



YMCA OF GREATER TORONTO

(the “Corporation”)

GOVERNANCE GUIDELINES

Approved by the Board on September 25, 2024

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I. INTRODUCTION

1. Introduction, Purpose and Scope

These Governance Guidelines are available to all stakeholders interested in how the Corporation is governed, and can be found on the Corporation's website at www.ymcagta.org.

Directors should refer to these Governance Guidelines as their key resource for Board-approved policies and procedures. For more information, Directors may contact the Chair of the Governance and Nominating Committee (GNC).

2. Governance Philosophy and Principles

The Corporation believes that good corporate governance is not just about rules and regulations. A strong culture of ethical behaviour, in addition to policies and procedures, are the cornerstones of effective governance.

The Corporation is committed to operating in an ethical and responsible way. The Board sets the "tone at the top" regarding what is right and wrong. They effectively communicate their commitment to integrity and ethics in words and deeds.

3. Definitions

In these Governance Guidelines, unless the context otherwise requires:

- **"Articles"** means the Special Act and any instrument that incorporates the Corporation or modifies its incorporating instrument, including articles of incorporation, restated articles of incorporation, articles of amendment, articles of amalgamation, articles of arrangement, articles of continuance, articles of dissolution, articles of reorganization, articles of revival, letters patent, or supplementary letters patent;
- **"Board"** means the Board of Directors of the Corporation;
- **"By-law"** means the general operating by-law of the Corporation and all other by-laws of the Corporation;
- **"CAA"** means the *Charities Accounting Act*;
- **"Chair"** means the Chair of the Board
- **"Community Member"** means individuals who are not Directors or Members ("**Community Members**");
- **"Corporation"** means YMCA of Greater Toronto;
- **"DEIB"** means Diversity, Equity, Inclusion and Belonging;
- **"Director"** means an individual elected or appointed to the Board;

- “**ex-officio**” means membership “by virtue of office” and includes all rights, responsibilities, and power to vote unless otherwise specified;
- “**GNC**” means the Governance and Nominating Committee of the Corporation;
- “**Governance Guidelines**” means these governance guidelines of the Corporation as may be amended by the Board from time to time;
- “**GTA**” means the greater Toronto area;
- “**holiday**” has the meaning given to it in the *Legislation Act, 2006* (Ontario);
- “**Immediate Past Chair**” refers to the individual who held the position of Chair immediately preceding the current Chair;
- “**Members**” means members of the Corporation as described in the By-law;
- “**Officers**” means officers appointed by the Board under ONCA and the By-law, including but not limited to: Chair, President & CEO, Vice Chair(s), and Secretary;
- “**ONCA**” means the *Not-for-Profit Corporations Act, 2010* (Ontario) and where the context requires, includes the regulations made under it, as amended from time to time;
- “**perceived**” means an impression or belief, whether accurate or not, that a reasonable person might believe could improperly or duly influence a situation;
- “**President & CEO**” means the individual appointed as President and Chief Executive Officer of the Corporation;
- “**Secretary**” means the secretary of the Board of the Corporation (if one is appointed);
- “**Senior Management**” refers to the President & CEO and the senior managers who report to the President & CEO, and are responsible for the general management and supervision of YMCA operations;
- “**Special Act**” means the *Act to Incorporate the Toronto Young Men’s Christian Association, 1923* George V c. 106, and where the context requires, includes the regulations made under it, as amended from time to time;
- “**Special Committee**” means a committee of the Board of the Corporation appointed for specific duties whose mandate shall expire with the completion of the tasks assigned;
- “**Staff Person**” means senior support staff for Board committee chairs;
- “**Standing Committee**” means a committee of the Board of the Corporation whose duties are normally continuous;

- **“Vice Chair”** means one or more Vice Chair(s) of the Board (if one or more are appointed);
and
- **“YMCA Canada”** means the National Council of Young Men’s Christian Associations of Canada.

4. Mission, Vision and Values

Mission Statement

The Corporation is a charity that ignites the potential in people, helping them grow, lead and give back to their communities.

Vision Statement

Vibrant communities where everyone can shine.

Core Values

The Corporation's core values guide our everyday decisions and actions. We encourage everyone involved with the Corporation to accept and demonstrate these values.

KINDNESS: We are caring and compassionate.

WELL-BEING: We are dedicated to people's physical, social, and mental health.

INTEGRITY: We are truthful, trustworthy, and take responsibility for our choices, actions, and commitments.

INCLUSIVENESS: We strive to create welcoming places and programs where everyone feels they belong.

RESPECT: We treat every person with dignity.

OPTIMISM: We believe in the strengths and potential in people and communities.

Approved by the Board: February 5, 2020

5. Governance Hierarchy

The Corporation is a not-for-profit corporation governed by the Special Act. ONCA also applies to corporations governed by a special act, unless the special act specifically excludes it, which the Special Act does not. Accordingly, ONCA applies to the Corporation, but where there is a conflict between the two statutes, the Special Act takes precedent over ONCA. Set out below is the governance hierarchy applicable to the Corporation:

Legislation of general application: ONCA, the *Income Tax Act* (Canada) and the CAA;

The Articles;

The By-law;

Special resolutions;

Policies and rules adopted by the Board of Directors from time to time;

Ordinary resolutions of continuing effect;

Rules, policies and procedures as required to maintain the Corporation's status as a member association of YMCA Canada;

Rules of order (such as Nathan's Company Meetings).

In most cases the higher source trumps the lower source, and to the extent two sources of governance are inconsistent with one another, the higher source will prevail. If the higher source is silent on the issue, the lower source may regulate the internal affairs of the corporation on that issue.

As a general principle, it is more difficult to change higher sources of governance than lower sources of governance, and accordingly fundamental governance concepts are embedded in higher sources of governance that are more difficult to amend (i.e. Articles and By-law, which require both Board and member approval to amend) while operational governance matters are left to lower sources of governance (i.e. Board policies and rules, which only require Board approval to amend).

The above-noted hierarchy of governance instruments is meant as a general guide, as there is more nuance to the application of the various rules and regulations that govern not-for-profit corporations.

A note on the By-law

The By-law, as amended from time to time, sets out the basic governance framework for the Corporation. Directors have a duty to ensure that the Corporation and its Directors comply with the By-law.

Membership with YMCA Canada

The Corporation is a member of YMCA Canada. YMCA Canada is a federation of YMCAs and YMCA-YWCAs across Canada. Each member association must meet membership requirements governed by YMCA Canada. The Chair and President & CEO of the Corporation shall attest annually to the Corporation's compliance with the conditions of membership requirements outlined in the Articles and By-laws of YMCA Canada.

6. Review, Amendment and Further Information

The Board, with the assistance of the GNC, as appropriate, shall review these Governance Guidelines at least every three years to determine whether any amendments are appropriate to reflect changing legal and ethical standards.

These Governance Guidelines may be amended or modified by the Board to reflect evolving laws and public expectations.

For more information on the Governance Guidelines, please contact:

Email: governance@ymcagta.org

II. EFFECTIVE GOVERNANCE

1. Board Code of Conduct

Purpose

The Corporation is committed to ensuring that in all aspects of its affairs it maintains the highest standards of public trust and integrity. The Board is held to high standards of conduct and responsibilities as fiduciaries of the Corporation.

Application

Code of Conduct applies to all Directors, including *ex-officio* Directors, and members of Board committees who are not Directors. Directors are also required to comply with the Corporation's employee policies on ethics and standards of business conduct.

Director's Duties

All Directors stand in a fiduciary relationship to the Corporation. As fiduciaries, Directors must act honestly, in good faith, and in the best interests of the Corporation.¹

Directors will be held to strict standards of honesty, integrity and loyalty. A Director shall not put personal interests ahead of the best interests of the Corporation.

Directors must avoid situations where their personal interests will conflict with their duties to the Corporation.

Directors must also avoid situations where their duties to the Corporation may conflict with duties owed elsewhere. Where conflicts of interest arise, Directors will comply with the requirements of the By-law, ONCA and the CAA.

In addition, all Directors must respect the confidentiality of information about the Corporation.

Best Interests of the Corporation

Directors must act solely in the best interests of the Corporation. All Directors, including *ex-officio* Directors, are held to the same duties and standard of care. Directors who are nominees of a particular group must act in the best interests of the Corporation, even if this conflicts with the interests of the nominating party.

Confidentiality

Directors and committee members owe a duty to the Corporation to respect the confidentiality of information about the Corporation whether that information is received in a meeting of the Board or of a committee or is otherwise provided to or obtained by the Director or committee member. Directors and committee members shall not disclose or use for their own purpose confidential

¹ S. 43 of ONCA.

information concerning the business and affairs of the Corporation unless otherwise authorized by the Board.

It is recognized that the role of Director may include representing the Corporation to third parties. However, such representations must be respectful of and consistent with the Director's duty of confidentiality. In addition, the Chair is the only official spokesperson for the Board. Every Director and committee member shall ensure that no statement not authorized by the Board is made to the press or public.

A Director is in breach of their duties with respect to confidentiality when information is used or disclosed for other than the purposes of the Corporation.

Board Spokesperson

The Board has adopted a policy with respect to designating a spokesperson on behalf of the Board. Only the Chair or designate may speak on behalf of the Board. The President & CEO or their designate may speak on behalf of the Corporation.

No Director or committee member shall speak or make representations on behalf of the Board unless authorized by the Board Chair or the Board. When so authorized, the Board/committee member's representations must be consistent with accepted positions and policies of the Board.

Media Contact and Public Discussion

News media contact and responses and public discussion of the Corporation's affairs should only be made through the Board's authorized spokespersons. Any Director or committee member who is questioned by news reporters or other media representatives should refer such individuals to the appropriate representatives of the Corporation.

Respectful Conduct

It is recognized that Directors bring to the Board diverse background, skills and experience. Directors will not always agree with one another on all issues. All debates shall take place in an atmosphere of mutual respect and courtesy.

The authority of the Chair must be respected by all Directors.

Corporate Obedience - Board Solidarity

Directors acknowledge that properly authorized Board actions must be supported by all Directors. The Board speaks with one voice. Those Directors who have abstained or voted against a motion must adhere to and support the decision of a majority of the Directors.

Obtaining Advice of Counsel

Request to obtain outside opinions or advice regarding matters before the Board may be made through the Chair.

No Director Remuneration

At common law, Directors of a charity are prohibited from receiving any financial benefits from their position as Directors. Furthermore, in accordance with the By-law, Directors shall serve as such without remuneration and no Director may directly or indirectly receive any profit from their position as Directors. Directors may be reimbursed for reasonable expenses incurred while performing their role, for example, reasonable travel or meal expenses.

Director Resignation

Directors may be asked to resign in writing in the event that there is a material change in the Director's personal or professional circumstances that might reasonably be perceived as adversely affecting their ability to effectively carry out their duties as a Director. Without limiting the generality of the foregoing and by way of example such circumstances may arise when:

- (a) the Board determines or the Director acknowledges a lack of independence;
- (b) there is a change in the country of residence of the Director;
- (c) the Director materially breaches any of the Governance Guidelines, the Articles or By-law.

Amendment

This policy may be amended by the Board.

Approval Date:

Last Review Date:

2. Conflict of Interest Policy

Purpose

All Directors of the Corporation have a duty to ensure that the integrity of the decision-making processes of the Board is maintained by ensuring that they and other Directors are free from conflict or potential conflict in their decision-making. It is inherent in a Director's fiduciary duty that conflicts of interest are avoided. It is important that all Directors and Officers understand their obligations when a conflict of interest or potential conflict of interest arises.

Application

This policy applies to all Directors, Officers, and non-Director Board committee members.

Policy

Directors, Officers, and non-Director Board committee members shall avoid situations in which they may be in a position of a conflict of interest or perceived conflict of interest. In addition to the conflict of interest provisions in ONCA and the By-law, which must be strictly adhered to, the process set out in this policy shall be followed when a conflict or potential conflict arises.

Description of Conflict of Interest

A conflict of interest arises in any situation where a Director's duty to act solely in the Corporation's best interests and to adhere to their fiduciary duties is compromised or impeded by any other interest, relationship, or duty of the Director. A conflict of interest also includes circumstances where the Director's duties to the Corporation are in conflict with other duties owed by the Director such that the Director is not able to fully discharge the fiduciary duties owed to the Corporation.

The situations in which a potential conflict of interest may arise cannot be exhaustively set out. Conflicts generally arise in the following situations:

(a) Transacting with the Corporation

- (i)** When a Director transacts with the Corporation directly or indirectly.
- (ii)** When a Director has a material direct or indirect interest in a transaction or contract with the Corporation.

(b) Interest of a Relative

- (i)** When the Corporation conducts business with suppliers of goods or services or any other party of which a relative or member of the Director's household is a principal, officer, representative or close friend.

(c) Gifts

- (i) When a Director or a member of the Director's household or any other person or entity designated by the Director accepts gifts, payments, services, or anything else of more than a token or nominal value (\$50) from a party with whom the Corporation may transact business (including a supplier of goods or services) for the purposes of (or that may be perceived to be for the purposes of) influencing a Board act or decision.

(d) Acting for an Improper Purpose

- (i) When Directors exercise their powers motivated by self-interest or other improper purposes. Directors must act solely in the Corporation's best interests. Directors who are nominees of a particular group must act in the best interest of the Corporation even if this conflicts with the interests of the nominating party.

(e) Appropriation of Corporate Opportunity

- (i) When a Director diverts to their own use an opportunity or advantage that belongs to the Corporation.

(f) Duty to Disclose Information of Value to the Corporation

- (i) When Directors fail to disclose information that is relevant to a vital aspect of the Corporation's affairs.

(g) Serving on Other Corporations

- (i) A Director may be in a position where there is a conflict of "duty and duty". This may arise where the Director serves as a Director of two corporations that are competing or transacting with one another. It may also arise where a Director has an association or relationship with another entity. For example, if two corporations are both seeking to take advantage of the same opportunity, a Director may be in possession of confidential information received in one boardroom or related to the matter that is of importance to a decision being made in the other boardroom. The Director cannot discharge the duty to maintain such information in confidence while at the same time discharging the duty to make disclosure. The Director cannot act to advance any interests other than those of the Corporation.

Process for Resolution of Conflicts and Addressing Breaches of Duty

Disclosure of Conflicts

A Director or Officer, who is in a position of conflict or potential conflict, shall immediately disclose such conflict to the Board by notifying the Chair or Vice Chair. Where the Chair has a conflict, notice shall be given to the Vice Chair. A non-Director Board committee member who is

in a position of conflict or potential conflict shall immediately disclose such conflict to the Board by notifying the committee chair. The disclosure shall disclose the nature and extent of the conflict and the Director's interest. Disclosure shall be made at the earliest possible time and, where possible, prior to any Board discussion or vote on the matter.

In the case of a Director, the disclosure must be made²:

- (a) at the meeting where a matter in which the Director has a conflict is first considered;
- (b) if the Director was not then interested in a matter, at the first meeting after the Director becomes interested;
- (c) if the Director becomes interested after a matter has been approved, at the first meeting after the Director becomes interested; or
- (d) if an individual who has a conflict in a matter later becomes a Director, at the first meeting after the individual becomes a Director.

In the case of an Officer, that is not a Director, the disclosure must be made³:

- (a) forthwith after the Officer becomes aware that a matter in which the Officer has a conflict is to be considered or has been considered by the Board;
- (b) if the Officer becomes interested after a matter has been approved by the Board, forthwith after the Officer becomes so interested; or
- (c) if an individual who has a conflict in a matter later becomes an Officer, forthwith after the individual becomes an Officer.

In the case of a non-Director Board committee member, the disclosure must be made:

- (a) at the committee meeting where a matter in which the non-Director Board committee member has a conflict is first considered;
- (b) if the non-Director Board committee member was not then interested in a matter, at the first committee meeting after the non-Director Board committee member becomes interested;
- (c) if the non-Director Board committee member becomes interested after a matter has been approved, at the first committee meeting after the non-Director Board committee member becomes so interested; or
- (d) if an individual who has a conflict in a matter later becomes a non-Director Board committee member, at the first committee meeting after the individual becomes a non-Director Board committee member.

² S.41(2) of ONCA.

³ S. 41(3) of ONCA.

