

BOARD CHARTER / TERMS OF REFERENCE

1.1. Role

As set out in the *Society Act*, the Board is responsible to manage, or supervise the management of, the affairs of West End Business Improvement Association (WEBIA).¹ The Board delegates to the Executive Director responsibility for the day-to-day operations of WEBIA. Directors serve as volunteers and the Board's role is primarily one of governance and oversight.

1.2 Responsibilities

The fundamental responsibilities of the Board are set out below.

1.2.1 Human Resources

The Board has responsibility to:

- a) appoint and replace the Executive Director, as appropriate, and monitor and evaluate the Executive Director's performance;
- b) approve the Executive Director Position Description and annual goals and objectives;
- c) approve the Executive Director's compensation;
- d) review the organizational structure and appointment of senior executive team members;
- e) approve the compensation philosophy and guidelines for WEBIA;
- f) oversee Executive Director and manage succession planning to ensure there is:
 - a. a process that would respond to an unplanned situation which required an immediate replacement of the incumbent Executive Director; and
 - b. criteria and processes for recognition, promotion, development and appointment of management consistent with the future leadership requirements of WEBIA; and
- g) provide advice and counsel to the Executive Director in the execution of the Executive Director's duties.

1.2.2 Strategy

The Board has responsibility to:

- a) adopt a strategic planning process;
- b) participate with management on the development of, and approve, WEBIA's strategic plan;
- c) review and approve WEBIA's vision and mission;
- d) approve and monitor WEBIA's annual business plan; and
- e) monitor, on a regular basis, performance against strategic and business plans with a focus on key risks and strategies.

¹ *Society Act*, section 24(2)(a).

1.2.3 Risk

The Board has responsibility to:

- a) understand the key financial and non-financial risks of WEBIA's operations eg. renewal process;
- b) take reasonable steps to ensure, through regular reviews and assessments, that management has established appropriate systems to identify and manage these risks, and that those systems are effective; and
- c) receive regular reports on the management of material risks to WEBIA.

1.2.4 Financial Information, Systems and Internal Controls

The Board has responsibility to:

- a) take reasonable steps to verify that management has established and is applying appropriate audit, accounting and financial reporting principles;
- b) take reasonable steps to verify that internal financial, business control and information systems are in place and functioning satisfactorily;
- c) review and approve the annual audited financial statements;
- d) approve the engagement and remuneration of any external financial advisors; and
- e) approve the release of any financial information that goes to the public.

1.2.5 Material Commitments

The Board has responsibility to:

- a) approve financial or other commitments outside of the ordinary course of business that may have a material impact on WEBIA; and
- b) approve the commencement or settlement of litigation that may have a material impact on WEBIA.

1.2.6 Monitoring and Reporting

The Board has responsibility to:

- a) direct management to develop, implement and maintain a reporting system that accurately measures WEBIA's performance against the performance expectations set out in its strategic plan and business plans; and
- b) monitor WEBIA's progress toward the objectives set out in the strategic and business plans, and to revise and alter its direction through management, in light of changing circumstances.

1.2.7 Ethics

The Board has responsibility to:

- a) develop, and update from time to time, a Code of Conduct and Confidentiality Agreement for Directors;
- b) obtain reasonable assurance that WEBIA operates at all times within applicable laws, and to the highest ethical and moral standards; and
- c) approve and monitor through management, compliance with all significant policies that govern WEBIA's operations.

1.2.8 Relationship with City of Vancouver

The Board recognizes that the City of Vancouver is one of WEBIA's most important stakeholders. The Board has responsibility to:

- a) follow guidelines as set out by the City from time to time; and
- b) ensure effective communication channels are established between the two organizations.

1.2.9 Communications

The Board has responsibility to:

- a) ensure WEBIA has strategies in place to communicate effectively with members, employees, and key stakeholders; and
- b) report annually on the Board's stewardship for the preceding fiscal year and secure member support for the upcoming annual budget.

1.2.10 Board Effectiveness

The Board retains responsibility for managing its own affairs including responsibility to:

- a) regularly review the Board's ability to be effective in fulfilling its roles and responsibilities;
- b) regularly review and update the mandates of the Board, Committees, the Chair and individual Directors;
- c) develop a plan for long-term Board composition and maintain a Board competency matrix; and
- d) implement processes to annually examine the effectiveness of the Board, its Committees, the Board Chair and individual Directors.

1.3 Reliance on Management and Advisors

In carrying out its responsibilities, the Board:

- a) relies on management to provide it with accurate and fulsome information; and
- b) is entitled to retain and rely on external professional services firms, consultants and advisors as needed to fulfill its mandate.