

Waterloo Co-operative Residence Incorporated

Board of Directors' Policy

As approved by the Board of Directors,
and incorporating all changes through:

21 November 2009

*(Note that, in this policy, the masculine shall include the
feminine and the singular shall include the plural)*

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Article 1: Introduction

Section 1.1: This policy sets roles and responsibilities that the board of directors (the board), the individual members of the board (directors), and any officers and individual members of committees under the governance of the board of the Waterloo Co-operative Residence Incorporated (the co-op) must obey and follow.

Section 1.2: This policy also outlines the procedures that must be followed at meetings of the board of directors. The Co-operative Corporations Act (CCA) and the bylaws of the co-op detail various requirements that apply to such events, and this policy in no way supersedes any of those requirements.

Section 1.3: The Policy Governance model described in the second edition of “Boards That Make a Difference” by John Carver shall be used in all cases to which it is applicable and in which it is not inconsistent with the policies of the board of directors, the bylaws of the co-op, and any applicable laws.

Article 2: Roles and Responsibilities

Section 2.1: The Board

Item 2.1.1: The board of the co-op consists of the directors, who shall deliberate in many voices but govern in one.

Item 2.1.2: The board shall exercise its fiduciary responsibility by above all else acting in the best interests of the co-op.

Item 2.1.3: The board of directors shall educate itself with regards to the needs of the corporation and represent it accordingly.

Item 2.1.4: The board shall educate itself with regards to the values of the members and represent them accordingly.

Item 2.1.5: The board shall direct the organization through the careful establishment and maintenance of the board written policies.

Item 2.1.6: The board shall monitor its process and performance through comparison of its activities to the board of directors’ policy.

Item 2.1.7: The board shall monitor the process and performance of the general manager through comparison of his activities and the overall operations of the co-op under his management to the general manager policy, executive limitations policy, and all the ends policies.

Item 2.1.8: The board shall not delegate matters to the executive committee.

Item 2.1.9: The board shall set and prepare general meeting agendas.

Section 2.2: Directors

Each director shall:

- Item 2.2.1:** Perform all the legal duties of a director as defined by the CCA and bylaws.
- Item 2.2.2:** Be familiar with the CCA, bylaws of the co-op, and the boards written policies.
- Item 2.2.3:** Sign a non-disclosure agreement before he is given access to private corporate information.
- Item 2.2.4:** Attend all board training and all planning sessions.
- Item 2.2.5:** Be prepared for, attend and actively engage himself at all general meetings of the membership, all board meetings, and all board retreats. Directors must give appropriate notice of absence of any such events that will be missed.
- Item 2.2.6:** Participate in his own exit interview (see Appendix A).
- Item 2.2.7:** Board members have an obligation to identify all conflicts of interest and have the Board resolve unacceptable conflicts of interests.
- Item 2.2.8:** Submit a participation report to the corporate secretary before each general meeting as per Item 5.2.1.
- Item 2.2.8:** Prepare a director accountability report as per item 5.2.2.

Section 2.3: Officers

Item 2.3.1: Introduction

- 2.3.1.1:** Officers of the board shall be the president, the vice president, and the corporate secretary, all of whom must be directors.
- 2.3.1.2:** The officers of the board shall not assume any part of the management of the co-op.

Item 2.3.2: The President

The president shall:

- 2.3.2.1:** Perform all the legal duties of corporate president as defined by the CCA and bylaws, with the comprehensive assistance of the general manager.
- 2.3.2.2:** Prepare a written report of the activities of the president to be presented to the board at each board meeting when there is business to report.
- 2.3.2.3:** Arrange board training sessions for all directors.
- 2.3.2.4:** Arrange exit interviews for all directors.
- 2.3.2.5:** Facilitate and document monthly board meeting evaluations.
- 2.3.2.6:** Ensure all meetings are chaired following the established rules of order.

