotels, attractions, technology, golf, culture/heritage, first nations, CMIT, strategic planning, performance measurement

**B) Experience: The preferred background of the Board of Directors will include:**

- Essential: A majority of Directors currently own, operate, or work for a private sector tourism business; senior management/business owner experience within the tourism industry
- Desirable: Previous board experience.

**C) Skills and Commitment: Required skills and commitment will include:**

- Essential: Willing to commit time and energy to the board and committees; accept the Board Policy, Constitution and by-laws, able to set personal and business interests aside and work for the benefit of TVI
- Desirable: Effective communication skills.