If a Director or Officer has a conflict of interest in a matter that, in the ordinary course of the Corporation's business, would not require approval of the Board or Members, the Director or Officer shall disclose the conflict of interest to the Chair or Vice Chair, or request to have the nature and extent of their interest entered in Board meeting minutes forthwith after the Director or Officer becomes aware of the matter.⁴

Continuing Disclosure

A Director, Officer, or non-Director Board committee member may provide a general notice to the Board disclosing their relationships and interests in entities or persons that give rise to conflicts.⁵

Leave the Meeting and Do Not Vote

A Director, Officer, or non-Director Board committee member who has declared a conflict shall not attend any part of a meeting during which the matter in which they have a conflict is discussed, and shall not vote on any resolution to approve the matter.

Exceptions are made if the matter relates to a contract or transaction⁶:

- (a) for indemnity or insurance under section 46 of ONCA; or
- (b) with an affiliate of the Corporation.

If no quorum exists for the purposes of voting on a resolution to approve a matter only because one or more Director(s) or Board committee member(s) are not permitted to be present at the meeting due to a conflict, the remaining Directors or Board committee members(s) are deemed to constitute a quorum for the purpose of voting on the resolution.

Referral

A Director may be referred to the process outlined below where any Director believes that they or another Director:

- (a) has breached their duties to the Corporation as mentioned in section 1 of II Effective Governance;
- (b) is in a position where there is a potential breach of duty to the Corporation;
- (c) is in a situation of actual or potential conflict of interest; or
- (d) has behaved or is likely to behave in a manner that is not consistent with the highest standards of trust and integrity and such behaviour may have an adverse impact on the Corporation.

⁴ S. 41(1) of ONCA.

⁵ S. 41(8) of ONCA.

⁶ S.41(5) of ONCA.

Process for Resolution

- (a) The matter shall be referred to the Chair or where the issue may involve the Chair, to the Vice Chair, with notice to the President & CEO.
- (b) The Chair (or Vice Chair, as the case may be) may either:
 - (i) attempt to resolve the matter informally; or
 - (ii) refer the matter to either the executive committee (if already constituted) or a special Board committee established by the Chair (or Vice Chair, as the case may be) which shall report to the Board.
- (c) If the Chair or Vice Chair elects to attempt to resolve the matter informally and the matter cannot be resolved to the satisfaction of the Chair (or Vice Chair as the case may be), the Director referring the matter, and the Director involved, then the Chair or Vice Chair shall refer the matter to the process in (b)(ii) above.
- (d) A Board decision by majority resolution shall be determinative of the matter.
- (e) It is recognized that if a conflict or other matter referred cannot be resolved to the Board's satisfaction (by simple majority resolution) or if a breach of duty has occurred, a Director may be asked to resign or may be subject to removal pursuant to the By-law and ONCA.
- (f) The resolution of a conflict, including the actions taken, shall be documented in writing and maintained in the records.

Perceived Conflicts

It is acknowledged that not all conflicts or potential conflicts may be satisfactorily resolved by strict compliance with Article 6 of the By-law. There may be cases where the perception of a conflict of interest or breach of duty (even where no conflict exists or breach has occurred) may be harmful to the Corporation notwithstanding that there has been compliance with Article 6 of the By-law. In such circumstances, the process set out in this policy for addressing conflicts and breaches of duty shall be followed.

It is recognized that the perception of a conflict or breach of duty may be harmful to the Corporation even where no conflict exists or breach has occurred, and it may be in the Corporation's best interests that the Director be asked to resign.

Amendment

This policy may be amended by the Board.

Approval Date:

Last Review Date:

3. Board Confidentiality Policy

Purpose

To ensure that confidential matters are not disclosed until disclosure is authorized by the Board.

Policy

The Directors owe to the Corporation a duty of confidence not to disclose or discuss with another person or entity, or to use for their own purpose, confidential information concerning the business and affairs of the Corporation received in their capacity as Directors unless otherwise authorized by the Board.

No Director shall make any statement to the press or the public in his or her capacity as a Director unless such statement has been authorized by the Board.

Application

This policy applies to all Directors and non-Director committee members.

Confidential Matters

All matters that are discussed at Board meetings are confidential unless otherwise determined by the Board.

All matters that are before a committee of the Board are confidential unless they have been determined not to be confidential by the Chair of the relevant committee or by the Board.

Without limiting the generality of the foregoing, and by way of example, all donor data and financial information pertaining to prospective donors is confidential. Directors must take all reasonable measures to protect such donor data and financial information from loss, theft, unauthorized access, disclosure, copying, use or modification, and must immediately report instances of the foregoing to the Chair and President & CEO.

Procedure for Maintaining Minutes

Minutes of meetings of the Board shall be recorded by the Secretary or designate or if the Secretary or designate is not present, by a Director designated by the Chair.

All minutes of meetings of the Board shall be marked confidential and shall be handled in a secure manner.

All minutes of meetings of committees of the Board shall be marked confidential and shall be handled in a secure manner.

Amendment

This policy may be amended by the Board.

Approval Date:**Last Review Date:**

4. Participation in Board Meetings Policy

Purpose

To clarify the confidential nature of meetings of the Board.

Policy

Meetings of the Board are not open to the public or to staff members. Members of the public and staff of the Corporation may be invited or excluded from meetings of the Board from time to time at the sole discretion of the Board.

Amendment

This policy may be amended by the Board.

Approval Date:

Last Review Date:

5. Meeting without President & CEO Policy

Purpose

The purpose of this policy is to:

- Ensure the Board exercises independent oversight of the President & CEO
- Provide an opportunity to assess Board processes and particularly the quality of material and information provided by the President & CEO;
- Provide an opportunity for the Board Chair to discuss areas where the performance of Directors could be strengthened; and
- Build relationships of confidence and cohesion among Board members.

Membership/Participation

A Director who remains in the meeting without the President & CEO is acting without any undue influence from management and is described as being free of any special relationship with the Corporation.

Policy

The Directors shall meet without the President & CEO at every regularly scheduled Board meeting as determined by the Board Chair or at the request of any two Board members.

Process

- If a meeting without the President & CEO is planned, the notice of meeting must include this information.
- Timing of the session without the President & CEO should be declared in the notice.
- Such meeting shall not be considered to be a meeting of the Board, but rather, will be for information purposes only.
- Minutes will not be kept, but the Chair may keep notes of the discussion.
- Before the meeting without the President & CEO, other staff members attending the Board meeting will be excused so that the Board can meet with the President & CEO without other staff members present.
- The Chair shall immediately communicate with the President & CEO any relevant matters raised in the meeting.

Amendment:

This policy may be amended by the Board.

Approval Date:

Last Review Date:

6. Directors and Non-Director Committee Members Annual Declaration and Consent

Policy

All Directors and non-Director committee members are required to sign and return a copy of the following form annually:

ANNUAL DECLARATION AND CONSENT

FOR DIRECTORS AND NON-DIRECTOR BOARD COMMITTEE MEMBERS

To: YMCA of Greater Toronto (“**Corporation**”)

And To: The Board of Directors of the Corporation (“**Board**”)

CONSENT

Please check this box if you are a Director:

- I am an individual elected or appointed to the Board and hereby acknowledge and declare that I:
- (a) consent to act as a Director of the Corporation;
 - (b) am at least 18 years old;
 - (c) have not been found under the *Substitute Decisions Act, 1992* or under the *Mental Health Act* to be incapable of managing property;
 - (d) have not been found to be incapable by any court in Canada or elsewhere;
 - (e) do not have the status of an undischarged bankrupt;
 - (f) am not an “ineligible individual” as defined in the *Income Tax Act* (Canada) or any regulations made under it;
 - (g) am not a current employee or contractor of the Corporation;
 - (h) have not been within the preceding five years an employee or contractor of the Corporation;
 - (i) am not a “Family Member” of a Director, employee or contractor of the Corporation as defined in the Corporation’s By-law; and
 - (j) am not otherwise ineligible to serve as a Director at common law or in accordance with any other applicable legislation.

Please check this box if you are a Board committee member, but not a Director:

- I am an individual appointed to a Board committee and consent to serve the Corporation as a non-Director Board committee member.

Compliance with Policies

I confirm that I have read and understand, or will promptly read and understand, all of the policies and codes of conduct of the Corporation applicable to me as such policies are amended or supplemented from time to time (the “**Policies**”).

I agree to comply with the *Not-for-Profit Corporations Act, 2010* (the “**Act**”) and the Corporation’s articles, By-law, and Policies (“**Governance Documents**”).

Conflicts

In accordance with the Act and the Corporation’s Governance Documents, I disclose that I have an interest, directly or indirectly, in the following entities, persons, or matters, which includes entities in which I am a Director or Officer:

This disclosure is a general notice of interest pursuant to the Act and the Corporation’s Governance Documents, and accordingly, I should be regarded as interested in any of the above entities, persons, or matters.

I acknowledge that this disclosure is in addition to my obligations to comply with the Act and the Corporation’s Governance Documents in respect of any specific conflict that may arise.

I declare the above information to be true and accurate as of the date hereof.

Notice

Notice for Board and/or Board committee meetings may be sent to me at the address set out below:

Attention:

Address:

Email:

Telephone:

Dated this _____ day of _____, 20__.

Name:

III. BOARD NOMINATION, COMPOSITION AND SELECTION

1. Nomination and Election

Purpose

To ensure that the Board is comprised of individuals who possess the skills, qualities, and experience to collectively contribute to effective Board governance, and to assist the Board in identifying qualified individuals to become Directors.

Board Composition

In accordance with the Corporation's By-law, the Board shall consist of a minimum of 9 and a maximum of 15 Directors.

Term of Office

An elected Director is elected to the Board for a term of one year and may serve for a maximum of six years.

A Director may, by Board resolution, have their maximum term as a Director extended:

- (i) for the sole purpose of that Director succeeding to the offices of Vice-Chair or Chair of the Board or serving as Vice-Chair or Chair of the Board; or
- (ii) for such other reason that the Board deems to be in the best interest of the Corporation.

Board Nominations Process

A. GNC

The Board shall establish a GNC, which shall be responsible for identifying and recommending individuals to the Board to become Directors. The function of the GNC shall be set out in terms of reference, which shall be adopted by the Board from time to time.

B. Nomination Process

The Board shall identify qualified candidates through the following process:

- The number of vacancies will be determined each year and the necessary criteria to fill those vacancies will be identified by conducting a skill-set analysis, and a representation survey.
- Directors will be evaluated based on their performance as a Director (renewal will not be automatic), while balancing the need to ensure retention of institutional knowledge, expertise, orderly succession planning, and commitment to the principles of DEIB on a strategic and an operational basis.

- A call for nominations will be made and interested parties will be encouraged to submit applications.
- Vacancies will be advertised publicly, as well as on the Corporation's website. The Committee may recommend the use of an external recruitment firm to assist in the process.
- Applications will be submitted to the chair of the GNC and reviewed by the GNC.
- A short-list of candidates will be developed by the GNC of those individuals who meet the criteria as identified by the Board. Short-listed candidates must be interviewed by the GNC (or sub-committee).
- Reference checks will be completed by the Chair of the GNC, or as delegated.
- The President & CEO shall be a supporting resource to the Board in identifying and recommending individuals to the Board to become Directors.

C. Elections Process

- Election of Directors is completed each year as part of the annual members' meeting.
- The GNC shall recommend to the Board the candidate(s) for approval by the members at the annual members' meeting.
- If the number of candidates equals the number of vacancies, subject to ONCA, the members may be asked to vote for or against the slate and, if such a vote does not carry, the vote shall take place for or against each nominee individually.
- If one or more recommended candidates are not elected, the Board shall determine an appropriate process to bring new candidates forward for election.

2. Director Selection Criteria

Purpose

Effective governance depends on the right mixture of skills, experience, personal qualities and diversity on the Board.

Policy

Through the nomination and election process, the Board selects the Directors according to their skills, experience, and personal qualities.

The Board should seek a balance within the Board concerning the skills and experience of Directors, while considering any unique or special requirements of the corporation at the current time.

The Board should ensure all Directors possess the personal qualities necessary to perform their role as Directors. The Board should have the capacity to understand the diversity of the community

served, including demographic, linguistic, cultural, economic, geographic, gender, ethnic and social characteristics of the communities served by the Corporation.

The skills, experience, knowledge, and personal qualities that the Board will use to select potential Directors are set out below.

Skills, Experience and Knowledge

The Board is to reflect a complementary mixture of skills, experience and knowledge. The skills, experience and knowledge the Board will consider in selecting members include the following:

- Accounting designation/financial expertise;
- Board and governance expertise;
- Business management;
- Healthcare experience;
- Asset management experience;
- Education;
- Ethics;
- Fundraising experience;
- Government and government relations;
- Human resources management and labour relations;
- Information technology;
- Knowledge and experience in research;
- Legal expertise;
- Performance management;
- Political acumen;
- Public affairs and communications;
- Risk management;
- Strategic planning; and
- Understanding of community/catchment area.

Personal Qualities

The Board requires all of its Directors to:

- Commit to adhere to the mission, vision and core values of the Corporation;
- Act with honesty and integrity;

- Understand a Director’s role and fiduciary duties, and the role of the Board;
- Think strategically;
- Work as part of a team;
- Communicate effectively;
- Have, or commit to acquire, financial literacy appropriate for the Corporation's scope of activities;
- Be willing to devote the time and effort required to be an effective Director, including attendance at Board orientation, Board retreats, Board meetings, committee meetings, and Corporation events;
- Be free of conflicts that would impede a Director's ability to fulfill his or her fiduciary duties; and
- Demonstrate ability to recognize and manage specific conflicts of interest that arise from time to time.

Amendment

This policy may be amended by the Board.

Approval Date:

Last Review Date:

IV. COMMUNITY MEMBER NOMINATION, COMPOSITION AND SELECTION

1. Nomination and Election

Purpose

To ensure that the Board Committees are comprised of individuals who possess the skills, qualities, and experience to collectively contribute to the work of the committee.

Committee Composition

In accordance with the Corporation's By-law, the Board may appoint Community Members with the exception of the Audit Committee and Executive Committee (if constituted). The composition of each committee will be determined by the Board in accordance with ONCA and included in the terms of reference.

Community Member Nomination Process

A. *Nomination Process*

The GNC shall identify qualified candidates through the following process:

1. **Internal Recommendations:** Candidates are identified by Directors and/or the President and CEO.
2. **Board Prospect Pipeline:** Community Members are identified by the GNC in connection with the Director recruitment process.
 - The GNC will create a short-list of candidates who meet the criteria as identified by the Board to fill vacancies. Short-listed candidates shall be interviewed by the GNC (or sub-committee) and candidates not appointed to the Board are eligible to become Community Members.
 - Each committee chair, and Staff Partner shall be a key resource in supporting the GNC in identifying and recommending individuals to the Board to become Community Members of their committee.
 - If there are more community membership needs than what the Board Prospect Pipeline can offer, additional names may be brought forward for consideration, and the GNC will be given the invitation/option to join the Committee Chair in the interviews.
 - Reference checks will be completed by the chair of the GNC, or as delegated.

B. *Elections Process*

- Election of Community Members is completed each year as part of the Board meeting that follows the annual members' meeting, but can be conducted on an as-needed basis throughout the governance year.
- The GNC shall recommend to the Board the candidate(s) for approval.

2. Community Member Selection Criteria

Purpose

Effective governance depends on the right mixture of skills, experience, personal qualities and diversity on each committee.

Policy

Through the nomination and election process, the Board selects the Community Members according to their skills, experience, and personal qualities.

Each committee should seek a balance concerning the skills and experience of Community Members, while considering any unique or special requirements of the Corporation at the current time.

Each committee should ensure all Community Members possess the personal qualities necessary to perform their role.

Skills, Experience and Knowledge

Each committee is to reflect a complementary mixture of skills, experience and knowledge.

Each committee will establish its own list of skills, experience, and knowledge needed to consider when selecting members.

Personal Qualities

The Board requires all of its Community Members to:

- Commit to adhere to the mission, vision and core values of the Corporation;
- Act with honesty and integrity;
- Understand a Community Member's role, and the role of the committee;
- Think strategically;
- Work as part of a team;
- Communicate effectively;
- Have, or commit to acquire, financial literacy appropriate for the Corporation's scope of activities;
- Be willing to devote the time and effort required to be an effective Community Member, including attendance at committee meetings, and Corporation events;
- Be free of conflicts that would impede a Community Member's ability to fulfill their duties; and
- Demonstrate ability to recognize and manage specific conflicts of interest that arise from time to time.

