

ONTARIO CO-OPERATIVE ASSOCIATION

Board of Directors Designated Seat Package

For all designated directors to the OCA Board.

Updated April 2018

DESIGNATED BOARD SEAT INFORMATION

- Eligibility
- Term of Office
- Fiduciary Duty and Duty of Care
- Liability
- Compensation
- The Role of the Board of Directors
- Participation in Meetings
- Responsibilities
- Code of conduct

DESIGNATION STEPS

1. Both the Voting Member and the designated candidate should carefully review the duties, responsibilities and obligations of an OCA Director.
2. Complete Form #1: “Designation and Acceptance Form”, signed by your Board Chair or CEO/Executive Director and candidate.
3. Complete “Candidate Skills and Experience Questionnaire.”
4. Return forms and questionnaire to OCA.

DESIGNATION FORM & QUESTIONNAIRE

1. Designation and Acceptance Form
2. Designated Candidate Skills and Experience Questionnaire

For more information on the board of directors or this package, please contact:

Jennifer Ross, Member Relations Manager

519-763-8271 x22 | jross@ontario.coop

30 Douglas St.

Guelph, ON N1H 2S9

www.ontario.coop

BOARD SEAT INFORMATION

Being a member of the Board of Directors of the Ontario Co-operative Association Inc. (OCA) is an opportunity for representatives from OCA Voting Member-Owner organizations to contribute their knowledge, energy and commitment to the well-being of co-ops and credit unions in Ontario.

Your involvement will give you broader and deeper experiences in the co-op sector and an appreciation of the benefits of co-ops, credit unions and sector stakeholders working together.

OCA will benefit from your expertise, skills and sector knowledge. Your organization will also benefit from the professional development and additional skills, experience and knowledge you will gain as a result of sitting on the Board and immersing yourself in strategic direction and governance of the organization.

About the OCA Board of Directors

The Board of Directors is elected from (and by) the membership of the Ontario Co-operative Association and has the statutory power and obligation as granted by our Co-operative's bylaws and the *Co-operative Corporations Act*. The Board sets and monitors the strategic direction of the Co-operative. The role of the Board is primarily one of stewardship and strategic visioning rather than operational support.

- The Board consists of nine directors; currently four of these nine positions are designated seats for members paying \$50,000 or more in annual dues, as per Bylaw 6.01(g).¹
- Officers include a Chair, Vice-Chair and Treasurer, and Secretary who are appointed by the Board.
- One position is designated to a youth representative (25 years or age or under), with the same rights, responsibilities and obligations as all other directors.
- The Board works within an approved budget, hires and monitors the Executive Director and is accountable to the Members.

Eligibility to Designate

A Voting Member in good standing², paying \$50,000 or more annually in dues, may designate a representative to the OCA Board. **This individual must be a director, officer or individual member of the Voting Member** and meet the requirements under the Ontario *Co-operative Corporations Act*, and the bylaws and policies of the Ontario Co-operative Association.

¹ As of April, 2017, organizations which pay \$50,000 or more in annual dues are: The Co-operators, Central 1 Credit Union, Gay Lea Foods Co-operative, and GROWMARK, Inc.

² 'Member in Good Standing' means that all dues owing to OCA are paid in full or other invoiced amounts are less than 90 days past due.

Under the *Co-operative Corporations Act*, Director qualifications include:

- A majority of the directors on a board must be resident Canadians;
- Directors must be eighteen years of age or over; and
- People who are in a state of undischarged bankruptcy (bankruptcy proceedings are still underway) or who are mentally incompetent cannot be directors.

Term of Office

Directors are elected/ratified at the OCA Annual General Meeting. Vacancies, when they occur mid-term, may be filled by the OCA Board and the positions ratified at the next AGM as per By-law 5.02 (g).

An OCA director serves for a term of three years. The youth representative sits for a term of one year.

Directors may serve a maximum of THREE three-year terms. Directors who are appointed midway through the year or assume the term of another director are considered to be completing the term of the position recently vacated, and may consequently serve for less than three full terms.

DIRECTOR RESPONSIBILITIES AND REQUIREMENTS

The Board is accountable to:

- The current and future members of the Co-operative;
- Provincial, federal and other legislation; and
- The institutions that fund the Co-operative.

