



## GOVERNANCE POLICY (EXECUTIVE LIMITATIONS)

The purpose of this document is to explain and provide policy guidance for the manner in which the Board of Directors of Ringette Ontario carries out its governance role. This policy is consistent with and flows from Ringette Ontario's purposes and Bylaws.

### **The Board and the Executive Director**

Ringette Ontario is governed by a Board of Directors elected or appointed by the Members to govern on their behalf. The Board is ultimately accountable to the Members for competent stewardship and for the long-term development of the organization. The Board hires an Executive Director and forms standing Committees of the Board to assist in the task of operating the organization.

While Ringette Ontario Board has a great interest in seeing that the rest of Ringette Ontario (the Members and participants) thrive and contribute towards the larger vision of Ringette Ontario as a whole, the Board's influence on this is indirect, and is achieved largely through the success of the Executive Director and staff in discharging their roles.

Ringette Ontario employs a form of governance that endeavours to separate governance and operations to an extent that the Members are comfortable with. The Board sets long-term strategic direction for Ringette Ontario and then monitors the ongoing performance of Ringette Ontario on behalf of the Members. The Board is responsible for determining general non-operational policies. These are referred to as "Board policies". The Executive Director and staff are responsible for the day-to-day operations in accordance with Board policies and within any limitations imposed by the Board. The Board can constitute committees or task forces of the Board in its supportive role.

Though the Board is accountable for all of Ringette Ontario's activity, it delegates to the Executive Director the responsibility for carrying out the actual work of the organization, empowering the Executive Director to the maximum extent that is consistent with maintaining the Board's accountability. This is done by setting explicit expectations (criteria or limits) governing the activities of the Executive Director, and the staff and Committees that support the Executive Director.

The Executive Director may form Operational Committees, with the approval of the Board. These Committees, which report to the Executive Director, are to provide expert advice and practical support to the Executive Director and staff, to help develop operational policies and to provide guidance in technical matters to the entire organization. Directors may be appointed to these Operational Committees for the purpose of liaising with the Board. However, these Board representatives will not carry direction from the Board to Operational Committees.

### **Expectations of Staff – Ends and Objectives**

The Ends and Objectives towards which the Executive Director and staff must strive are identified in Ringette Ontario's Strategic Plan, which is developed and approved under the Board's authority and renewed on a three-year cycle. On an annual basis, the Executive Director prepares an Operational Plan and proposes a budget to advance the objectives of the Strategic Plan. A Business Plan, approved by the Board and published annually, provides the overall

planning direction by integrating key aspects of the Strategic Plan, with the Operational Plan and the Budget.

It is the Business Plan that articulates the annual expectations of achievement by Ringette Ontario office staff, under the day-to-day direction of the Executive Director.

### **Expectations of Staff – Limitations**

Complementing the Expectations set out in the annual Business Plan, the Board also sets out a number of Limitations, which impose specific limitations and criteria governing how the Executive Director carries out his or her role. By extension, staff and committees must also be guided by these limitations.

#### *General*

The Executive Director shall not cause nor allow any practice, activity, decision, or organizational circumstance that is unlawful, imprudent or in violation of commonly accepted business or sport ethics.

#### *Treatment of Members*

With respect to interactions with members and participants, the Executive Director shall not cause or allow conditions, procedures or decisions that are unsafe, undignified, unnecessarily intrusive, or that fail to provide appropriate confidentiality or privacy. Accordingly, the Executive Director will:

- a) Provide and review every two years a *Privacy Policy* that reflects current legislation
- b) Not use methods of collecting, reviewing, transmitting or storing member information that fail to conform to Ringette Ontario's *Privacy Policy*
- c) Not make any individual Member data available outside of Ringette Ontario without the explicit permission of that individual
- d) Provide policies that describe the concept of membership and registration within Ringette Ontario
- e) Provide and review every two years a policy that describes the expectations for conduct and behaviour of members and participants

#### *Treatment of Staff*

With respect to staff, the Executive Director shall maintain conditions that are humane, fair and dignified for all paid and volunteer staff. Accordingly, the Executive Director will:

- a) Not discriminate among or terminate employees on any basis other than individual performance and qualifications, except that termination may occur in cases of funding restrictions or a reorganization in which the position is affected
- b) Establish job descriptions for all jobs and to evaluate each staff person at least annually based upon pre-established criteria
- c) Provide job training as needed for staff and offer opportunities for professional development training
- d) Establish and enforce a current compensation and benefits schedule.
- e) Establish operational policies that give guidance to staff when performing their duties.

### *Financial Planning & Budgeting*

With respect to budgeting for all or any part of a fiscal period, the Executive Director may not jeopardize either operations or the fiscal integrity of the organization. Accordingly, the Executive Director and staff will:

- a) Prepare budgets that conform to Board-stated priorities when making allocations among competing budgetary needs
- b) Ensure budgeting that projects income conservatively and constrains budgeted operating expenses within projected income levels, unless otherwise directed by the Board
- c) Ensure budgeting that contains sufficient detail to enable reasonably accurate projection of revenues, cash flow and expense, while separating capital and operation items, allowing subsequent audit trails, and disclosing planning assumptions
- d) Prepare annual budgets for approval by the Board
- e) Settle payroll and debts in a timely manner
- f) Not allow expenditures to deviate substantially from the approved budget without seeking the approval of the Board of any such deviation
- g) Disclose fiscal activity and concerns to the Board and disclose as soon as practically possible any significant financial threats to the organization
- h) Cause Ringette Ontario to provide all needed information to outside auditors on a timely basis.