Term of Office

An elected Community Member is elected to the committee for a term of one year and is eligible for re-appointment for a maximum of six consecutive years, subject to a recommendation by the GNC for approval by the Board.

The Board, within their sole discretion, may remove any committee member who no longer meets the qualifications of a Community Member.

Attendance

A Community Member is expected to attend at least 75% of all meeting of the assigned committee.

Voting and Quorum

Community Members will be voting and included in the quorum unless the Board or terms of reference otherwise provide.

Annual Declaration and Consent

A Community Member will execute a Directors and non-Director Board Committee Members Annual Declaration and Consent immediately upon appointment and annual thereafter.

Amendment

This policy may be amended by the Board.

Approval Date:**Last Review Date:**

V. LEADERSHIP

1. Statement of the Roles and Responsibilities of the Board

Purpose

To ensure that the Board has a shared understanding of its governance role, the Board has adopted this Statement of the Roles and Responsibilities of the Board.

Responsibility of the Board

The Board is responsible for the overall governance of the affairs of the Corporation. The Board delegates to the President & CEO the responsibility and authority to manage the operations, and implement policies and plans to meet the Corporation's objects within prescribed policies.

The Board incorporates an equity perspective in its own actions, understanding of itself, and decision-making processes in alignment with the Corporation's DEIB Strategy. The Board will also ensure its own Board culture reflects the principles and approaches outlined in the Corporation's DEIB Strategy.

Each Director is responsible to act honestly, in good faith, and in the best interests of the Corporation and, in so doing, to support the Corporation in fulfilling its mission and discharging its accountabilities.

Strategic Direction Setting

The Board participates in the formulation and adoption of the Corporation's mission, vision and values.

The Board ensures that the Corporation develops and adopts a strategic plan that is consistent with its mission and values, and which will enable the Corporation to realize its vision.

The Board oversees major decisions, and considers their consistency with the strategic plan and strategic directions.

The Board monitors progress on the implementation of strategic directions and initiatives, and approves annual operations and financial plans. The Board will also champion the Corporation's DEIB Strategy by providing oversight and monitoring of the DEIB Strategy, ensuring its relevance and sustainability in serving the Greater Toronto Area's communities.

The Board annually conducts a review of the strategic plan as part of a regular annual planning cycle.

Oversight of the President & CEO

The Board selects and supervises the President & CEO, including:

- Developing and approving the President & CEO's job description;

- Where necessary, undertaking a recruitment process and selecting the President & CEO;
- Reviewing and approving the President & CEO's annual performance goals;
- Evaluating the President & CEO's performance, and determining the President & CEO's compensation; and
- Ensuring succession planning is in place for the President & CEO.

Performance Monitoring

The Board is responsible for establishing a framework for monitoring and assessing performance in areas of Board responsibility, including:

- Fulfilling strategic directions in a manner consistent with the mission, vision and values;
- Overseeing management performance;
- Assessing the quality of programs
- Assessing financial conditions and risks;
- Assisting with stewarding stakeholder relations;
- Managing the availability, maintenance and use of physical assets and facilities; and
- Monitoring the Board's own effectiveness.

The Board ensures that management has identified and reports on appropriate measures of performance.

The Board ensures that management has plans in place to address variances from expected or planned performance.

Financial Oversight

The Board is responsible for the stewardship of financial resources, including ensuring availability, and overseeing the allocation, of financial resources.

The Board approves policies for financial planning and approves the annual operating and capital budget.

The Board monitors financial performance against budget.

The Board approves investment policies and monitors compliance.

The Board ensures the accuracy of financial information through oversight of management and approval of annual audited financial statements.

The Board ensures management has put measures in place to ensure the integrity of internal controls.

Risk Identification and Oversight

The Board oversees management's risk management program.

The Board ensures that appropriate programs and processes are in place to protect against risk.

The Board is responsible for identifying unusual risks to the Corporation, and for ensuring that there are plans in place to prevent and manage such risks.

Stakeholder Communication and Accountability

The Board ensures the Corporation appropriately communicates with the government in a manner consistent with its accountability.

The Board contributes to the maintenance of strong stakeholder relationships.

The Board performs advocacy on behalf of the Corporation with stakeholders, where required, in support of the mission, vision, values and strategic directions of the Corporation.

Governance

The Board is responsible for the quality of its own governance, applying new knowledge and principles outside of traditional western/colonial approaches to decision-making and practices.

The Board establishes By-laws and governance policies to facilitate the performance of the Board's role and to enhance individual governor performance.

The Board is responsible for contributing to the recruitment of a skilled, experienced and qualified Board, and to ensure orientation, ongoing Board training, and education.

The Board assesses and reviews its governance by periodically evaluating Board policies, structures, processes, and practices.

Legal Compliance

The Board ensures that appropriate processes are in place to effect compliance with legal requirements.

Amendment

This policy may be amended by the Board.

Approval Date:

Last Review Date:

2. Position Description – Director

Duties and Expectations of a Director

Purpose

The Corporation is committed to ensuring that it achieves standards of excellence in the quality of its governance and has adopted this policy describing the duties and expectations of Directors.

Application

This policy applies to all elected and ex-officio Directors and is provided to Directors before they are recruited for appointment to the Board. A Director who wishes to serve on the Board must confirm in writing that they will abide by this policy.

Responsibility of a Director

As a Director, and in contributing to the collective achievement of the role of the Board, the individual Director is responsible for the following:

(a) Fiduciary Duties

- (i)** Each Director is responsible to act honestly, in good faith and in the best interests of the Corporation and in so doing, to support the Corporation in fulfilling its mission and discharging its accountabilities.
- (ii)** Every Director, in exercising his or her powers and discharging his or her duties to the Corporation, shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Every Director shall comply with ONCA, the CAA and the Corporation's Articles and By-law.

(b) Accountability

- (i)** A Director's fiduciary duties are owed to the Corporation. The Director is not solely accountable to any special group or interest and shall act and make decisions that are in the best interest of the Corporation, as a whole. A Director shall be knowledgeable of the stakeholders to whom the Corporation is accountable and shall appropriately consider the interests of such stakeholders when making decisions as a Director, but shall not prefer the interests of any one group if to do so would not be in the best interests of the Corporation.

(c) Knowledge

- (i)** A Director shall be knowledgeable about:
 - (1)** The operations of the Corporation

- (2) The duties and expectations of a Director;
 - (3) The Board’s governance role;
 - (4) The Board’s governance structure and processes;
 - (5) Board adopted governance policies; and
 - (6) Corporation policies applicable to Directors.
- (d) A Director will participate in a Board orientation session, orientation to committees, Board retreats and Board education sessions. A Director should attend additional appropriate educational conferences in accordance with Board-approved policies. A Director will commit to a process of learning on matters related to DEIB, and participate in the Corporation’s DEIB training.
- (e) Board Policies and Corporation Policies
- (i) A Director shall be knowledgeable of and comply with the policies that are applicable to the Board including:
 - (1) The Board’s Code of Conduct;
 - (2) The Board’s Conflict of Interest Policy;
 - (3) The Board’s Confidentiality Policy; and
 - (4) The Whistleblower Policy of the Corporation.
- (f) Teamwork
- (i) A Director shall develop and maintain sound relations and work cooperatively and respectfully with the Chair, other Directors and management.
 - (ii) Understand and challenge personal biases (conscious and unconscious) toward other Board members and the Corporation’s employees that may impact one’s ability to ensure a welcoming and inclusive environment for everyone, specifically in regards to (but not limited to) their socioeconomic status, race, place of origin, ethnicity, colour, ancestry, disability, age, religion, sex, family status, sexual orientation, gender identity, gender expression, and body size.
- (g) Community Representation
- (i) A Director shall represent the Board and the Corporation in the community when asked to do so by the Board Chair.
- (h) Supporting or Opposing a Political Party or Candidate

The *Income Tax Act* (Canada) prohibits the Corporation from directly or indirectly supporting or opposing a political party or candidate for public office. A Director may only

engage in direct or indirect support of, or opposition to, any political party or candidate for public office in his or her personal, private capacity as an individual. That is, a Director is not prohibited from being involved with an election, political campaign, or any other political process in their own personal, private capacity as individuals, whether during an election period or not. However, the Corporation must not use its resources, such as office space, supplies, phone, photocopier, computer, or publications, and human resources such as employees or volunteers, to support that Director's personal political involvement. Directors can publicly voice their personal views on political issues, but must not use events or functions organized by the Corporation, its publications, or other resources such as a platform to voice their views on these issues. In situations outside of functions and publications of the Corporation, Directors who want to speak or write in their individual capacity should indicate that their comments are personal rather than the views of the Corporation, especially in the case of social media.

(i) Time and Commitment

- (i) A Director is expected to commit the time required to perform Board and committee duties.
- (ii) The Board meets a minimum of four times a year and a Director is expected to adhere to the Board's attendance policy that requires attending at least 75% percent of Board meetings.
- (iii) A Director is expected to serve on at least one standing committee.

(j) Contribution to Governance

- (i) Directors are expected to contribute to the governance role of the Board through:
 - (1) Reading materials in advance of meetings and coming prepared to contribute to discussions;
 - (2) Offering constructive contributions to Board and committee discussions;
 - (3) Contributing his or her special expertise and skill;
 - (4) Respecting the views of other members of the Board;
 - (5) Voicing conflicting opinions during Board and committee meetings but respecting the decision of the majority even when the Director does not agree with it;
 - (6) Respecting the role of the Chair;
 - (7) Respecting the role and terms of reference of Board committees; and
 - (8) Participating in Board evaluations and annual performance reviews.

(k) Fundraising

- (i) Board members are asked to support fundraising efforts in any of the following ways:
 - (1) Donate to the Corporation within personal means
 - (2) Help identify potential prospects and open doors
 - (3) Advocate on behalf of the Corporation's fundraising campaigns

(l) Continuous Improvement

A Director shall commit to be responsible for continuous self-improvement. A Director shall receive and act upon the results of Board evaluations in a positive and constructive manner.

Term and Renewal

In accordance with the By-law, Directors are elected annually for a term of one year, and may serve for a maximum of six years. While the general expectation is that Directors commit to serving on the Board for at least three consecutive years, a Director's renewal is not automatic and shall depend on the Director's performance and based on identified needs of the Board, as determined by the GNC in their sole discretion.

Amendment

This policy may be amended by the Board.

Approval Date:

Last Review Date:

3. Board Chair Role Description

Role of the Chair

The Chair is the leader of the Board. The Chair is responsible for:

- (a) Ensuring the integrity and effectiveness of the Board's governance role and processes, including supporting, championing the advancement of, and embedding DEIB into governance processes;
- (b) Presiding at meetings of the Directors and Members;
- (c) Representing the Board within the Corporation and the Corporation to its stakeholders; and
- (d) Maintaining effective relationships with Directors, management and stakeholders.

Responsibilities

(a) Board Governance

- (i) The Chair ensures the Board meets its obligations and fulfills its governance responsibilities, understanding how power is used to influence decisions and outcomes. As such, the Chair finds solutions together with other Directors that work for the Board as a whole, actively fostering an environment that creates space for and respects all contributions (even in disagreement).
- (ii) The Chair oversees the quality of the Board's governance processes including:
 - (1) Ensuring that the Board performs a governance role that respects and understands the role of management;
 - (2) Ensuring that the Board adopts an annual work plan that is consistent with the Corporation's strategic directions, mission and vision;
 - (3) Ensuring that the work of the Board committees is aligned with the Board's role and annual work plan and that the Board respects and understands the role of Board committees and does not redo committee work at the Board level;
 - (4) Ensuring Board succession by ensuring there are processes in place to recruit, select and train Directors with the skills, diversity, experience, background and personal qualities required for effective Board governance;
 - (5) Ensuring that the Board and individual Directors have access to appropriate education;

- (iii) Overseeing the Board's evaluation processes and providing constructive feedback to individual committee chairs and Directors as required; and
- (iv) Ensuring that the Board's governance structures and processes are reviewed, evaluated, and revised from time to time.

(b) Presiding Officer

- (i) The Chair is the presiding officer at Board and members' meetings. As the presiding officer at Board and members' meetings, the Chair is responsible for:
 - (1) Setting agendas for Board meetings and ensuring matters dealt with at Board meetings appropriately reflect the Board's role and annual work plan;
 - (2) Ensuring that meetings are conducted according to applicable legislation, by laws and the Board's governance policies and rules of order;
 - (3) Facilitating and forwarding the business of the Board, including preserving order at Board meetings;
 - (4) Encouraging input and ensuring that the Board hears all sides of a debate or discussion;
 - (5) Encouraging all Directors to participate and controlling dominant Directors;
 - (6) Facilitating the Board in reaching consensus;
 - (7) Ensuring relevant information is made available to the Board in a timely manner and that external advisors are available to assist the Board as required; and
 - (8) Ruling on procedural matters during meetings.

(c) Representation

- (i) With respect to representation, the Chair:
 - (1) is the official spokesperson for the Board
 - (2) represents the Corporation in the community and to its various stakeholders.
 - (3) reports on behalf of the Board to members at each Annual General Meeting.
 - (4) represents the Board within the Corporation, attending and participating in events as required.
 - (5) represents the Board in dealings with key stakeholders, as required.

(d) Relationships

- (i) With respect to relationships, the Chair:
- (1) facilitates relationships with, and communication among, Directors and between Directors and management.
 - (2) establishes a relationship with individual Directors, meeting with each Director at least once a year to ensure that each Director contributes his/her special skills and expertise effectively.
 - (3) provides assistance and advice to committee chairs to ensure committee chairs understand Board expectations and have the resources that are required for performance of their terms of reference.
 - (4) maintains a constructive working relationship with the President & CEO providing advice and counsel as required. In particular, the Chair:
 - a. works with the President & CEO to ensure understanding of Board expectations; and
 - b. ensures that President & CEO annual performance objectives are established, and that annual evaluation of the President & CEO is performed.

(e) Other Duties

- (i) The Chair performs such other duties as the Board determines from time to time.

Skills and Qualifications

The Chair will possess the following qualities, skills, and experience:

- Proven leadership skills;
- Good strategic and facilitation skills, ability to influence and achieve consensus;
- Ability to act impartially and without bias and display tact and diplomacy;
- An understanding of DEIB and its principles as they relate to governance and decision making
- Effective communicator;
- Political acuity;
- Must have the time to continue the legacy of building strong relationships between the Corporation and stakeholders;
- Ability to establish trusted advisor relationships with the President & CEO and other Directors;
- Governance and Board level experience in the sector; and

- Outstanding record of achievement in one or several areas of skills and experience used to select Directors.

Term

The Chair of the Board shall be appointed for a one (1) year term and shall be eligible for re-appointment provided that the Chair of the Board shall serve no longer than two (2) consecutive terms. Notwithstanding the foregoing, where a Director has served two (2) consecutive terms as Chair of the Board, the Board may, by resolution approved by two-thirds (2/3) of the Board, re-appoint the then-current Chair of the Board for one (1) additional one (1) year term.

Amendment

This policy may be amended by the Board.

Approval Date:

Last Review Date:

4. Immediate Past Chair Role Description

Policy

The role of the Immediate Past Chair is to ensure continuity and provide important input to the Board based on experience and knowledge of the Corporation. The Immediate Past Chair supports the Chair on an as-needed basis.

The Immediate Past Chair shall act in accordance with the By-law of the Corporation.

Duties and Responsibilities

In addition to such other duties required by all Directors, and such other duties as the Board may determine from time to time, the duties and responsibilities of the Immediate Past Chair shall include:

- Ensuring continuity during governance transitions and organizational change;
- Assisting in planning the appropriate succession of Officers and Directors;
- Supporting the Chair in their role, and to provide continuity to the Corporation by providing historical context for issues;
- Supporting an equitable Director nomination process and ensuring the needs of the Board are met, competencies addressed;
- Participating actively in Board meetings, and/or any special meetings called by the Board;
- Supporting the Chair in their position through mentoring, coaching, advising and analyzing Board development and procedures; and
- Continuing to advocate and fundraise for the Corporation.

Term

The Immediate Past Chair will serve an initial term of one (1) year, renewable for an additional one (1) year term for a maximum of two (2) consecutive years, at the discretion of the Board.