Fiduciary Duty and Duty of Care

The OCA Board's fundamental relationship is guided by a fiduciary principle that requires each director to act honestly and in good faith with a view to the best interests of the co-operative. In exercising their powers and discharging their duties, every director must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. These principles require a director to put the co-operative's interests first, avoid conflicts of interest and avoid exploiting business opportunities for self-interest purposes.

Liability

- The Co-operative carries a reasonable amount of directors' liability insurance for each board member.
- The co-operative will indemnify all directors and officers, and their heirs and legal personal representatives, to the maximum extent permitted by section 110 of the *Co-operative Corporations Act*.

Compensation

- **Board members are not compensated** and do not receive an honorarium or per diem for participating in board, committee or other meetings, conferences, workshops or assemblies or for representing the Co-operative.
- Reimbursement for direct expenses up to \$500 per director per year will be available for those board members who cannot secure sufficient financial support from their organization or sector, and/or for whom the lack of financial support would preclude the individual's effective participation as an OCA board member.

The Role of the Board of Directors

1. Participate in the democratic structure of OCA (including creating, discussing and voting on proposals and assisting in policy-forming).
2. Delegated, by the Members, the authority to exercise all of the Board powers that can be legally exercised between Members' meetings.
3. The authority, as provided by Members, to hold meetings and to exercise all of the Members' powers that can be legally exercised between Members meetings.

Participation in Meetings

Directors **must** be able to attend regular meetings of the Co-operative. Board meetings take place during the work-day between Monday and Friday. Within a one-year period, these normally consist of:

- One board meeting quarterly (meetings are generally 5-6 hours long)*
- Three-four board teleconferences or web-conferences (generally 1 hour long)
- General or special members' meetings (if needed)
- One newly-elected board member orientation session
- One Board retreat and/or planning session, generally 1-2-days long
- Participation in standing committees or task forces, most of which meet quarterly by phone
- Teleconferences/web conferences and additional meetings as required

**Directors should be prepared to attend at least 50% of scheduled board meetings in person. A summary of Directors' meeting attendance is provided to the membership annually.*

Board of Directors Responsibilities include:

1. Creating and supporting the vision and strategic direction for the Ontario Co-operative Association
2. Planning for the future needs of the Co-operative
3. Overseeing the Co-operative's finances and co-op property
4. Leading a democratic organization
5. Managing the Co-operative's risk, including legal, financial and reputational
6. Employing and evaluating the Executive Director's performance
7. Capitalizing or fundraising for the Co-operative
8. Overseeing the committees and task forces of the Ontario Co-operative Association
9. Reporting to members on any actions taken on their behalf
10. Representing the interests of the Co-operative and its members in relations with the co-operative sector, government agencies and the larger community
11. Facilitating a two-way flow of information between OCA and their co-op's staff, Board and members
12. Participation in OCA events, conferences and activities

Board Member Code of Conduct

1. Directors have authority only as a Board
2. Decisions are only made at duly constituted meetings
3. Conflicts of interest are declared
4. Open discussion and trust are key
5. Confidentiality is maintained
6. Leadership by example
7. Demonstrate respect for others
8. Directors work for the good of the Co-op
9. Directors support the decisions of the Board as a whole
10. Demonstrate tolerance; no discrimination must occur

For additional information about being an OCA Director, please call the office of the Ontario Co-operative Association at 519.763.8271 x22, toll free 1.888.745.5521 or visit www.ontario.coop

A copy of the Co-operative's by-laws is available upon request.



Ontario
Co-operative
Association

To be completed by the Voting
Member organization AND the
designated candidate.

OFFICIAL DESIGNATION FOR OCA BOARD OF DIRECTORS

The Board of Directors of _____,
(Full Name of OCA Voting Member-Owner Organization)

of the Ontario Co-operative Association, do hereby designate _____
(Print Name of Nominee)

for the position Director to the Ontario Co-operative Association Board of Directors.

Print Name: _____ **Signed:** _____
(Authorized Representative of the Voting Member-Owner Organization – e.g. Board Chair or CEO/Executive Director)

Title: _____ **Dated:** _____

ACCEPTANCE OF DESIGNATION TO OCA BOARD

I, _____, being a _____
(Print Name of Nominee) (Director, Officer, Member or Shareholder)

of _____ do hereby accept the designation for the position of
(Name of OCA Voting Member Organization*)

Director of the Ontario Co-operative Association. I certify that I am qualified to be a Director according to the *Co-operative Corporations Act* and the bylaws and policies of the Ontario Co-operative Association. I attest that I am familiar with the duties, responsibilities and obligations of the OCA Board of Directors.