- 2.3.2.7:** Recruit and train a chief returning officer.
- 2.3.2.8:** Recruit a vice president if the position becomes vacant.
- 2.3.2.9:** Arrange presidential training sessions for vice president.
- 2.3.2.10:** Maintain the president's training handbook.
- 2.3.2.11:** Set and prepare agendas for all board meetings to be distributed seven (7) days in advance, board retreats to be distributed fourteen (14) days in advance, and general meetings.
- 2.3.2.12:** Delegate any of the presidential duties as he sees fit to the vice president.
- 2.3.2.13:** Be responsible for the Appointment Practices and Procedures as outlined in Appendix C of this Policy under Appointment Practices and Procedures.

Item 2.3.3: The Vice President

The vice president shall:

- 2.3.3.1:** Perform the legal duties of vice president as defined by the CCA and bylaws, with the comprehensive assistance of the general manager.
- 2.3.3.2:** Attend presidential training sessions.
- 2.3.3.3:** Perform the duties of the president if the position becomes vacant.
- 2.3.3.4:** Perform presidential duties as assigned.

Item 2.3.4: The Corporate Secretary

The corporate secretary shall:

- 2.3.4.1:** Perform the legal duties of corporate secretary as defined by the CCA and bylaws, with the comprehensive assistance of the general manager.
- 2.3.4.2:** Ensure that the minutes of the Board of Directors meetings are approved within 2 months of the meeting occurring.
- 2.3.4.3:** Ensure that the copies of updated policies are distributed to directors and the General Manager within 1 month.

Section 2.4: Other Officers and Committees of the Board

Item 2.4.1: The board may from time to time, appoint officers or establish committees to help carry out its responsibilities. To preserve board holism, officer and committees of the board will be used sparingly, only when other methods have been deemed inadequate.

Item 2.4.2: Officers and committee members may not speak or act for the board except 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 general manager.

Item 2.4.3: Officers and committees are to help the board do its job, not to do the board's job for them, nor to help the staff do its job.

Article 3: Meetings

Section 3.1: Meetings of the Board of Directors

Item 3.1.1: The board of directors of the co-op shall hold a board meeting on a Saturday or Sunday of every month. These meetings will be referred to as the "regular monthly meeting(s)", or "board meeting(s)". Notice for the time, date, and location of these meetings shall be provided no later than ten (10) days before the date of the meeting.

Item 3.1.2: A special board meeting will take place no later than 120 hours after the general meetings of the membership for the purpose of setting the calendar for the next four months. The board shall set the composition of officers.

Item 3.1.3: A special board meeting known as the annual monitoring meeting will take place during the fall term and the board shall use that time to more thoroughly carry out its duties relating to the monitoring of policy compliance than can be accomplished at a regular monthly board meeting.

Section 3.2: Retreats of the Board of Directors

Item 3.2.1: The board of directors of the co-op shall hold a board retreat outside the Region of Waterloo on a weekend during the first or second month of fall and winter term. Notice for the time, date, and location of these retreats shall be provided no later than one month before the date of the retreat.

3.2.1.1: The board retreat held in the fall term shall be known as the linkage retreat and the board shall use that time to more thoroughly carry out its duties relating to linkage with the ownership than can be accomplished at a regular monthly board meeting.

3.2.1.2: The board retreat held in the winter term shall be known as the policy retreat and the board shall use that time to more thoroughly carry out its duties relating to the development of policy than can be accomplished at a regular monthly board meeting.

Article 4: Director Expenses

Section 4.1: Introduction

Item 4.1.1: Members of the board or any other members designated by the board to engage in the co-op's business shall be entitled to reimbursement for expenses incurred by them, in accordance with the guidelines outlined herein. Proof of expense incurred shall be presented for reimbursement.

Section 4.2: Travel Expenses

Item 4.2.1: Members of the board will be reimbursed for traveling expenses related to traveling to general meetings of the membership, regular board meetings, and board retreats.

Section 4.3: Accommodation Expenses

Item 4.3.1: Members of the board who attend a meeting of which attendance is required for their position from outside the Region of Waterloo vicinity shall be entitled to free accommodation in the residence divisions if space is available.

Item 4.3.2: The attending director must contact the general manager before end of business on the business day prior to arrival.