Amendment

This policy may be amended by the Board.

Approval Date:

Last Review Date:

5. Officer Role Descriptions

Subject to the By-law, the Corporation may have such Officer positions as the Board may determine by resolution. In addition to the President & CEO, whose role is set out in the President & CEO Job Description, and the Chair, whose role is set out in the Board Chair Role Description, roles of other Officers of the Corporation are as follows:

Vice Chair

If one Vice Chair is appointed, the Vice Chair will, in the Chair's absence or inability, perform the Chair's duties and exercise the Chair's powers and will perform such other duties as shall from time to time assigned to the Vice Chair by the Board.

Where two (2) or more Vice Chairs are appointed, they shall be designated First Vice Chair, Second Vice Chair, and so on.

In accordance with the Corporation's By-law, Vice Chairs are to be appointed by the Board only from among the elected Directors.

The Chair, or failing the Chair, the Board, shall designate which of the Vice Chairs shall perform the Chair's duties in the Chair's absence.

Secretary

The Secretary, if appointed, does not need to be a Director, and shall carry out the duties of the Corporation's Secretary generally and shall attend, or cause a recording Secretary to attend, all meetings of the Board, the Members, and committees, to act as a clerk thereof and to record all votes and minutes of all proceedings in the books to be kept for that purpose. The Secretary shall give or cause to be given notice of all meetings of the Members and of the Board, and shall perform such other duties as may be prescribed by the Corporation's By-law or the Board.

Approval Date:

Last Review Date:

6. President & CEO Role Description

Purpose

This policy outlines the responsibilities of the President & CEO of the Corporation.

Policy

The Board provides direction to the President & CEO in accordance with Board policies and typical best practices. The Board delegates responsibility and authority to the President & CEO for the management and operation of the Corporation and requires accountability to the Board.

The President & CEO is required to follow directions of the Board directly or as received through the Chair. When Directors or committee members make requests without express Board authorization, the President & CEO will determine how such requests will be addressed based on work priorities and available funds. The President & CEO may refer the matter through the Chair to the next Board meeting for discussion.

The President & CEO shall perform the duties described in the Position Description below and supplemented by the employment agreement executed by the Chair and the candidate accepting the position, as well as other tasks, duties, and responsibilities as may be associated with the position of President & CEO or as may be assigned by the Board from time to time.

The Board-approved President & CEO position description is included in the employment agreement between the Corporation and the President & CEO.

The position includes the following responsibilities:

- Be accountable to the Board for the organization, management, and leadership of the Corporation in accordance with applicable law, and the Corporation's Articles, By-law, and policies, subject to the authority of the Board.
- Ensure systems are in place to ensure compliance with all applicable laws, as amended from time to time.
- Establish and maintain a positive, accountable, and collegial working relationship with the Board characterized by decisive leadership, candour, and transparency.
- Build solid relationships with the Corporation's staff and volunteers.
- Establish an organizational structure that facilitates, in an accountable and efficient manner, the quality and safety of all programs, services, departments, and staff in order to fulfil the mission, vision, and values and the strategic plan of the Corporation, including supporting and championing the advancement of DEIB within the Corporation.
- Provide leadership in support of the Board's responsibility to develop and periodically review the mission, vision, and values and the strategic plan of the Corporation, including providing leadership in support of the Board's responsibility to provide oversight and

monitoring of the Corporation's DEIB Strategy, ensuring its relevance and sustainability in serving the Greater Toronto Area's communities.

- Develop, recommend, and foster the mission, vision, and values of the Corporation.
- Demonstrate fiscal accountability to the Board and ensure appropriate systems and structures are in place for the effective management and control of resources including the employment, development, control, and direction of all employees.
- Ensure effective human resource and succession planning to ensure continuity of the Corporation's activities.
- Ensure systems are in place, in consultation with the Board, for the review, development, and implementation of new programs and services and/or changes to existing programs and services.
- Represent the Corporation to the community, the government, the media, and the broader public on matters relating the activities and affairs of the Corporation.
- Work collaboratively with staff and volunteers to set and meet fundraising targets and build a culture of philanthropy.
- Ensure the payment by the Corporation of all salaries and benefits and amounts due from and owing by the Corporation on a timely basis.
- Perform such other duties as directed by the Board from time to time.

Amendment

This President & CEO role description may be amended by the Board.

Approval Date:

Last Review Date:

7. President & CEO Performance Evaluation and Compensation

Policy

The Board shall review the process of performance evaluation and complete the President & CEO performance appraisal on an annual basis. The Board may delegate to the Performance and Compensation Committee for process and recommendations to the Board.

The Board shall assess performance against the President & CEO's goals and competencies which will be established annually.

Procedure

The Board will review annually the process of completing the performance appraisal. Each year the Board or committee, if applicable, will complete the evaluation using the following procedure:

- (a) The President & CEO's goals and priorities will be established at the beginning of the year and reviewed annually and prior to the completion of the performance evaluation.
- (b) The President & CEO will complete a self-evaluation for the review with the committee.
- (c) The Board or committee, if applicable, will determine the best way of soliciting input from other Directors and stakeholders. Each Director will have an opportunity for input.
- (d) The Board or committee, if applicable, will meet to review all relevant factors that will go into the final evaluation. This will include:
 - (i) A review of the President & CEO's annual goals and priorities.
 - (ii) A review of strategic planning initiatives.
 - (iii) Input from stakeholders.
 - (iv) An anecdotal review of major events and milestones of the past year.
- (e) Some of these items will be measurable, but many will require the exercise of judgment by the Board or committee members, if applicable. This judgment must be exercised in good faith in a manner consistent with the Mission, Vision and Values.
- (f) At a final meeting with the President & CEO, the Board or committee, if applicable will review its determinations, review the President & CEO's self-assessment, and finalize the evaluation.
- (g) The Board conducts the review under the leadership of the Board Chair. The review may also be delegated to the Performance & Compensation Committee. The Chief

People Officer prepares sample salary increases based on equity with processes used for other Corporation employees. The Board confirms a rating and corresponding salary increase. The Chair provides a written assessment to the President & CEO along with the approved salary increases.

- (h) The Board approves principles for establishing the President & CEO salary range and compensation package, which may be amended from time to time.

Principles:

1. Salary Range

- (a) The President & CEO salary range should support the attraction and retention of a qualified CEO and make the Corporation competitive in the market.
- (b) The President & CEO salary range should consider other large YMCAs in Canada and North-America to reflect that the GTA is the largest, most complex YMCA in the network.
- (c) President & CEO compensation should consider equity within the Corporation

2. Compensation Package

- (a) The President & CEO's salary should fall within the Board approved range, which will be reviewed and adjusted from time to time.
- (b) The President & CEO will be treated equitably compared with other Corporation employees when determining salary adjustments.
- (c) President & CEO pay should reflect past, present and expected contribution.

Amendment

This policy may be amended by the Board.

Approval Date:

Last Review Date:

8. President & CEO Succession Planning

Purpose

To ensure succession planning for the role of the President & CEO in order to enable:

- (i) maintenance of continuity of leadership for the Corporation during a temporary vacancy of the President & CEO; and
- (ii) encourage leadership growth and development within the Corporation.

Policy

1. The President & CEO is expected to cultivate management talent at the senior ranks of the Corporation including one or more successors to his/her position through internal succession planning.
2. The President & CEO is expected to identify a member of senior management capable of filling the role of interim President & CEO if a temporary vacancy of the President & CEO position occurs and provide appropriate development so that person becomes familiar with the issues related to the Board and overall corporate issues.
3. The President & CEO will report on the succession plan annually to the Board, including the following:
 - (i) Identification to the Chair in writing each fiscal year which member (or members) of senior management is recommended to fill the role of interim President & CEO should a vacancy in the President & CEO position occur.
 - (ii) The status of management talent within the top ranks of senior management including the potential successors to the role of President & CEO and the next level of management.
 - (iii) Activities undertaken throughout the year to promote leadership development and succession planning including activities undertaken to keep one or more senior managers informed of overall operational activities.
4. For the purposes of this policy, a temporary vacancy in the position of President & CEO is as determined by the Board from time to time in consultation with the President & CEO and may include the period of time in which the President & CEO is on a leave of absence, an extended vacation or has left the position and a competition pursuant to the Corporation's recruitment policies and procedures is under way. It is not generally meant to be periodic and/or occasional coverage of the President & CEO duties and responsibilities of the kind that is set out in job responsibilities for senior staff positions.
5. In the event of the need for the appointment of an interim President & CEO, the Board shall formally make such an appointment and shall determine any temporary salary

modification. Any communication relative to the appointment shall be sent in the name of and approved by the Chair.

Amendment

This policy may be amended by the Board.

Approval Date:

Last Review Date:

VI. FINANCIAL AND ORGANIZATIONAL POLICIES

1. Signing Authority Policy

Background:

Section 11 of the General Operating By-law No. 11 of the Corporation establishes the general rules for signing documents and states:

- (a) *Subject to section 11.2(b), deeds, transfers, assignments, contracts, agreements, mortgages, conveyances, obligations, certificates or any other instruments or documents requiring the Corporation's signature (each a "Document"), shall be signed by the Chair of the Board or a Vice Chair together with any one of the President and Chief Executive Officer or a Director, and all instruments or documents so signed shall be binding upon the Corporation without any further authorization or formality.*
- (b) *The Board may from time to time, by resolution, direct the manner in which and the person or persons by whom any particular Document may or shall be signed. Any signing officer may affix the Corporation's seal to any Document, and may certify a copy of any Document, resolution, or by-law of the Corporation to be a true copy.*

2. Purpose / Objective:

The purpose of this policy is:

- (a) to establish clear guidelines to enable authorized signatories to structure and manage their responsibilities in an effective and efficient manner;
- (b) to grant the Board adequate internal controls to ensure the assets of the Corporation are properly protected; and
- (c) to ensure that risk management processes are in place to support effective and informed decision-making.

3. Scope:

This policy applies to all written documents that create a legally binding commitment, and includes, but is not limited to, confidentiality agreements, credit agreements and other financing and security agreements, revenue generating or expenditure contracts, memoranda of understanding, licences, letters of agreement, letters of intent, purchase agreements, services contracts, or any other document which creates an obligation or which may be binding upon the Corporation (each an "Agreement").

4. Policy

- (a) Any Agreement involving the Corporation which creates an obligation:
 - (i) in any amount greater than \$1,000,000 (other than Program Funding agreements) shall be signed by any two of the President & CEO and the Chief Financial Officer (“CFO”) or the Chief Operating Officer (“COO”);
 - (ii) in an amount between \$500,000 and \$999,999 shall be signed by the CFO and a Chief or Senior Vice President
 - (iii) in an amount less than \$500,000 shall be signed by two Chiefs or one Chief and Senior Vice President that do not report to one another; and
 - (iv) for funding to provide services in any amount greater than \$1,000,000 shall be signed by any two of the CFO, COO or the Senior Vice President responsible for service delivery.
- (b) Any Agreement that settles a legal claim by or against the Corporation, that is not covered by insurance and is an amount greater than \$250,000 shall require approval by a majority of the Board and shall be signed by any two of the CEO, CFO or COO.
- (c) Any Agreement relating to transactions of purchase, deed, transfers, assignments, mortgages conveyances or sale of real property of the Corporation shall require approval by a majority of the Board and shall be signed by any two of the CEO, CFO or COO.
- (d) Any Agreement relating to the sale, assignment or transfer of securities on behalf of the Corporation shall be signed by any two of the CEO, CFO, Chief Development Officer (“CDO”) or COO.
- (e) Any Agreement relating to a material transaction with unspecified monetary value that creates a binding commitment on behalf of the Corporation shall require approval by a majority of the Board and shall be signed by any two of the CEO, the Chair of the Board or Vice-Chair of the Board.
- (f) Official Canada Revenue Agency donation receipts and grant applications to Foundations for donations shall be signed by the CDO or CFO.

Notwithstanding the above, any Agreement which has been previously approved by the Board in the Corporation’s annual budget do not require any further approval under this Policy.

5. Review

This policy shall be reviewed by the Board every two (2) years or more frequently as required.

6. Effect of this Policy

This policy replaces all previous practices for signing Agreements. This policy shall be interpreted restrictively and the authority to sign Agreements shall not be established by analogy or through historical practice.

Amendment

This policy may be amended by the Board.

Approval Date: March 28, 2024

Last Review Date: March 28, 2024

2. Whistleblower Policy

Purpose

The Corporation has adopted a Whistleblower Policy for the following purposes:

- (a) To encourage and enable the reporting of:
 - (i) wrongdoing;
 - (ii) violations of Corporation policies or standards relating to ethical behaviour and business conduct; and
 - (iii) questionable financial, accounting or audit practices.
- (b) To ensure there is no retaliation against those who make reports in good faith under this policy.
- (c) To the maximum extent possible, protect the confidentiality of those making reports.

Policy

(a) Standards

- (i) The Corporation maintains high standards of business and ethical conduct, as expressed in its policies. The Corporation applies these standards to its business, financial, accounting and audit practices.

(b) Scope

- (i) Wrongdoing or violations of Corporation standards and policies may include:
 - (1) violations of Corporation standards and policies relating to ethical behaviour and business conduct, including:
 - (i) questionable financial, accounting or audit practices or potential violations of law;
 - (ii) violations of human resource/employment and safe workplace legislation or policies; or
 - (iii) breach of contract, negligence or failure to comply with legislation including criminal offences.
 - (2) Examples of concerns relating to business, financial, accounting and auditing practices are as follows:
 - (i) the appearance of fraud, including falsification of records;

- (ii) “side deals” or “under the table” dealings with contractors for personal benefit, including receiving kickbacks or gifts;
- (iii) unethical or illegal practices, including misappropriation of funds or abuse of expense accounts;
- (iv) violation or circumvention of the Corporation’s financial policies or accounting practices; and
- (v) failure to adhere to the Corporation’s purchasing and procurement policies and ethical conduct codes.

(c) Application

- (i) The Corporation expects all its Directors, Officers, employees, participants (this includes persons involved in the Corporation’s programs or activities), independent and external contract workers and volunteers (together referred to as “**Individuals**”) to observe these standards while fulfilling their responsibilities to the Corporation.
- (ii) This policy applies to activities in connection with or on behalf of the Corporation whether on or off Corporation premises, including but not limited to travel, training and social functions.

(d) Reporting Responsibility

- (i) Any Individual who is aware of or suspects a breach or violation of Corporation policies related to ethical behaviour, business conduct, potential violations of law or has concerns relating to business, financial, accounting and auditing practices is responsible for reporting the breach or concern as soon as possible.

(e) Conflict of Interest

- (i) The failure to declare a conflict of interest in accordance with any applicable law or policy of the Corporation is a breach of obligations to the Corporation and should be reported under this policy.

(f) No Retaliation

- (i) Individuals reporting in good faith under this policy shall not suffer harassment, retaliation or adverse employment consequences (for example, demotion, or denial of promotion or compensation) even if after the investigation is completed the allegations are not substantiated.
- (ii) An Individual who retaliates against another Individual for reporting in good faith will be subject to discipline, which may include termination or removal.

(g) Acting in Good Faith

- (i) In making a report, an Individual must be acting in good faith with reasonable grounds for believing there is a wrongdoing or breach of a policy or questionable financial or business practices. An Individual who makes an unsubstantiated report, which is knowingly false or made with malicious intent, will be subject to discipline, up to and including termination or removal.

(h) Confidentiality

- (i) The Corporation will keep reports confidential to the maximum extent possible, subject to the need to conduct an effective investigation. Confidentiality may not mean anonymity.
- (ii) The Corporation will accept reports under this policy on an anonymous basis.
- (iii) The Corporation will not tolerate any attempt by another Individual or group to identify an Individual who reports in good faith on a confidential or anonymous basis.