### *Asset Protection*

To prevent disrepair, excessive risk, untraceable transactions or conflict of interest in the management of Ringette Ontario's resources, the Executive Director will:

- a) Maintain industry standard insurance coverage of the replacement value on stock, furniture and equipment and cash on hand
- b) Ensure appropriate safeguards for handling cash
- c) Receive, process, or disburse funds under controls sufficient to meet the standards set by the Finance and Audit Committee, Ringette Ontario's By-laws, and any applicable legislation
- d) Protect Ringette Ontario's assets from abuse or misuse. The Executive Director shall not fail to ensure that Ringette Ontario property is inventoried according to a set procedure and time line determined in consultation with the Finance and Audit Committee, and that a security system is in place to ensure adequate safeguards against theft, loss, or damage of property
- e) Not cause the withdrawal of funds identified as endowment funds without prior Board approval.

### *Risk Management*

Risk Management will be considered in all activities or events undertaken by Ringette Ontario with the view of protecting Ringette Ontario and its members and participants. Therefore, the Executive Director will:

- a) Provide policies for risk management and any associated policies that will assist in avoiding risk

### *Events*

Host or consider hosting national and international conferences or events and ensure they are organized in an effective and consistent manner. The Executive Director will:

- a) Ensure that policies are provided and reviewed annually that provide guidance to those running events.

#### *Operational Committees*

Operational Committees are required to operate under terms of reference, approved by the Board, outlining their mandate. Therefore:

- a) Every two years, the Executive Director shall provide and review the Terms of Reference for all operational committees.

#### *Review and Update of Policies*

The Executive Director shall review and, if necessary, update Board policies (for approval by the Board), and operational policies. For operational policies, such review and update can be done by internal report to the Board. For Board policies, review can be done by internal report to the Board, but updates would require Board approval. An exception is the Governance Policy (Executive Limitations), this document, which it is the Board's responsibility to review every two years and update if necessary.

#### **The Governing Process**

The purpose of the Board, acting on behalf of Ringette Ontario Members and participants, is to set strategic long-range direction, to hire the Executive Director, and to monitor organizational performance and the performance of the Executive Director. The Board will do this by using a Policy Governance process.

#### *Governing Style*

The Board will govern with an emphasis on outward vision rather than an internal preoccupation, commitment to obtaining community input, encouragement of diversity in viewpoints, strategic leadership more than administrative detail, clear distinction of Board and staff roles, collective rather than individual decisions, orientation to the future rather than the past or present. To the extent possible, it will anticipate challenges rather than react to them.

#### *Board Deliverables*

The job of the Board is to represent Members as a whole in determining and demanding appropriate organizational performance by Ringette Ontario office staff. Accordingly:

- a) The Board is the link between the organization and the Members
- b) The Board will produce a written governance policy (i.e., this document) that, at the broadest levels, address each category of organizational decision:
  - i. Ends and Objectives towards which the Executive Director and staff must strive are identified in Ringette Ontario's Strategic Plan, and updated annually by the Executive Director in the Business Plan/Operational Plan
  - ii. Executive Limitations: Constraints on executive authority that establish the prudence and ethical boundaries within which all executive activity and decisions must take place
  - iii. Governing Process: Specification of how the Board conceives, carries out, and monitors its own task
  - iv. Board-Executive Director Relationship: How power is delegated, and its proper use monitored; the Executive Director's role, authority, and accountability
- c) The Executive Director will produce a three-year Strategic Plan that will be approved by the Board and guide the Executive Director with measurable benchmarks for success

- d) The Board will monitor Executive Director's performance against the Ends articulated in the Strategic Plan (and annually detailed in the Business Plan/Operational Plan), and against the Executive Limitations

#### *Governance Development*

The Board will invest in its governance capacity. Board skills, methods, and supports will be sufficient to assure governing with excellence while incurring prudent costs. Accordingly:

- a) Training will be provided to orient new Directors (e.g. through provision of a Governance Manual including the Articles of Continuance, the By-laws, this Policy, and the Strategic Plan) and to maintain and increase existing member skills and understanding of the Board's role and Ringette Ontario's operations.
- b) Outside monitoring assistance will be arranged so that the Board can exercise confident control over organizational performance. This includes but is not limited to fiscal audit.

#### *Director's Code of Conduct*

The Board commits itself and its members to ethical, businesslike and lawful conduct, including proper use authority and appropriate decorum when acting as Directors. Accordingly:

- a) Directors must represent unconflicted loyalty to the interests of all Members. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups, and membership on other Boards or staffs. It also supersedes the personal interest or that of a family member of any Director acting as a consumer of the organization's services.
- b) Directors must avoid conflict of interest with respect to their fiduciary responsibility through abiding by Ringette Ontario's *Conflict of Interest Policy*.