Item 4.3.3: Members of the board who attend a board retreat shall be entitled to accommodation paid for by the co-op.

Section 4.4: Food Expenses

Item 4.4.1: While attending a board meeting or board retreats, all persons attending the meeting shall be entitled to meals free of charge for the duration of the meeting.

Section 4.5: Administrative Expenses

Item 4.5.1: When engaging in the co-op's business, a director, or any person designated by the board to engage in such business, may make judicious use of available office equipment and supplies.

Item 4.5.2: The president will be allocated a fund to pay for tasks to help accomplish his duties.

Article 5: Director Expenses

Section 5.1: Director Attendance

Item 5.1.1: Directors in attendance and absent will be noted in all board meeting minutes. Attendances and absences will also be tracked for general meetings and board retreats.

Item 5.1.2: Directors are required to request leave of absence in writing to the president and the corporate secretary in advance of any board meeting, general meeting, board retreat they will be absent from.

Item 5.1.3: Retroactive request of leave will be considered for emergency situations on a case by case basis.

Item 5.1.4: The board will motion to accept or reject the request of leave of absence at the soonest possible regular board meeting.

Item 5.1.5: Missing two of any duly called board meetings, general meetings, or retreats in a twelve month period, without approved leave of absence from the board, shall constitute an attendance problem. Missing three of any duly called board meetings, general meetings, or retreats in a twelve month period, even with approved leave of absence from the board, shall constitute an attendance problem.

Item 5.1.6: The corporate secretary, on behalf of the board will ask for the resignation any director who has an attendance problem. If the director does not resign within two weeks of receiving this request, the board will propose a motion suggesting that the membership have the director removed at the next general meeting.

Section 5.2: Director Participation

Item 5.2.1: Each director will submit a participation report to the corporate secretary detailing their contributions to the board of directors since the last general meeting.

Item 5.2.2: The corporate secretary will compile these director participation reports and attach a schedule of attendance to board events, to be submitted as the director accountability report for each general meeting.

Appendix A

Director Exit Interview

Waterloo Co-Operative Residence Inc.

Introduction

As Directors prepare to leave WCRI's Board of Directors, it is important that they take part in the exit interview. This interview is meant to be informal. No studying is required to respond to these questions, but it is expected that the exiting Directors will read over the questionnaire a few days before the interview. The purpose of this interview is to help educate each Director's "successor", identify problematic areas the Board can improve on, and to identify ideas which will assist the Board of Directors in the future.

Process

Exiting Directors will be interviewed by the Board of Director president and the vice president and/or corporate secretary. The interview will occur in a meeting room, the boardroom, or the establishment of the Exiting Director's choice. All questions should be answered, although the Exiting Director may inform the interviewers of any particular question he/she does not wish to answer. The list of questions asked during the interview is not limited to the questions below and may expand to help educate the successor and the Board of Directors.

The Co-op will reimburse directors for expenses incurred at the exit interview. A suggested amount that would be appropriate to spend at the exit interview is \$25 per person attending. The amount actually spent should be reported in executive session at the next regular Board of Directors meeting. Please note that only those people invited by the President may attend an exit interview.

Questions

1. Name:
2. Term length:
3. What is your primary reason for leaving:
4. What did you like most and least about Waterloo Co-operative Residence Inc.:
5. What did you like most and least about the Board of Directors:
6. Did your duties as a director turn out to be as you expected:
7. Did you receive enough training to do your job effectively:
8. What projects were you involved in when your term expired:
9. What do you feel should/needs to be done by the board in the next two months:
10. What do you feel should/needs to be done by the board in the future:
11. Did you feel that the directors worked well as a team? If not where can we improve:
12. Would you consider becoming a board of director again in the future:
13. Any other comments:

Appendix B

Director Code of Conduct

Waterloo Co-Operative Residence Inc.

The Directors' Code of Conduct is different from the policies of the CCA and the by-laws W.C.R.I. must adhere to. It lists the principles to be respected by the directors of W.C.R.I. It helps the individual director or collective Board of Directors determine what is right, fair and just while exercising their position.