Procedures

(a) Reporting

- (i) Individuals should report suspected breaches of policies or questionable financial practices to their immediate supervisor, manager or human resources. Where an immediate supervisor is implicated, the report should go to the next level of reporting. In some situations, an Individual may not be comfortable reporting to their supervisor or the human resources department, in which case they may submit a report to a member of Senior Management.
- (ii) Reports may be made on an anonymous basis however the Corporation may be impeded in investigating anonymous reports due to the lack of information and the inability to follow-up.
- (iii) If it is not possible to raise a concern directly, or the individual prefers to report a concern externally, the individual may submit a report to the hotline service provider: Whistleblower Security, a third party, confidential reporting system, by any one of the following ways:
 - a. Online through a secure web site at: www.whistleblowersecurity.com
 - b. By phone through the Corporation's dedicated toll-free number: 1-866-921-6714
 - c. By email at: ymcagta@whistleblowersecurity.com

d. By mail through the confidential post office box at: WhistleBlower Security Inc., PO Box 91880, West Vancouver, BC V7V 4S4

(b) Review and Investigation

- (i) The person receiving the report will review, and where appropriate, refer the matter to be dealt with in accordance with any existing processes in place to handle such reports
- (ii) Where the nature of the report is such that no existing Corporation process is in place to handle such report, the report shall be referred to the Director of Human Resources and legal counsel who shall be responsible to ensure that an appropriate investigation is undertaken.
- (iii) Responsibility for investigation and resolution may be referred to senior management or the Board. Reports will be investigated internally or through an external investigator and may be referred to the appropriate law enforcement or regulatory authorities.
- (iv) For certain reports relating to financial, accounting or audit practices, the Director of Human Resources will ensure an investigation is conducted and will make recommendations to the Board for resolving the issue.
- (v) The Corporation will conduct investigations having regard to the following principles:
 - a. The investigation should be carried out fairly and without bias.
 - i. Those involved in the investigation should be independent of both the person who made the report and any persons under investigation. This means they should not either be reporting to or supervising and such persons.
 - ii. Disclosure of information will be limited to those who need to be involved in order to carry out the investigation.
 - iii. The person who is the subject of the report is entitled to know the substance of the allegation and have an opportunity to respond, unless there are legal or other overriding obligations to consider.
 - iv. Investigations will be conducted in a timely manner.
 - v. The Corporation expects Individuals to cooperate during any investigation.
 - vi. If feasible and appropriate, the Corporation will inform the Individual who made the report about the results of an

investigation and the steps taken to address the conduct in question.

- vii. The Audit Committee shall receive a summary of all reports made under this policy at least annually

(c) Reporting Retaliation

- (i) Individuals who experience any form of retaliation before or after submitting a report should immediately inform the President & CEO, who shall consult with the Board Chair.

Amendment

This policy may be amended by the Board.

Approval Date:

Last Review Date:

3. Fundraising Policy

1. Introduction / Objective

The Corporation is committed to ensuring that all fundraising practices and activities performed by or on behalf of the Corporation are conducted in a responsible manner, consistent with our ethical obligations of stewardship. ONCA and applicable legislation outlined in section 3 of this policy. We know that maintaining public trust is vital to our mission and that we must be transparent and accountable to our donors, stakeholders, government agencies and community partners. The key to maintaining donor trust is establishing policies and procedures that clarify expectations when engaging in fundraising activity for or on behalf of the Corporation, including soliciting and handling donations, recognizing donors, receipting, records management and other fundraising activity.

The purpose of this policy is to set out the requirements for fundraising and fundraising activity, in keeping with the Corporation's stewardship and legal requirements.

2. Policy Statement

The Corporation is committed to ethical, transparent and sound fundraising practices ensuring all stakeholders, donors and partners have trust in the Corporation.

3. Legislative Context and Standards

Canada Revenue Agency (CRA) outlines legal requirements for charitable organizations and fundraising activity.

Personal Information Protection and Electronic Documents Act (PIPEDA) outlines how organizations may collect, use or disclose personal information, including donor information.

Canada's Anti-Spam Legislation (CASL) came into effect July 1, 2014. CASL laws affect businesses and organizations that use electronic channels (including email, social media, and text messages) to promote or market their products or services. Commercial electronic messages that are sent by a registered charity and whose primary purpose is to raise funds for that charity are exempt from CASL. However, Fundraising's practice is to comply with CASL by ensuring that electronic communications:

- Are sent only to contacts for whom we have valid consent
- Contain proper identification of the sender
- When required, include a method to allow recipients to unsubscribe from receiving further communications

The Corporation engages in ethical fundraising and abides by the *Donor Bill of Rights*, the Association of Fundraising Professionals' *Code of Ethical Principles and Standards of Professional Practice*, and is accredited by Imagine Canada's *Standards Program*.

4. Roles and Responsibilities

The Board is responsible for:

- Approving fundraising policies;
- Approving a naming rights policy; and
- Approving unusual or significant donor transactions or naming requests.

The President/CEO and Management Team is responsible for:

- Providing oversight of a fundraising framework that includes implementing policies and procedures and monitoring; and
- Appointing a member of the Corporation's management team (Chief Development Officer) having special responsibility for advancing the objectives of this policy and legislated requirements. The Board may also establish a Gift Acceptance Committee to review any gift that warrants consideration.

The Gift Acceptance Committee is responsible for:

- Reviewing any gift that warrants consideration. Such gifts may include tangible property or gifts with specific conditions or restrictions. The committee is comprised of the Chief Development Officer (CDO), the Chief Financial Officer (CFO), and the Chief Operations Officer (COO), and shall be chaired and convened by the CDO; and
- Recommending action to the Board for consideration and approval.

5. Procedures

The following requirements apply when fundraising for or on behalf of the Corporation.

5.1 Fundraising Activities

All fundraising activities conducted by or on behalf of the Corporation must be truthful, and accurately align with the Corporation's activities.

All fundraising solicitations by or on behalf of the Corporation shall disclose the Corporation's name and the purpose for which funds are requested. Printed and online solicitations (however transmitted) shall include the Corporation's address or other contact information.

The Corporation shall prepare and issue official Income Tax receipts for monetary gifts and for gifts-in-kind pursuant to any policy established and published on minimum amounts to be receipted and in compliance with all regulatory requirements. The Corporation shall acknowledge

in writing contributions not entitled to be officially receipted, subject to any policy established and published on minimum amounts to be acknowledged.

The Corporation or those fundraising on its behalf shall disclose, upon request, whether an individual or entity soliciting contributions is a volunteer, an employee or a contracted third party.

5.2 Payment of Fundraisers

The Corporation does not, directly or indirectly, pay finder's fees, commissions or percentage compensation based on contributions.

5.3 Transparency

To demonstrate transparency and accountability, the Corporation posts a variety of organizational information on its website. Information posted on our website includes:

- most recent annual report and financial statements as approved by the Board;
- charitable registration number (BN) assigned by CRA;
- any information contained in the public portion of the most recent Charity Information Return (form T3010) as submitted to CRA; and
- the list of Board directors.

5.4 Donor Requests

Solicitations by or on behalf of the Corporation shall treat donors and prospective donors with respect. Every effort shall be made to honour their requests to:

- limit the frequency of contact;
- not be contacted by telephone or other technology;
- receive printed material concerning the Corporation; and
- discontinue contact.

5.5 Donor Privacy

The Corporation respects the privacy of donors. Any donor records that are maintained by the Corporation shall be kept confidential to the greatest extent possible. Donors shall have the right to see their own donor record, and to challenge its accuracy.

5.6 Donor Anonymity

The Corporation shall honour donors' requests to remain anonymous in respect to:

- being publicly identified as a supporter of the Corporation; and/or

- having the amount of their contribution publicly disclosed.

5.7 Donor Lists

The Corporation does not exchange, rent, or otherwise share its fundraising lists with other organizations.

6. Gift Acceptance Policy

Refer to the *Gift Acceptance Policy* in Appendix 1.

7. Naming Policy

It is the responsibility of the Corporation to fulfill the recognition obligations agreed upon with the donor.

- Named space recognition will be made available for gifts of \$50,000 or greater. This applies to spaces within existing buildings as well as new buildings. Naming opportunities will be offered on a first-come, first-served basis.
- In some instances, the naming opportunities will be reviewed by the Gift Acceptance Committee and/or Board for approval as set out in Section 7 in the Appendix.
- Once a naming opportunity has been agreed to, it is the responsibility of the Corporation to provide the donor with information clearly outlining details of the donation and naming opportunity (i.e. content, timing, location, and nature of the agreed-upon space). The Corporation reserves the right to occasionally make necessary changes to the above.
- Recognition of donors will commence upon receipt of their Gift Agreement or pledge form. They will be recognized in accordance with their level of giving.
- Donor signage will be mounted after receipt of a minimum 20% of the pledge amount.
- If an upgrade to a named space is required, the Corporation will approach the original donor to communicate the purpose, timing and impact of the changes.
- In the event that a named space ceases to exist or is no longer servicing its original function, either within the recognition term or thereafter, the Corporation has the right to re-assign the naming opportunity, after the donor is given the right of first refusal.
- If this occurs within the recognition term, an alternative recognition opportunity, chosen in consultation with Corporation senior staff in relevant departments (i.e. Marketing & Communications, Fundraising, Asset, and the Chief Operations Officer), would be offered to the donor.

8. Investment Policy

Investment of donations is guided by the Corporation's Investment Policy.

Approval Date:

Last Review Date:

Appendix 1: Corporation Gift Acceptance Policy

1. PURPOSE

The goal is to encourage funding of the Corporation without burdening the Corporation with gifts that may prove to generate more cost than benefit, or that are designated in a manner which is not in keeping with the Corporation's goals. To optimize funding opportunities, the Corporation must be able to respond quickly to all gifts offered by prospective donors. This policy has been established to:

- Ensure that informed decisions are made on the acceptance of gifts and that such gifts are recorded and receipted in accordance with the requirements of the CRA.
- Ensure that efficient administrative, legal, and accounting practices and procedures are followed.
- Enable accurate reporting and recognition of gifts given to the Corporation.
- Ensure consistent and equitable relations with donors.
- Ensure gifts that are accepted maintain the reputation of the Corporation.
- Ensure that gifts meet the required health and safety standards.
- Ensure that gifts fall within the operational needs and priorities of the Corporation.

Some gift situations can be complex, and decisions only made after careful consideration of a number of interrelated factors. Therefore, in some instances, the Gift Acceptance Committee will be convened to determine whether or not a gift will be accepted. The Committee reserves the right to reject any gift.

In certain instances, the review and acceptance of gifts may require Board approval as set out in section 7.

2. DEFINITIONS

Gift: A gift is any voluntary transfer of cash, securities, or in-kind from individuals, corporations, foundations, associations or other sources to the Corporation for either designated or undesignated use in the operation of the Corporation. Gifts are made without expectation of return or benefit to the donor or any individual or company designated by the donor as a result of acceptance of the gift.

Gift Acceptance Committee: The Committee is established and authorized to review any gift that warrants consideration. Such gifts may include tangible property or gifts with specific conditions and/or restrictions.

The committee is comprised of the CDO, the CFO and the COO. A designee may represent any of these members, assuming the designee is authorized to speak on behalf of the absent committee member. The committee shall be chaired and convened by the CDO. The committee recommends action to the President & CEO, who ultimately makes the final decision.

3. DONOR'S USE OF LEGAL COUNSEL

The Corporation does not give legal and/or financial planning advice. Staff and volunteers must recommend that the donor seek the advice of the donor's own legal or tax counsel, and where appropriate other family members, prior to making the gift.

4. ORGANIZATION'S USE OF LEGAL COUNSEL

Legal counsel shall be engaged where appropriate when the Corporation is determining the acceptability of a gift. Review by counsel is recommended for:

- (i) Gifts of securities subject to shareholder or buy-sell agreements or other restrictions.
- (ii) Gifts involving contracts or other legal documents requiring the Corporation to assume an obligation.
- (iii) Gifts naming the Corporation as a trustee or imposing a fiduciary obligation.
- (iv) Gifts with potential conflicts of interest that have the potential for sanctions by the CRA.
- (v) Gifts of real estate.
- (vi) Gifts establishing an endowment fund.
- (vii) Other circumstances in which staff or the Gift Acceptance Committee believe the use of counsel is appropriate

These examples provide guidance to the Corporation of when the advice of an attorney might be prudent. Since it may be difficult to separate a board member's role from his/her role as counsel, for the purposes of this policy, the use of a board member as legal counsel is not encouraged.

5. PRINCIPLES FOR GIFT ACCEPTANCE

The following principles should be considered before a gift is solicited or accepted by the Corporation. The gift should:

- a) Further the Corporation's mission.

- b) Not compromise the values or result in a violation of the Corporation’s articles or loss of status as a registered charity under the Income Tax Act.
- c) Not have any restrictions for use placed on it by the donor that are incompatible with the Corporation’s mission, core values, case for support or CRA’s requirements.
- d) Not be accepted from any donor involved in activities that may violate federal, provincial, or municipal laws.
- e) Not be accepted if the donor’s reputation or business activities may have adverse effect on the reputation of the Corporation.
- f) Not require the Corporation to give special consideration for employment, board influence or service, or contractual services to the donor, or to any individual or company designated by the donor, or allow the donor to influence or appear to influence inappropriately any aspect of the Corporation’s operations.
- g) Not be accepted if it entails unacceptable financial or legal risk and burden. For example, gifts which are unmarketable, inaccessible, and impractical or may bring liability upon the Corporation.
- h) Be used for the purpose for which it is given. Undesignated gifts will be used for such purposes as the Corporation determines most appropriate, based on the priorities of the Corporation.
- i) Comply with all relevant Corporation policies and guidelines.

Gifts whose acceptance is not clear will be reviewed by the CDO and senior staff in Fundraising, and involve the Board and/or Gift Acceptance Committee if necessary.

6. TYPES OF GIFTS THAT CAN BE ACCEPTED

The following describes the types of gifts that the Corporation can accept:

6.1 Cash

Definition

Cash gifts include cash, money orders, wire transfers, direct deposit and electronic fund transfer, cheques, and credit/debit card charges (Visa, MasterCard and American Express).

Policy

Cash gifts will be accepted for designated and undesignated purposes.

At this time gift of cryptocurrency are not accepted by the Corporation.

6.2 Securities

Definition

Securities are transferrable financial instruments entitling the owner to specified types of financial benefits. It may take the form of shares of corporate stock or mutual funds, bonds, stock options or other options to buy and sell, and other kinds of formal investment instruments.

Policy

Publicly traded securities which are traded on the Toronto, New York, NASDAQ Stock Exchanges, or other readily marketable securities, will be accepted by the Corporation.

Securities will be received and immediately sold by the Corporation as per the *Securities Gift Acceptance and Processing Procedures*, and recorded and reported as per CRA guidelines.

6.3 Gift-in-Kind

Definition

Gifts-in-kind are non-cash items that can be tangible or intangible. Examples of tangible items include furniture, books, building supplies, paintings, cars and real estate. Examples of intangible items include patents, copyrights of cultural, artistic or literary works (intellectual property).

CRA's guidelines indicate that a donated service does not qualify as a gift-in-kind (i.e. donated professional services) and cannot receive a tax receipt

Policy

Gifts in-kind are not accepted unless approved by the Board as outlined in section 7 of the Appendix.

It is recognized that community organizations and others working in partnership with the Corporation may provide donations of time or goods that do not require a tax receipt or formal recognition. Nothing in this policy is meant to discourage these types of arrangements.

6.4 Life Insurance

Definition

Life insurance is a contract between the policy owner and the insurer, where the insurer agrees to pay a designated beneficiary a sum of money upon the occurrence of the insured individual's or individuals' death or another event. In return, the policy owner agrees to pay a stipulated amount at regular intervals or in lump sums.

Policy

The Corporation will accept a life insurance policy as a gift if it is named as beneficiary or is both the irrevocable owner and beneficiary. The tax receipt able amount will be determined according to CRA Guidelines.

Any premiums due are the responsibility of the donor. If the insurance policy lapses for non-payment prior to maturity because a donor fails to provide for premium payments, the Corporation may: continue to pay the premiums, convert the policy to paid up insurance, or surrender the policy for its current cash value.

When a life insurance policy is absolutely assigned to the Corporation, any consent that is required by provincial regulations to change a beneficiary must be signed before the transfer represents a valid charitable donation.

6.5 Bequests

Definition

Bequests are provisions in a will, trust, or other testamentary legal document providing a gift to the Corporation. The gift may be designated as a percentage of the donor's estate, a specific dollar amount, specific property (such as securities, real estate or other assets), or as residual (whatever remains after specific bequests have been fulfilled).

Policy

Bequests made to the Corporation will qualify as a charitable gift.

The estate will be entitled to an official tax receipt for the full value of the bequest. Staff will not become involved in the final preparations, execution or witnessing of a Will in which the Corporation is named as a beneficiary.