#### *President's Role*

The Board President assures the integrity of the Board's process and occasionally represents the Board to outside parties. Accordingly:

- a) The job of the President is to ensure that the Board behaves consistently with its own rules and those legitimately imposed upon it from outside the organization. The President will be responsible for setting the agenda for all Board meetings and will do so in consultation with the Executive Director. The President will assure that deliberation will be fair, open and thorough but also timely, orderly and kept to the point by employing appropriate rules of order.
- b) The authority of the President consists in making decisions that fall within topics covered by this Policy, except where the Board specifically delegates portions of this authority to others. The President is authorized to use any reasonable interpretation of the provisions in this policy. Accordingly:
  - i. The President is empowered to set the agenda and chair Board meetings, with all the commonly accepted powers of that position (for example: ruling, recognizing, etc.).
  - ii. While the President has no authority to personally direct the Executive Director in the operations of the organization, the President does have an obligation to advise the Executive Director when operational decisions are contemplated or made that threaten the strategic interests of the organization.
  - iii. The President may represent the Board to outside parties in announcing Board-stated positions and in stating decisions within the area delegated to the President.

- iv. The President may delegate authority but remains accountable for its use.

#### *Monitoring Board Performance*

The Board shall ensure that an annual process of self-assessment is undertaken.

#### **Board–Executive Director Relationship**

The Board of Directors is a body that monitors overall organizational performance and sets Board policies. Accordingly, the link between the Board and the operations of Ringette Ontario staff is its communication with, and direction of, the Executive Director through the President. Such direction will not be exercised through Board representatives on Operational Committees except as may occur in rare instances.

#### *Unity of Control*

Only decisions of the Board acting as a body are binding on the Executive Director. Accordingly:

- a) Decisions or instructions of individual Directors or Board committees are not binding on the Executive Director except in rare instances when the Board has specifically authorized such exercises of authority.
- b) In the case of Directors or Board committees requesting information or assistance without Board authorization, the Executive Director can refuse such requests that require, in the Executive Director’s opinion, a material amount of staff time or funds, or are disruptive.

#### *Accountability of the Executive Director*

The Executive Director is the Board’s only link to operational achievement and conduct, so that all authority and accountability of staff and Operational Committees, as far as the Board is concerned, is considered the authority and accountability of the Executive Director. Accordingly:

- a) The only employee who will receive direction or instructions from the Board is the Executive Director.
- b) The Board will refrain from evaluating, either formally or informally, any staff other than the Executive Director unless requested by the Executive Director.

#### *Delegation to the Executive Director*

The Board will instruct the Executive Director through written policies that prescribe the organizational Ends to be achieved and describe organizational limitations (i.e., this Policy and general Board policies). The Executive Director may use any reasonable interpretation of these policies. Accordingly:

- a) The Executive Director will develop a Board approved Strategic Plan. This will be renewed on a 3-year cycle.
- b) The Board will develop policies that limit the latitude the Executive Director may exercise in choosing organizational means.
- c) As long as the Executive Director uses any reasonable interpretation of the Strategic Plan and Executive Limitations, the Executive Director is authorized to establish all further policies (i.e., Operational policies), make all decisions, establish all practices, and develop all activities.
- d) The Board may revise Executive Limitations, thereby shifting the boundary between Board and Executive Director domains. By doing so, the Board changes the latitude of

choice given to the Executive Director. However, as long as any particular delegation is in place, the Board will respect and support the Executive Director's choices.

#### *Executive Director Communication and Counsel to the Board*

Executive Director communication to the Board typically takes place during Board conference calls and face-to-face meetings. The Executive Director shall keep the Board informed of information relevant to the Board's responsibilities. Accordingly, the Executive Director will:

- a) Inform the Board of relevant trends, or internal and external changes which affect the previous assumptions of the Board, including those that affect achievement against the Business Plan and Strategic Plan
- b) Provide to the Board timely, accurate, and understandable monitoring data required by Board policy
- c) Inform the Board of significant problems that require the Executive Director's attention with respect to members, services, staff and the fire services community
- d) Report to the Board on budgets and the financial condition of Ringette Ontario by presenting a draft budget for the new year in April or May of that year, for subsequent review by the Finance and Audit Committee and Board approval
- e) Be prepared to report to the Board on Ringette Ontario's financial condition at every Board meeting
- f) Review interim year-end results with the Finance and Audit Committee prior to reporting these to the Board after the year end
- g) Report to the Board annually on Asset Protection, through the Finance and Audit Committee
- h) Remind the Board to appoint representatives to outside agencies where such representation is in the best interests of Ringette Ontario

#### *Monitoring Executive Director Performance*

Monitoring of Executive Director performance will be against the expected Executive Director job outputs, organizational accomplishment against the Business Plan, and organizational operation within the boundaries established in the Executive Limitations. Accordingly:

- a) Monitoring is chiefly to determine the degree to which Board policies are being met
- b) All policies that instruct the Executive Director 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 upon a routine schedule