As a director of Waterloo Co-operative Residence Inc. (W.C.R.I.) you must:

- Act with **honesty and integrity**. Be open and transparent in your dealings; use power responsibly; do not place yourself in a position of conflict of interest; strive to earn and maintain the utmost trust of the membership, staff and directors.
- Act in **good faith and in the best interests of W.C.R.I.** Demonstrate accountability for your actions; accept responsibility for your decisions; consider the interests of all members; act in a manner to enhance and maintain the position of W.C.R.I. as a whole.
- Act **fairly and impartially**. Avoid bias, discrimination, caprice or self-interest.
- Act **professionally**. Demonstrate respect for others at all times by acting in a professional and courteous manner.
- **Use information appropriately**. Ensure information gained by any means is only applied to proper purposes and is kept confidential.
- **Use your position appropriately**. Do not use your position as a director to seek an undue advantage for yourself or friends, or to cause detriment to W.C.R.I.; ensure that you decline gifts or favours that may undermine your ability to apply independent judgment as a Board director of W.C.R.I.
- Act with **compassion**. Understand that as a director we are here to help the membership, staff, and each other; this must be done with care and understanding.
- Act in a **financially responsible** manner. Understand financial reports, audit reports and other financial material that come before the Board; actively inquire into this material.
- Exercise **due care, diligence and skill**. Ascertain all relevant information; make reasonable enquiries; understand the financial, strategic and other implications of decisions; do not allow independent judgment to be subordinated.
- **Comply with the governing policies**, including the fulfillment of **member responsibilities**. Act within the powers and functions decreed in the CCA, by-laws, and policies, fulfilling membership expectations such as not going into arrears with the Co-op.
- Demonstrate **leadership and stewardship**. Promote and support the practice of the Co-operative Principles; act in accordance with the Directors' Code of Conduct.

Upon being elected or re-elected to the Board of Directors, directors will sign a confirmation that they have read, understood and will adhere to this Code of Conduct. If

conflict arises it is expected that directors will attempt conflict resolution before elevating the situation to the President and/or Corporate Secretary, or Board level.

Breach of Duties:

Concerns regarding compliance with this Code should be addressed to the President and/or Corporate Secretary who will then determine the appropriate action to be taken with regard to this matter.

Corrective action taken against a Board director whose behaviour is contrary to the obligations outlined in the Code of Conduct may range from a reprimand to asking for their resignation as a director.

Appendix C

Appointment Practices and Procedures

Waterloo Co-Operative Residence Inc.

ARTICLE 4.5 of the Bylaws states that “Whenever any vacancy occurs on the Board of Directors, the remaining Directors, as long as there is a quorum in office, may appoint a member to the Board until the next General Meeting.”

Should a vacancy occur on the Board of Directors, the President notifies the remaining Directors of the vacancy. “Director Vacancy Nominations and Appointment” may be added to the agenda of the next Board meeting if notice is provided to the membership of no less than ten (10) days. At that time, the Secretary will record a ballot of nominations for appointment to the vacancy. Nominations are to be made by any Director attending the meeting. Each Director may make no more than two (2) nominations. A Director may not nominate any member who was the target of a successful motion of non-confidence by the members. The Secretary will add “None” to the ballot as an option on that ballot along side the nominees.

Once there are no more nominations, and if there is at least one nomination, the Board will enter a closed session during which the President will arrange a vote on the ballot by the attending Directors. A nominee will be appointed by receiving at least the majority of votes among all entries on the ballot. Runoff procedures are still needed.

Should “None” receive at least the majority votes among all entries on the ballot, no member will be appointed to the vacancy. Should there be a tie among the entries that received the most votes, there will be a new vote on a ballot consisting of the entries that were among the tie, unless all entries were among the tie, in which case the President will immediately cast the deciding vote.

Should multiple vacancies exist, this process will be repeated for each vacancy or until this process fails to appoint a member to a vacancy.

As prescribed in ARTICLE 4.5 of the Bylaws, any appointment will last “until the next General Meeting”.