During the probate of estates containing a bequest to the Corporation and during the post-death administration of revocable trusts containing provisions benefiting the Corporation, the CFO and the CDO (or designate), in consultation with the Corporation's legal counsel, shall represent the Corporation in all dealings, where appropriate, with the lawyer and executor of the estate.

7. GIFTS SUBJECT TO REVIEW

Certain other gifts must be approved by the Board before acceptance. Gifts subject to review include but are not limited to:

- Closely held securities (non-publicly traded), including interests in limited partnerships
- Cryptocurrency and other digital assets
- Real Property

- Life Estate gifts
- Annuities
- Gifts in kind that do not directly serve a need of the corporation
- Gifts whose source or value is not transparent
- Gifts that require a naming opportunity of a building

8. USE OF GIFTS

Many options are available for donors to direct how their contributions may be used for greatest benefit to the Corporation. The Corporation will accurately document gifts and their designation to ensure that the donor's wishes are articulated and met.

Gifts to the Corporation can be divided into two classes: undesignated and designated. In either instance, budget-relieving gifts are preferred since they may enhance a current program or service. Budget-relieving gifts are for support of programs or initiatives that have a current operating or capital budget; they offset the cost of general Corporation operations or reduce an amount required to be spent during the year on capital (building or equipment). The reallocation of this relief is at the discretion of the President & CEO and the COO. The following types of gifts shall be considered budget-relieving:

8.1 Undesignated Gifts

Undesignated gifts may be in any amount and may be outright or pledged. They carry implied or specified donor consent, in which the charity may apply the donation to the "area of greatest need" within the Corporation's priority requirements. Any unrestricted gift received will be applied to the general operating fund as revenue.

8.2 Designated Gifts

Designated gifts to existing programs that are within the Corporation's budget will be accepted and may be in any amount and may be outright or pledged. Potential gifts or pledges with unique situations (i.e. for a new program not in the Corporation's budget) will be referred to the Gift Acceptance Committee and/or the Board consistent with section 7 of the Appendix, prior to acceptance, for review and a determination.

If a gift is deemed unacceptable because of a donor's restrictions, the donor will be counseled to remove or modify the restrictions. Gifts will be refused when the purpose: 1) is inappropriate or not in the best interest of the Corporation, 2) is clearly a commercial endeavor and a tax receipt is requested, or 3) would obligate the Corporation to undertake responsibilities, financial or otherwise, which it may not be capable of meeting.

8.3 Endowed Gifts

Endowed gifts are a type of designation where contributions with donor restrictions never expire. Annual disbursements from these gifts are allocated towards priorities determined by the Corporation.

A donor whose gift is \$50,000 or more may establish a named fund provided that the purposes are consistent with the Corporation's mission and core values. Donors have the opportunity to designate how the proceeds of this gift are to be used, or the fund can be left undesignated. This fund can be named after an individual, family, or other.

The treatment of investment income and disbursement from the Endowment Fund is outlined in the Corporation's Investment Policy.

9. GIFT RECEIPTING

All eligible and accepted gifts will be acknowledged with an official charitable tax receipt accompanied by correspondence prepared by the Corporation. These documents are deemed to be the official acceptance of the gift and its related terms and conditions, as well as official certification of the donation for income tax purposes.

The following outlines the rules governing gift receipting:

- The Corporation's Fundraising and Finance departments are responsible for generating official charitable receipts.
- Cash gifts of \$10.00 or more will be receipted.
- In order to achieve accurate reporting of all charitable gift contributions to the Corporation and its entities, and to ensure that donors are recognized for the total of all their charitable gifts, it is vital that the Corporation act as the sole conduit for all receiptable charitable gifts to the Corporation. With the Corporation's approval in advance, third-party charities may issue receipts on behalf of the Corporation.
- In the case of fundraising events such as luncheons, banquets, or golf tournaments where donors receive something in return for purchasing a ticket, a tax receipt is usually not issued. The exception to this is if the ticket price exceeds the Fair Market Value (FMV) of the event. A partial tax receipt may be provided when the difference between the ticket price and the benefit received is a minimum 20% of the ticket price.
- The provisions of the Income Tax Act shall be consulted for unique gifts or for clarification regarding receipting.
- CRA regulations require that each official receipt issued by a charity contain the following information:
 - A statement that it is an official receipt for income tax purposes;

- The charity's registration number, name and address in Canada as recorded with Revenue Canada, Charities Division;
 - The place or locality where the receipt was issued;
 - The day on which or the year during which the donation was received or, where property other than cash is received, the actual date of receipt;
 - The day on which the receipt was issued when it differs from the date of the donation;
 - Amount of the gift; and
 - The name and address of the donor.
- There is no regulation requiring the issuance of official receipts within a particular time frame, but it is suggested that they be issued and mailed prior to February 28th following the year during which the gift was made.
 - The Corporation issues official donation receipts at the time of donation. However, for donors making a gift more than once a year, total giving is consolidated and a single tax receipt issued a few weeks after the end of the calendar year.
 - The Corporation does not issue official donation receipts to other charities; charities do not pay taxes, therefore do not need an official donation receipt. In cases where a donation is received from a charity (i.e. a foundation), a letter acknowledging the charity's name, donation amount and donation date (i.e. a business receipt) is sufficient to acknowledge the gift.
 - Business receipts are also used in the case of acknowledging other transactions that are not eligible for an official donation receipt such as contributions of service (recognition only) and sponsorship where there has been a clear advantage to the business.
 - Determining whether a business receipt or official donation receipt will be issued must be discussed in advance with the Corporation Fundraising department.
 - In the case where the Gift Acceptance Committee or Board decides to accept a gift-in-kind donation and a receipt is possible within CRA guidelines, the donation should be reported at fair market value, and recorded and reported as per CRA guidelines.

10. ETHICAL STANDARDS

The Corporation engages in ethical fundraising and abides by the *Donor Bill of Rights*, the Association of Fundraising Professionals' *Code of Ethical Principles and Standards of Professional Practice* (www.afptoronto.org), and is accredited by Imagine Canada's *Standards Program* (www.imaginecanada.ca). The Corporation will provide and publicize

these policies regarding ethical fundraising, and will assure that they are followed conscientiously.

It is the policy and practice of the Corporation to assure donors of privacy and confidentiality. Neither entity will release any specific information regarding donors or gifts without first receiving the written consent of the donor or donors involved.

The Corporation will advise donors to consult with their own attorneys and financial advisors regarding matters related to the tax benefits of giving.

An independent qualified accounting firm audits the Corporation's books annually.

11. REVIEW

The Gift Acceptance Committee shall conduct a review of this policy every three years and make recommendations for revision to the Board for approval.

Amendment

This policy may be amended by the Board.

Approval Date: May 26, 2022

Last Review Date: May 26, 2022

4. Investment Policy - Fund

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Section 1 - Investment Policy and Procedures

1.1 Overview

This investment policy (the “**Policy**”) outlines the investment guidelines as well as the needs and objectives of the Endowment Fund (the “**Fund**”). The Policy establishes the reporting and monitoring responsibilities, objectives, and policies by which the Board will discharge its responsibility to maintain, manage, disburse, and enhance the investment portfolio.

The Corporation’s Investment Committee (the “**Investment Committee**”) follows the Terms of Reference approved by the Board regarding the oversight of investments held in the Fund. The Board has empowered the Investment Committee with the discretion to manage the assets of the Fund subject to the guidelines contained in this Policy.

1.2 Endowment Funds

All investment decisions take into consideration the Corporation’s status as a registered charity under the *Income Tax Act (Canada)*, the *Trustee Act (Ontario)*, the *Charities Accounting Act (Ontario)* and the Corporation’s charitable purpose.

The Policy applies to the following types of endowed funds:

- a) Restricted endowment funds being funds bequeathed or donated, the income on which is designated to be used for one or more specified purposes; and
- b) Unrestricted endowment funds being funds bequeathed or donated, for which there is no specified purpose for the use of the income to be used at the discretion of the Board.

Any incoming funds for the Fund are to be invested in accordance with the Fund asset allocation guidelines outlined in Section 3.

1.3 Standard of Care

This Policy is based on the “prudent person approach” to ensure the prudent investment and administration of the assets of the Fund. The prudent person rule holds that a fiduciary may only invest in securities that a reasonable person would purchase, evaluated from the perspectives of probable income and probable safety.

The Board and Investment Committee shall exercise the care, diligence and skill in the administration and investment of the Fund that a person of ordinary prudence would exercise in dealing with the property of another person. Such persons must further use all knowledge and skill that they possess or ought to possess.

1.4 Investment Purpose

The purpose of investing the Fund is to generate funds to:

- a) Support and promote the Corporation's programs and approved initiatives;
- b) Provide funding to programs and projects when funds have been endowed for a specific purpose;
- c) Maximize the likelihood of the growth of capital while protecting the capital from permanent loss through a diversified asset allocation to uncorrelated classes of investments.

1.5 Environmental, Social, and Governance Considerations

The Corporation believes that Environmental, Social, and Governance (“**ESG**”) factors can have a material impact on the long-term risk and return of a given investment. Therefore, the Fund investment process shall incorporate relevant and material ESG issues into investment decision-making. The identification and evaluation of ESG factors allows for a more comprehensive understanding of an investment's risk and opportunities, and the sustainability of that investment. A sustainable investment is one that maximizes long-term value and has the potential for long-term maintenance of environmental, economic, and social well-being. These principles align with the Corporation's mission and vision.

ESG considerations are only one lens upon which to evaluate potential investments, but it should be embedded in the investment managers' understanding and evaluation of every investment in each industry. Rather than divesting from companies, we believe using a variety of strategies to actively engage companies in order to encourage corporate responsibility.

For investment managers, we believe in active ownership, through the monitoring of companies within pooled funds, actively voting at all company meetings, and engaging with companies, policy makers and regulators to improve ESG practices or public disclosure. Investment managers are required to provide annual ESG reporting on their portfolio's investments, which may include but is not limited to developments on their firm's ESG processes and team, key ESG metrics, examples of engagement on ESG issues, and other applicable activities (i.e. proxy voting records). The Investment Committee will be provided with an annual report summarizing each active manager's responsible investing activities using data collected from the investment managers. The Board will be presented with the report which will include mention of how this Policy is incorporated into the Corporation's Endowment Funds investment activities.

Section 2 — Roles and Responsibilities

2.1 Board of Directors

The Board has overall responsibility for the Fund in accordance with section 11.6 of the By-law which states *‘shall have the power to invest its funds, or any portion thereof, in all or any of those investments available to a charitable corporation permitted by law, provided that such investments are consistent with any investment policy approved by the Board from time to time. Without limiting the generality of the foregoing and for certainty, the Board shall designate those empowered to make such investments.’*

The Board is responsible for:

- a) Reviewing and approving the Investment Policy at least annually;
- b) Delegating investment functions to the Investment Committee, as it considers appropriate;
- c) Appointing and terminating investment managers and investment consultants as applicable;
- d) Reviewing the performance of the Fund at least annually;
- e) Reviewing all other reports and recommendations of the Investment Committee regarding the Fund and pursuing any action deemed appropriate.

Each Director shall refrain from participating in any decision that may result in any perceived or actual conflict of interest.

2.2 Investment Committee

The Investment Committee reports to and is accountable to the Board. The Investment Committee shall act in good faith with the care that an ordinary prudent person would exercise in a similar position and in a manner reasonably believed to be in the best interest of the Fund.

The Investment Committee shall operate as appropriate within Board delegated investment functions and as applicable make recommendations to the Board. The responsibilities of the Investment Committee include:

- a) Reviewing, and submitting for Board approval, the Investment Policy;
- b) Annually reviewing the Policy and recommending amendments to the Board;
- c) Recommending to the Board the appointment or termination of qualified investment managers and investment consultants and ensuring adherence to control procedures for unsatisfactory performance. All terminations will adhere to section 4.3 of this policy, be unbiased, reasonable and align with investment manager agreements;
- d) Annually reviewing the asset allocation of the Fund and recommending to the Board any modifications to meet the objectives of the Fund;

- e) Evaluating the performance of the investment managers at least annually;
- f) Monitoring investment performance and asset allocation on a quarterly basis;
- g) Monitoring adherence to this policy and evaluating performance based on achieving stated objectives;

Each Investment Committee member shall refrain from participating in any decision that may result in any perceived or actual conflict of interest.

2.3 Investment Managers

Each investment manager appointed to manage a portion of the Fund is expected to:

- a) Comply with all securities laws, regulations, rules and policies, including the CFA Institute Code of Ethics and Standards of Professional Conduct.
- b) Notify the Corporation of any perceived or actual conflict of interest relating to their role as the Corporation's investment manager.
- c) Invest the assets of the Fund in accordance with this Policy and the investment policies, investment management agreements, limited partnership agreements, and any governing documents applicable to pooled investment vehicles;
- d) Provide details regarding mandate performance and investment strategy on a quarterly basis;
- e) Meet with the Investment Committee at least annually or as requested by the Board;
- f) Inform the Investment Committee of any material changes which may impact the investment of the Fund including changes in key personnel, organizational structure, investment policy or process;
- g) Certify compliance with the investment mandate or pooled fund investment policy on a quarterly basis; and
- h) Provide the Investment Committee with an acceptable environment, social and governance policy as it directs investment decisions and provide reports on ESG matters on a regular basis.

Section 3 — Investment Guidelines and Asset Allocation

3.1 Investment Guidelines

The Investment Committee has determined the strategic asset allocation of the Endowment Fund. The asset allocation considers the return projections for each asset class relative to the Fund objective, as well as volatility and the potential negative impact of adverse investment returns.

It is recognized that some risk must be assumed in order to achieve the investment objective and that there are uncertainties associated with investing in the capital markets.

The Fund shall be diversified across asset classes and geographies to mitigate the potential for large losses. General economic conditions including possible effects of inflation/deflation, liquidity requirements, differing investment strategies, and preservation or appreciation of capital are general factors to be considered in investing the Fund.

3.2 Asset Allocation

The Fund shall be invested in accordance with the following asset class ranges:

Asset Class	Target Allocation (%)	Minimum %	Maximum %
Public Equities	30%	20%	40%
Cash and Equivalents*	0%	0%	10%
Universe Bonds	25%	20%	30%
High Yield Bonds	10%	5%	15%
Total Fixed Income	35%	25%	45%
Private Equity	10%	0%	15%
Infrastructure Equity	25%	0%	30%

*Excludes cash and short-term assets held by investment managers within pooled funds

The Investment Committee is responsible for monitoring the asset allocation on a quarterly basis. If any of the liquid asset classes are outside of their tolerance ranges, the Investment Committee will review the deviation and recommend to the Board if any corrective action is necessary.

It is recognized that the policy asset mix includes allocations to asset classes with restricted liquidity such as private equity and infrastructure that may take time to fully invest. During the transition period, funds earmarked for these asset classes will be temporarily invested across the public mandates and the ranges outlined above will not apply.

It is recognized that rebalancing may not be possible in the short-term for asset classes with restricted liquidity (i.e., infrastructure, and private equity). Should the market value of the Fund’s investments change such that the alternatives asset classes fall outside of their minimum and maximum ranges, the deviations will be evaluated by the Investment Committee, but no action will be required to rebalance if it is believed that the forced sale will result in adverse economic impact to the Fund.

3.3 Balanced Mandate

The Board has delegated the management of its universe bonds, high yield bonds, and global equity investments to a single investment manager (the “Balanced Manager”). The investments managed by the Balanced Manager shall be invested in accordance with the following asset allocation guidelines:

Asset Class	Target Allocation (%)	Minimum %	Maximum %
Public Equities	46%	36%	56%
Cash and Equivalents*	0%	0%	10%
Universe Bonds	38.5%	34%	44%
High Yield Bonds	15.5%	10%	20%
Total Fixed Income	54%	44%	64%

*Excludes cash and short-term assets held by investment managers within pooled funds

The Balanced Manager shall be responsible for monitoring and rebalancing the asset allocation within its portfolio. Should the asset allocation fall outside of the minimum and maximum allowances in the table above, the Balanced Manager will advise the Committee of the actions taken to correct the situation, taking into account the best interest of the Fund.