Dated: _____ **Signed:** _____
(Signature of Nominee)

Home Address: _____

Phone: _____ **Cell:** _____

OCA DIRECTOR-CANDIDATE SELF-ASSESSMENT

To be completed by the designated candidate.

Note: The purpose of this self-assessment is for identifying where a nominee's current skills and attributes fit into the existing board of OCA. It is not used to determine eligibility but rather to identify what attributes a nominee brings to the board.

CANDIDATE NAME: _____ Date submitted: _____

I acknowledge that the information provided below is a true representation of my skills and experience.

Signed: _____

SECTION A: SKILLS & EXPERIENCE

Please indicate those areas noted below in which you have some experience. For those areas noted, please describe your related experience.

EXPERIENCE IN THE CO-OPERATIVE SECTOR:

Yes No

I have been involved for _____ years Self-assessment (as per scale below) _____

EXPERIENCE IN CO-OP BUSINESS DEVELOPMENT AND START UPS:

Yes No

I have been involved for _____ years Self-assessment (as per scale below) _____

**1 = Little / No Experience 2 = Some Experience 3 = Average Experience
4 = Significant Experience 5 = Expert**

KNOWLEDGE AND EXPERIENCE IN CO-OPERATIVE GOVERNANCE:

Yes No

I have been involved for _____ years Self-assessment (as per scale below) _____

KNOWLEDGE AND EXPERIENCE IN CO-OPERATIVE LAW & LEGISLATION:

Yes No

I have been involved for _____ years Self-assessment (as per scale below) _____

BOARD OF DIRECTORS EXPERIENCE:

Yes No

I have been involved for _____ years Self-assessment (as per scale below) _____

**1 = Little / No Experience 2 = Some Experience 3 = Average Experience
4 = Significant Experience 5 = Expert**

STRATEGIC BUSINESS & MANAGEMENT EXPERIENCE:

Yes No

I have been involved for _____ years Self-assessment (as per scale below) _____

FINANCIAL ACUMEN (BUDGETING AND FINANCIAL STATEMENTS):

Yes No

I have been involved for _____ years Self-assessment (as per scale below) _____

GOVERNMENT RELATIONS:

Yes No

I have been involved for _____ years Self-assessment (as per scale below) _____

**1 = Little / No Experience 2 = Some Experience 3 = Average Experience
4 = Significant Experience 5 = Expert**

HUMAN RESOURCE MANAGEMENT:

Yes No

I have been involved for _____ years Self-assessment (as per scale below) _____

TRAINING, EDUCATION AND FACILITATION:

Yes No

I have been involved for _____ years Self-assessment (as per scale below) _____

PUBLIC RELATIONS AND/OR MARKETING:

Yes No

I have been involved for _____ years Self-assessment (as per scale below) _____

**1 = Little / No Experience 2 = Some Experience 3 = Average Experience
4 = Significant Experience 5 = Expert**

Personal Attributes:

The following personal attributes should be considered:

- Standing in your chosen business or profession.
- Ability to bring to the Board a knowledgeable perspective on issues affecting co-ops in the geographic jurisdiction in which you reside or carry on business.
- Ability to act in the best interests of OCA and its Members as a whole, independent of any particular interest arising as a result of any previous, existing or future relationship with Members or other stakeholders.
- Willingness to ask probing questions and challenge management within the appropriate governance context.
- Ability to adopt an agreed upon perspective, including the ability to “speak with one voice” once a full discussion has been undertaken and a decision has been made by the Board in accordance with its governance policies.
- Compatibility with OCA’s vision, strategic objectives and operational values.
- Ability and willingness to commit the time to make a real contribution to OCA, its Board and its membership.
- High ethical standards.
- A strong, independent individual who also contributes effectively as a team member of the Board and its Committees.
- Ability to assist OCA in making contacts and assisting in co-op development where appropriate.
- Ability to critically assess business strategies and operations.
- Ability to be forward thinking and to consider risks and opportunities facing the future of the sector.
- Well versed in corporate governance and risk assessment.
- Ability to think strategically.