Section 4 — Performance Evaluation and Monitoring

4.1 Investment Portfolio Objective

The Fund's investment objective is to achieve an annual rate of return of CPI + 4%, evaluated over rolling five-year periods, and after the deduction of investment management fees.

The secondary objective is to exceed the rate of return earned on a benchmark portfolio comprised of the following asset classes, over rolling five-year periods and net of management fees:

Asset Class	(%)	Benchmark
Public Equities	30%	MSCI ACWI (Net) (CAD) Index
Universe Bonds	25%	FTSE Canada Universe Bond Index
High Yield Bonds	10%	30% Bank of America Merrill Lynch BB US High Yield Index, 30% Bank of America Merrill Lynch BB US High Yield Index (hedged CAD) 30% FTSE Canada Corporate BBB Bond Index and 10% Bank of America Merrill Lynch BB-B Canada High Yield Index
Private Equity	10%	Absolute Return of 9%
Infrastructure Equity	25%	Absolute return of 7%

During the transition period to the asset mix benchmark (above), it may not be appropriate to measure the Fund's performance against the benchmark portfolio. Accordingly, an interim benchmark may be used that incorporates the average allocation during the quarter to the less-liquid asset class.

4.2 Investment Manager Objectives

The primary objective for each investment manager is to achieve, over rolling five-year periods and after the deduction of investment management fees, a rate of return at least equal to the benchmark for the applicable asset class referenced above.

The secondary objective for each investment manager is to achieve over rolling five-year periods and before the deduction of investment management fees, a rate of return at least equal to the performance of the median in a peer group of funds. Note that this secondary investment objective shall not apply to the Private Equity and Infrastructure Equity mandates.

The benchmark portfolio for the Balanced Mandate is comprised of the following:

Asset Class	(%)	Benchmark
Public Equities	46.0%	MSCI ACWI (Net) (CAD) Index
Universe Bonds	38.5%	FTSE Canada Universe Bond Index 30% Bank of America Merrill Lynch BB US High Yield Index, 30% Bank of America Merrill Lynch BB US High Yield Index (hedged CAD)
High Yield Bonds	15.5%	30% FTSE Canada Corporate BBB Bond Index and 10% Bank of America Merrill Lynch BB-B Canada High Yield Index

4.3 Termination of Investment Managers

Reasons for considering the termination of the services of an investment manager include, but are not limited to:

- a) Performance results, which over a reasonable period of time, are below the stated performance objective(s);
- b) Changes in the overall structure of the Fund's investments such that the Investment Manager's services are no longer required or suitable;
- c) Changes in investment management personnel, firm structure, investment philosophy, ESG philosophy, or other material changes that may adversely affect the potential return and/or risk level of the portfolio;
- d) Failure to adhere to this Policy or to the Investment Manager's fund governing documents.

Section 5 — Permitted Investments

5.1 Permitted Investments

The Fund may be invested in any of the following asset categories:

- a) Equities: Canadian and foreign equities including common and preferred shares, ADRs, GDRs, index units, income trusts, REITs, rights, warrants and convertibles.
- b) Fixed Income: bonds, debentures, and other debt instruments of Canadian and non-Canadian issuers, including real return bonds, mortgage-backed securities, mortgages, asset-backed securities and issues denominated in non-Canadian currency.
- c) The following private market investments through holding units in open-ended investment funds, limited partnerships, or other corporate structures designed to limit liability:
 - i. Infrastructure equity investments
 - ii. Private equity investments in companies that are not traded on a public exchange
- d) Cash and Short-Term Investments: Cash on hand, term deposits, investment certificates, short-term notes, and other instruments of financial institutions;
- e) Derivatives are only permitted within the pooled fund investment vehicles. The use of derivatives is permitted for the purpose of replicating the investment performance of a recognized index or security or for hedging reasons. Derivatives used for speculative purposes are not permitted.

5.2 Investments in Pooled Investment Vehicles

Investments in pooled investment vehicles, including pooled limited partnerships, will be consistent with this Policy. It is recognized, however, that there may be instances where there is a conflict between this Policy and the investment policy or other fund governing documents of the pooled investment vehicle. In that case, the investment policy of the pooled investment vehicle will dominate.

Should such a conflict result in non-compliance with this Policy, the Investment Manager is required to report this conflict explicitly in the compliance report. The Investment Manager is also required to disclose as soon as practicable, of any material changes to the investment policy of the pooled investment vehicle.

5.3 Diversification and Quality

a) Diversification

1. Within the investment restrictions for individual portfolios, all portfolios should hold a prudently diversified exposure to the intended market.

2. The parameters for investments within the individual asset classes are that no single investment is to exceed:
 - a) 10% in either Public equities or Fixed Income; and
 - b) 30% in either Private equity or Infrastructure
3. In the event that the parameters described above are exceeded, the Investment Manager responsible will immediately advise the CFO of the Corporation and the Chair of the Investment Committee.

b) Quality

1. The minimum quality standard for individual bonds and debentures is 'BBB' or equivalent as rated by at least two Recognized Bond Rating Agencies, at the time of purchase. Where an investment in the portfolio is downgraded below a 'BBB' rating, the following steps will be taken:
 - a) The fixed income investment manager will notify the CFO or VP of Finance of the Corporation of the downgrade at the earliest possible opportunity.
 - b) Within ten business days of the downgrade, the fixed income investment manager will advise the CFO or VP of Finance of the Corporation in writing of the course of action taken or to be taken by the fixed income investment manager, and its rationale: and
 - c) Immediately upon downgrade, the fixed income investment manager will place the asset on a Watch List subject to monthly review by the investment manager with the Corporation until such time as the security matures, is sold or until it is upgraded to a level consistent with the purchase quality standards as expressed in the guidelines mentioned above.
2. In cases in which the Recognized Bond Rating Agencies (defined below) do not agree on the credit rating, the bond will be classified according to the methodology used by FTSE, which states:
 - a) If two agencies rate a security, use the lower of the two ratings.
 - b) If three agencies rate a security, use the middle rating: or
 - c) If four agencies rate a security, use the middle of the three lowest ratings.

For the purposes of this Policy, the following rating agencies shall be considered to be 'Recognized Bond Rating Agencies:'

- i. DBRS, Inc.
- ii. Standard and Poor's.
- iii. Moody's Investors Services; and
- iv. Fitch.

The Fund shall not engage directly in short selling or trade on margin.

Section 6 — Other Provisions

6.1 Conflict of Interest

A conflict of interest is defined for the purposes of the Policy as any event, whether perceived or actual, in which any individual or entity involved with the Fund - including but not limited to investment fund managers, representatives or other agent - may benefit materially from knowledge of, participation in or by virtue of an investment decision or holding of the Fund, and as a result be unable to or perceived to be unable to provide unbiased objective advice to discharge the fiduciary responsibility to act in the best interest of the Fund.

The duty to disclose a conflict applies to any individual or entity dealing with the Fund. Such individual or entity shall take all reasonable and appropriate steps to identify, manage and immediately disclose to the Investment Committee, actual or potential conflict of interest relating to the Fund. The individual or entity must always seek to resolution the conflict of interest in the Corporation's best interests. Where it is determined that a conflict of interest cannot be resolved, such individual or entity will avoid that conflict.

6.2 Voting Rights

Investment managers will manage all matters relating to investments made on behalf of the Corporation in consultation with the Board and Investment Committee. Investment managers are required to maintain all records related to the investment of funds and provide corresponding reports.

As all asset classes will be invested via pooled funds, it is recognized that proxies will be voted by the investment managers in accordance with their proxy voting guidelines and in the best interest of investors.

6.3 Valuation of Investments

- a) Most investments will be valued at their market value when that is available from regular public trading.
- b) Investments in pooled funds comprising publicly traded securities shall be valued according to the unit prices published at each month-end by the pooled fund manager.
- c) If the market valuation of an investment is not readily available, a fair value shall be determined by the Investment Manager at the end of each reporting period. A reasonable methodology should be applied consistently over time.
- d) For investments in infrastructure and private equity, certified written appraisals from qualified independent appraisers should be completed, at least annually.

Section 7 — Investment Policy Review

- 7.1 It is the intention of the Investment Committee to undertake that the Policy continues to be appropriate to the needs of the Corporation while remaining responsive to changing economic and investment conditions. This Policy will be reviewed annually by the Investment Committee which will recommend any changes to the Board when applicable.

Approval Date:

Last Review Date:

5. Investment Policy – Excess Cash

1.1 Overview

This investment policy for excess cash (“Excess Cash Policy”) outlines the goals and guiding principles for the investment of excess cash.

The Corporation’s Investment Committee (the “Investment Committee) follows the Terms of Reference approved by the Board regarding the development of the Excess Cash Policy.

1.2 Definition of Excess Cash

Excess cash is defined to be an amount of cash not required to meet the day to day operating obligations of the Corporation. Excess cash reserves should be invested with minimal risk and be very liquid, meaning, convertible to cash quickly if required.

1.3 Goals

The goals for investing excess cash are:

- a) The preservation of capital;
- b) To provide a fair return on capital; and
- c) To maintain access to liquidity in the event that the Corporation requires it.

1.4 Guiding Principles and Permitted Investments

The guiding principles for the investment of excess cash are:

1. The investment horizon should be no longer than 2 years, with a variety of maturity dates should cash be required. The investment terms selected should be reflective of and optimize, to the extent possible, the anticipated interest rate trajectory anticipated by Bank of Canada
2. Investments should only be made with financial institutions with a Standard and Poor (S&P) rating of AA- or above;
3. Investments should only be made in Term Deposits, Guaranteed Investment Certificates or high yielding investment accounts.
4. In the event of bank turbulence due to a recession or any other factor, investments can be made in high-quality Corporate CP, Government Debt or a Money Market Fund product offering to provide non-bank exposure

1.5 Senior Management

The Chief Financial Officer (CFO) and the Vice President of Finance (VP) have the discretion to make and implement investment decisions pursuant to the Excess Cash Investment Policy. The CFO and VP will report investment of excess cash to the Investment Committee at each meeting.

1.6 Excess Cash Policy Review

It is the intention of the Investment Committee to undertake that the Excess Cash Policy continues to be appropriate to the needs of the Corporation while remaining responsive to changing economic and investment conditions. This Policy will be reviewed annually by the Investment Committee which will recommend any changes to the Board when applicable.

Approval Date:

Last Review Date:

6. Fund Disbursement Policy

1. Overview

The purpose of this policy is to ensure that the rate of growth in the value of the endowment (the “Fund”) matches or exceeds the rate of inflation over time. This objective is important since increases in the value of the Fund allows for increases in the distribution of expendable income, which match or exceed the rate of inflation. Maintenance of the inflation-adjusted value of the Fund capital ensures that funds for expenditure are not adversely affected by inflation.

2. Calculation of Net Investment Income

The net investment income earned by assets held for the Fund is calculated each fiscal year as interest income, dividend income, distributions from pooled funds and any realized or unrealized gains net of any capital losses, and costs and fees associated with the investments.

3. Disbursement Rate

The available distribution with respect to the Fund is based on the estimated long-term real rate of return on investments held for the Fund. This rate should be consistent with the real rate of return expected from the investment mix documented in the Investment Policy. It is expected that this rate will only change when there is a change in the estimated long-term rate of return.

The disbursement rate currently used to calculate the amount available for spending is 4.0%

4. Amount Available for Spending

The amount to be made available for spending is calculated as the disbursement rate times the fair market value of the assets held for the Fund on the last day of the previous fiscal year

5. Accumulated Net Income

Any excess of net investment income after the amount made available for spending should be added to the Fund balance. Any shortfall is deducted from the balance.

6. Fund Disbursement Policy Review

It is the intention of the Finance Committee to undertake that the Fund Disbursement Policy continues to be appropriate to the needs of the Corporation while remaining responsive to changing economic and investment conditions. This Policy will be reviewed annually by the Finance Committee which will recommend any changes to the Board when applicable.

Approval Date:

Last Review Date:

VII. BOARD COMMITTEES AND TERMS OF REFERENCE

1. Committees and Committee Terms of Reference Policy

Purpose

This Policy is intended to supplement the By-law provisions applicable to its committees (“Committees”) including

- (a) Standing Committees; and
- (b) Special Committees

Policy

Standing Committees

The following Standing Committees of the Board will be established:

- Audit Committee
- Development Committee
- Executive Committee (only established as determined necessary and approved by the Board)
- Finance Committee
- GNC
- Investment Committee
- Performance & Compensation Committee
- Youth Advisory Committee

Committee Principles

The following principles apply to all Committees, irrespective of whether they are included in Terms of Reference.

- (a) The Board will determine the duties and membership of each Committee.
- (b) The Board will appoint the chair of each committee and, if desirable, the vice chair thereof.
- (c) The Board will approve the terms of reference of the Standing Committees annually and from time to time as required.
- (d) The Board will establish Special Committees, where necessary or desirable, to do the work of the Board in circumstances where a Standing Committee is not suitable for such mandate.

- (e) The Board will monitor the performance of its Committees at each regular Board meeting through a written report by the Chair of each Committee (“Committee Chair”) of each committee. While minutes of committee meetings will be made available to the Board, reports by the committee chair using an appropriate form will be encouraged.
- (f) Committees will prepare and submit an annual report to the Board that includes the objectives and outcomes achieved over the past year.
- (g) Committees are empowered to engage legal and accounting advisors, as reasonably required, to carry out their mandate. Typically, these engagements will be coordinated through the Corporation’s management. From time to time, legal advice independent of management may be sought with the prior written approval of the Board Chair.
- (h) Unless otherwise specified, Board Committees may not speak or act for the Board, commit or bind the Corporation to any course of action, and no decision of a committee is binding on the Board until approved or ratified by the Board.

Mandate for Committees

- (a) The number and type of Committees should support the Board in fulfilling its defined responsibilities and maximizing the participation of individual Directors.
- (b) The Board as a whole is responsible and accountable for the work that is done on its behalf by the Board Committees.

Membership of Committees

- (a) Committee terms of reference should specify a defined number of members including Directors and non-Director committee members as appropriate.
- (b) In accordance with the By-law, Committees may include individuals who are not Directors (other than the Executive Committee and the Audit Committee), provided that every Committee Chair is a Director, unless otherwise expressly approved by resolution of the Board.
- (c) Unless otherwise designated, a quorum shall consist of a majority of the members of the Committee.
- (d) The Chair shall be an ex-officio voting member of all committees and the President & CEO shall be an ex-officio, non-voting member of all committees, except for the executive committee and audit committee
- (e) All members of Committees will be entitled to vote, count for quorum and fully participate except for the Board Chair and the President & CEO who will be entitled to fully participate but not count for quorum, unless otherwise designated. Proxy voting will not be permitted.
- (f) Committees are enabled to meet in person or virtually as circumstances require.

- (g) Guests may attend committee meetings upon the invitation of the Committee Chair or as otherwise specified.
- (h) Committee meetings will provide for the accessibility requirements of all members (and invited guests on their request) pertaining to meeting formats/locations, documentation, scheduling, and voting practices, and including, but not limited to, the need for structural, physical, verbal, visual, and auditory accommodations.
- (i) Each committee will be supported by appropriate professional and administrative staff resources.
- (j) Committees may, in their discretion, establish subcommittees or working groups to assist with committee work, but the responsibility of the work rests with the committee as a whole.

Amendment

This policy may be amended by the Board.

Approval Date:

Last Review Date:

2. Audit Committee Terms of Reference

Role

Responsible for the oversight of the annual audit on behalf of the Board.

Responsibilities

External Audit

- (a) Recommend to the Board the auditor for appointment or re-appointment by the Members at the annual members' meeting.
- (b) Annually review and make recommendations to the Board on the auditor's remuneration.
- (c) Meet with the auditor to review the proposed scope of audit.
- (d) Review, approve, and authorize management to execute the auditor's engagement letter.
- (e) Oversee performance of the audit as required, including ensuring the auditor is receiving the assistance of management.
- (f) Approve material changes to accounting principles and practices as suggested by management with the concurrence of the auditor.
- (g) Review the audited financial statements and the auditors' report, and make recommendations to the Board.
- (h) Meet with the auditor and receive and review recommendations with respect to management, accounting systems, and internal control issues.
- (i) At least annually meet with the auditor without management present.
- (j) Review non-audit services provided by the auditor and other factors that might compromise the auditors' independence and make recommendations to ensure auditor independence.
- (k) Review management's response to the auditor's internal control recommendations and oversee implementation of internal control recommendations.

Compliance with Applicable Law

- (a) Oversee compliance with accounting, financial, legal, public disclosure, and regulatory requirements.

Other

- (a) Perform such other duties as may be requested by the Board from time to time.

Membership

The committee shall consist of the following:

- (a) not less than three (3) elected Directors, one of whom shall serve as committee Chair as elected by the Board;
- (b) the Chair (ex-officio); and

The President & CEO shall be invited as a guest of the committee and for greater certainty, shall not count for quorum and shall not be entitled to vote but is entitled to notice and to participate, except to the extent that the President & CEO has a conflict.

All committee members must be financially literate, which is defined as the ability to read and understand a set of financial statements that present the breadth and level of complexity of accounting issues that are raised by the Corporation's financial statement. At least one (1) Committee Member should be qualified as an accountant or have financial management expertise.

Notice of the time and place of committee meetings shall be given to the auditor.⁷ The auditor shall be entitled to attend committee meetings and to be heard, and shall attend every committee meeting if requested to do so by a committee member.⁸

Accountability and Reporting Relationship

The committee is accountable to and reports to the Board.

Quorum

A quorum shall consist of a majority of the voting members of the committee.

Meeting Schedule

Not less than two times annually, and at the call of the committee chair. Meetings may also be held at the call of the auditor or a committee member.⁹

⁷ S. 80(2) provides that the corporation shall give the auditor notice of the time and place of any meeting of the audit committee. The auditor is entitled to attend the meeting at the expense of the corporation and be heard, and shall attend every meeting of the committee if requested to do so by one of its members.

⁸ S. 80(2) of ONCA.

⁹ S. 80(3) of ONCA provides that the auditor or a member of the audit committee may call a meeting of the committee.

Resources

The President & CEO shall provide the committee with appropriate administrative resources to fulfill its mandate.

Amendment

These Terms of Reference may be amended by the Board.

Approval Date:

Last Review Date:

3. Development Committee Terms of Reference

Role

To identify, cultivate and solicit donations for the Corporation's programs and services; and capital donations for capital construction (when required).

Responsibilities

- (a) Identify as many personal contacts as possible for solicitation;
- (b) Participate in discussions regarding solicitation strategies;
- (c) Provide suggestions for cultivation activities, hosting and attending when appropriate;
- (d) Provide introductions to contacts for staff and volunteer leadership;
- (e) Ensure that as many solicitations as possible are made in a personal manner i.e. face to face solicitation;
- (f) Liaise with staff on a regular basis to report on progress of calls;
- (g) Participate in prospect review and coordination process;
- (h) Participate in scheduled meetings and be prepared to report on progress of calls; and
- (i) Contribute a meaningful gift to the campaign within personal means.

Membership

The committee shall consist of the following:

- (a) not less than three (3) elected Directors, one of whom shall serve as committee Chair as elected by the Board;
- (b) the Chair (ex-officio); and
- (c) such other individuals as the Board may from time to time appoint.

The President & CEO shall be invited as a guest of the committee and for greater certainty shall not count for quorum and shall not be entitled to vote but is entitled to notice and to participate, except to the extent that the President & CEO has a conflict.

Accountability and Reporting Relationship

The Committee is accountable and reports to the Board.

Quorum

A quorum shall consist of a majority of the voting members of the committee.

Meeting Schedule

Not less than four times annually, and at the call of the committee chair.

Resources

The President & CEO shall provide the committee with appropriate resources to perform its mandate.

Amendment

These Terms of Reference may be amended by the Board.

Approval Date:**Last Review Date:**

4. Executive Committee Terms of Reference

Role

The Board may appoint from the Directors a committee and delegate authority to make certain decisions binding on the Corporation where the Board is unable to convene; provided that, in accordance with ONCA, the Executive Committee may not exercise any of the following Board powers¹⁰:

- (a) submitting to the Members any question or matter requiring the Members' approval;
- (b) filling a vacancy among the Directors or in the position of auditor or of a person appointed to conduct a review engagement of the Corporation;
- (c) appointing additional Directors;
- (d) issuing debt obligations except as authorized by the Directors;
- (e) approving any annual financial statements;
- (f) adopting, amending or repealing by-laws; or
- (g) establishing contributions to be made, or dues to be paid, by Members.

Responsibilities

Undertake such other activities as may be authorized by the Board from time to time.

Membership

The committee shall consist of the following:

1. the Board Chair, who shall serve as committee chair;
2. the Board Vice Chair(s);
3. the chair of the Audit Committee;
4. the chairs of the Finance Committee and GNC (provided such chairs are elected Directors);
and
5. other Directors as determined by the Board.

¹⁰ S. 36(2) of ONCA provides that members of this committee must be directors of the Corporation, however they are not permitted to exercise the Board powers listed from (a) – (g).

The President & CEO shall be invited as a guest of the committee and for greater certainty shall not count for quorum and shall not be entitled to vote but is entitled to notice and to participate, except to the extent that the President & CEO has a conflict.

Accountability and Reporting Relationship

The committee is accountable to and reports to the Board. Minutes of committee meetings shall be provided to the Board promptly following each meeting.

Quorum

A quorum shall consist of a majority of the voting members of the committee.

Meeting Schedule

At the call of the committee chair.

Approval Date:

Last Review Date:

5. Finance Committee Terms of Reference

Role

Responsible for the oversight of financial matters on behalf of the Board.

Responsibilities

Budget Planning and Oversight

- (a) Ensure there are processes in place for developing the annual operating budget and capital budget.
- (b) Review and recommend to the Board the annual operating plan and the capital plan.
- (c) Review on a routine basis the Corporation's financial performance and compare actual performance against budget, including year-end projections.

Long Term Planning

- (a) Oversee and assess achievement of the strategic plan's financial aspects.
- (b) Review and recommend to the Board multi-year financial goals.

Asset Management

- (a) Ensure there are processes in place to manage the Corporation's assets.
- (b) Review and make recommendations on material asset acquisitions.

Financial Transactions

- (a) Review and make recommendations to the Board on banking arrangements.
- (b) Review and make recommendations to the Board on lines of credit and long-term debt.

Ethical, Legal, Regulatory, Contractual and Policy Compliance

- (a) Review, as applicable, reports and returns required of the Corporation. under applicable laws.
- (b) Receive and review regularly management's compliance certificate with applicable laws, regulations and Acts.
- (c) Review annually compliance with the YMCA Child Protection Policy.
- (d) Review annually the Litigation and Ethics Report that includes legal claims, member disputes and all complaints and resolutions under the YMCA's Ethics Reporting Policy.

Internal Controls and Risk Management

- (a) Oversee, review, and make recommendations to the Board on management's risk management processes.
- (b) Review and make recommendations on the adequacy of financial resources.
- (c) Review and make recommendations on insurance coverage.
- (d) Obtain reasonable assurance from management that the Corporation's financial accounting systems and financial reporting systems, including fraud prevention and risk management, are appropriately designed and that internal controls are operating effectively.
- (e) Identify unusual or unanticipated risks and oversee management's plan to address those risks and make recommendations to the Board.
- (f) Review and approve the annual risk intelligence report to the Board.
- (g) Perform such other duties as may be requested by the Board from time to time.

Membership

The committee shall consist of the following:

- (a) not less than three (3) elected Directors, one of whom shall serve as Committee Chair as elected by the Board;
- (b) the Chair (ex-officio); and
- (c) such other individuals as the Board may appoint from time to time.

At least one (1) committee member should be qualified as an accountant or have financial management expertise.

The President & CEO shall be invited as a guest of the committee and for greater certainty shall not count for quorum and shall not be entitled to vote but is entitled to notice and to participate, except to the extent that the President & CEO has a conflict.

Accountability and Reporting Relationship

The committee is accountable to and reports to the Board.

Quorum

A quorum shall consist of a majority of the voting members of the committee.

Meeting Schedule

Not less than four times annually, and at the call of the committee chair.

Resources

The President & CEO shall provide the committee with appropriate resources to perform its mandate.

Amendment

These Terms of Reference may be amended by the Board.

Approval Date:

Last Review Date:

6. GNC Terms of Reference

Role

To advise the Board on matters relating to the Board's governance structure and processes, evaluation of the Board's effectiveness, recruitment, education, and evaluation of Directors.

Responsibilities

(a) Board Recruitment

- (i) Develop for approval by the Board, a description of the skills, experience and qualities including diversity of the Directors;
- (ii) Consider skills, experience, qualities and diversity of current Directors to determine Board needs; and
- (iii) Oversee Board recruitment and nomination process and recommend to the Board candidates for election at the annual Members' meeting.

(b) Board Education

- (i) Ensure a comprehensive orientation session is provided to all new Directors;
- (ii) Oversee Board education sessions to ensure the Board receives periodic education on governance, industry issues, and the Corporation's operations; and
- (iii) Organize, with the input of the President & CEO and Chair, the Board's annual retreat (s).

(c) Chair

- (i) Ensure succession planning for the office of Chair;
- (ii) Oversee and implement the Board's process for selecting a Chair and recommend an individual for election by the Board as Chair; and
- (iii) Make recommendations to the Board for Vice Chairs and other Officers.

(d) Board Committees

- (i) Ensure periodic review and evaluation of committee performance and terms of reference, and make recommendations to the Board as required; and
- (ii) Recommend to the Board, with the input of the Chair, President & CEO, and committee Staff Person, nominees for all Board committees and committee chairs.

(e) Evaluations

- (i) Establish and implement a program to evaluate Board performance including individual Director performance, performance of the Chair, Board Committees and Committee Chairs;
- (ii) Consider the results of Board evaluations in connection with renewal of the terms of existing Directors;
- (iii) Review and make recommendations to the Board concerning:
 - a. Board composition;
 - b. Board size;
 - c. Board structures;
 - d. By law amendments (ensuring compliance with the ONCA and the CAA); and
 - e. Board Governance Guidelines.

(f) Other

- (i) Review annual compliance with Imagine Canada accreditation requirements.
- (ii) Perform such other duties as may be requested by the Board from time to time.

Membership

(a) The committee shall consist of the following:

- (i) not less than three (4) elected Directors, one of whom shall serve as committee chair;
- (ii) the Chair (ex-officio); and
- (iii) such other individuals as the Board may from time to time appoint.

The President & CEO shall be a guest of the committee and for greater certainty shall not count for quorum and shall not be entitled to vote but is entitled to notice and participate, except to the extent that the CEO has a conflict.

Accountability and Reporting Relationship

The committee is accountable to and reports to the Board.

Quorum

A quorum shall consist of a majority of the voting members of the committee.

Meeting Schedule

Not less than three times annually, at the call of the committee chair.

Resources

The President & CEO shall provide the committee with appropriate resources to perform its mandate.

Amendment

These Terms of Reference may be amended by the Board.

Approval Date:**Last Review Date:**

7. Investment Committee Terms of Reference

Role

Oversee and advise the Board regarding the investments (restricted and unrestricted) contained within the Endowment Fund (the “Fund”) as well as the policy for investment of excess cash.

Responsibilities

- (a) Reviewing, and submitting for Board approval, the Investment Policy-Fund as well as the Investment Policy-Excess Cash;
- (b) Annually reviewing the Policies and recommending amendments to the Board;
- (c) Recommending to the Board the appointment or termination of qualified investment managers and investment consultants and ensuring adherence to control procedures for unsatisfactory performance. All terminations will adhere to 4.3 of the Investment Policy, be unbiased, reasonable, and align with investment manager agreements;
- (d) Annually reviewing the asset allocation of the Fund and recommending to the Board any modifications to meet the objectives of the Fund;
- (e) Evaluating the performance of the investment managers at least annually;
- (f) Monitoring investment performance and asset allocation on a quarterly basis;
- (g) Monitoring adherence to this policy and evaluating performance based on achieving stated objectives; and
- (h) Development investment procedures for the management of the Fund.

Membership

- (a) The committee shall consist of the following:
 - (i) not less than one (1) elected Director, who shall serve as Committee Chair (unless otherwise decided by the Board);
 - (ii) at least 5 Committee Members with experience and expertise in the area of investment management. Each member shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of judgement as a member of the Committee;
 - (iii) the Chair (ex-officio); and
 - (iv) such other individuals as the Board may from time to time appoint.

The President & CEO shall be invited as a guest of the committee and for greater certainty shall not count for quorum and shall not be entitled to vote but is entitled to notice and to participate, except to the extent that the President & CEO has a conflict

Frequency of Meetings and Manner of Call

Not less than four times annually and at the call of the Committee Chair.

Quorum

A quorum shall consist of a majority of the voting members of the committee.

Amendment

These Terms of Reference may be amended by the Board.

Approval Date:

Last Review Date:

8. Performance & Compensation Committee Terms of Reference

Role

To conduct the annual performance evaluation of the President & CEO and make recommendations to the Board on the performance assessment and related annual salary adjustment. The committee will also recommend updates to the President & CEO salary band to ensure that the appropriate market position is maintained.

Responsibilities

- (a) President & CEO Performance
 - (i) Support the Board Chair in finalizing the President & CEO's annual goals and recommending them to the Board for approval;
 - (ii) Participate in an assessment of the President & CEO's performance as it relates to annual goals and established competencies;
 - (iii) Consider feedback from Board members and the President & CEO's direct reports who are invited to provide input as well as the President & CEO's self assessment; and
 - (iv) Meet with the President & CEO in-camera to finalize the assessment of the President & CEO's performance and recommend it to the Board for approval.
- (b) President & CEO Compensation
 - (i) Ensure that the President & CEO's salary band is reviewed annually to maintain the established principles for the CEO's salary band and compensation package;
 - (ii) Review the annual merit increase process for all Corporation employees and apply it to the President & CEO in accordance with the Corporation's guidelines; and
 - (iii) Recommend the annual salary increase to the Board for approval.
- (c) Other
 - (i) Perform such other duties as may be requested by the Board from time to time.

Membership

- (a) The committee shall consist of the following:
 - (i) Not less than three (3) elected Directors, one of whom shall be the Chair of the Board of Directors who will also serve as committee chair;

(ii) the chairs of the Audit, Development, Investment and GNC committees; and

Accountability and Reporting Relationship

The committee is accountable to and reports to the Board.

Quorum

A quorum shall consist of a majority of the voting members of the committee.

Meeting Schedule

Not less than once annually, at the call of the Committee Chair.

Resources

The President & CEO shall provide the committee with appropriate resources to perform its mandate.

Amendment

These Terms of Reference may be amended by the Board.

Approval Date: March 28th, 2024

Last Review Date: March 28th, 2024

9. Youth Advisory Committee Terms of Reference

Role

Advocate for continued awareness and responsiveness to issues that impact young people living in the GTA, in alignment with the Corporation's mission.

Responsibilities

- (a) Fulfill the Corporation's mission of developing the leadership and governance skills of young people, acting as an 'incubator' that provides support to young leaders interested in governance.
- (b) Provide strategic advice to the Board from the perspective and lived experience of young people in the Corporation's programs and living in the region served by the Corporation.
- (c) Visit the Corporation's programs and connect with other young advisory volunteers for awareness and insight into the Corporation's work.
- (d) Represent the Corporation at YMCA international, national, provincial, and local forums as well as community events as requested.
- (e) Gather research and insight on the needs of young people in the area served by the Corporation.
- (f) Recruit and orient young leaders to the committee.

Membership and Voting

The committee shall be composed of the following persons:

- (a) A minimum of one elected Director, who shall serve as Board liaison;
- (b) A maximum 12 Community Members, between the ages of 21 and 30 and reflecting the diversity of youth populations in the region served by the Corporation, one of whom will serve as chair as elected by the committee members; and
- (c) A senior staff member of the Corporation.

Term of Committee Members

Members of the committee will serve a minimum term of one (1) year, with the option to extend their service for up to three (3) additional terms, totaling a maximum of four (4) years. After completion of their term, they may be invited to mentor youth advisors or to join another Board committee.

The Board, within its sole discretion, may remove any committee member whose values do not align with those of the Corporation or these terms of reference.

Frequency of Meetings and Manner of Call

Not less than four (4) times per year or more frequently at the call of the committee chair. All committee members are expected to attend a minimum of seventy-five (75%) of these meetings.

Quorum

A majority of committee members shall constitute quorum.

Amendment

These Terms of Reference may be amended by the Board.

Approval Date:**Last Review Date:**