**GOVERNANCE**

**Roles & Limitations**

**2023-2024**



**Facilitated by:**



**COMMUNITY FUTURES LAC LA BICHE GOVERNANCE – Functional Overview**

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**HYBRID GOVERNANCE MODEL (overview)**

The Board has chosen to follow a hybrid model of governance meaning that you have a role in all four of the following areas.

A close-up of a diagram

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**PURPOSE OF THE BOARD**

The responsibility of our Board is to:

1. To ensure the operational viability of the CF office.
2. To oversee the approval process of CF loans to local and regional entrepreneurs.

**GOVERNANCE ROLES**

**AUTHORITY**

The ultimate source of all the Board’s (and E.D.’s) authority is the collective stakeholders of the Community Futures Lac La Biche. Those stakeholders include its regional communities/municipalities, including various government authorities (including Prairies Can) which grant the Community Futures Lac La Biche its legal, and operational status.

The Board’s (and E.D.’s) source of legal/regulatory authority includes various levels of civil government including the municipalities in which Community Futures Lac La Biche operates, the Government of Alberta and the Government of Canada.

The Board’s (and E.D.’s) source of strategic/operational authority to approve the strategic direction and priorities are the collective Board of Directors of Community Futures Lac La Biche acting through regular and special meetings.

The Board’s (and E.D.’s) source of capital and operating resources may include the municipalities, and the Governments of both Alberta and Canada.

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| **Board of Directors** | **Governance Responsibility** | **Executive Director** |
| 1. Clearly understand the nature of services (sets & protects mandate) and ensures that services are of high quality. 2. Govern Community Futures Lac La Biche on behalf of the members according to its mandate and values. 3. Ensures the voice of our communities and customers are effectively heard. | **Stakeholder Benefit** | 1. Provide regular updates on service successes and challenges. 2. Balance stakeholder interests with those of the Community Futures Lac La Biche. 3. Provide recommendations on rationale for large scale, or large impact changes to services. 4. Member and community events are attended to represent the Community Futures Lac La Biche. 5. Represents Community Futures Lac La Biche at all stakeholder events that relate to our mandate. |
| 1. Ensures mission and mandate are never compromised. 2. Respectful of current priorities & approves all newly developed policies. 3. Ensures comprehensive grievance (staff, clients, communities) processes and policies are followed. 4. Conducts annual performance review on Executive Director complete with compensation review. 5. Is aware of and provides direction (according to legal advice) on legal matters that can negatively affect the Community Futures Lac La Biche. Ensures the Community Futures Lac La Biche is protected. 6. Ensure a Risk Management and business continuity plan is in place. 7. Governs according to the Sustainability Plan and this Governance document. 8. Board must approve all structural wage/salary increases (i.e., cost of living, % increases, etc.) for staff and Executive Director. 9. Two (2) Board members shall be available signing authorities for CF LLB. | **Fiduciary: Community Futures Lac La Biche Stewardship** | 1. Hold all self and staff accountable to mandate. 2. Make recommendations where necessary to amend mandate as may be required. 3. Monitors the ongoing health and sustainability of the Community Futures Lac La Biche. 4. Executive Director shall be one of two CF LLB signing authorities along with at least one Board member. 5. Implement a risk management and mitigation plan. |
| 1. Ensures the Board is aligned with Board on Community Futures Lac La Biche strategic direction. 2. Develops strategic priorities in concert with Executive Director. | **Strategic Evolution & Growth** | 1. Works with Board to review and evaluate potential growth & development opportunities. 2. Develops strategic priorities in concert with Board and ensures alignment with Community Futures Lac La Biche staff. |
| 1. Ensures investments into services and are thoroughly planned (not equity based). 2. Set financial commitment levels for Executive Director. 3. Ensures sound auditing processes are in place. | **Financial Viability** | 1. Utilizes funds responsibly to maximize resources and initiatives. 2. Brings financial concerns to the attention of the Board. |
| 1. Ensure an operational sustainability plan is in place complete with health pillars and outcomes; and is reviewed bi-annually. 2. Ensures effective Committees are in place that follow Terms of Reference where required. | **Operational Efficiency** | 1. Keeps the Board aware of pressures that can limit the effectiveness & efficiency of the Community Futures Lac La Biche |
| 1. Provide support for political advocacy where required. 2. Chairperson acts as the official voice of the Community Futures Lac La Biche for all politically related matters in collaboration with Executive Director. 3. All political representation is non-partisan. | **Ambassadorial & Advocacy** | 1. Acts as the official Community Futures Lac La Biche voice for all external matters not political. Political voice is as directed as the Chairperson. 2. All political representation is non-partisan. |
| 1. Ensures customer feedback & service improvement processes are in place. 2. Ensures metrics are in place to measure to meet required annual operating outcomes. 3. Ensure ongoing continuous improvement processes exist. | **Reflection & Assessment** | 1. Ensures member feedback & service improvement processes are in place. |
| 1. Scrutinizes and approves all new Board member nominations/appointments. 2. The Chairperson will ensure the integrity of the Board’s process. 3. Board committees can be created by collective approval of the Board. The existence and charge of any Committee (standing or ad hoc) will be represented by an official Terms of Reference as approved by the Board. | **Board Development** | 1. Coordinates and supports Board recruitment and new Board member orientation prior to the member’s first meeting. |

**GOVERNANCE LIMITATIONS**

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| **Board of Directors** | **Executive Director** |
| 1. The Board’s sole connection to the operations, its achievements and conduct will be through the Executive Director. Individual Board members cannot provide operational direction to staff. 2. Decisions, evaluations, or instructions of individual Board Members to the Executive Director or staff are not binding unless the Board as a collective have authorized the authority. 3. Individual Board members will not act, represent the Community Futures Lac La Biche, or make decisions independently of the Board’s approval and Executive Director involvement. 4. The Board will direct the Executive Director to achieve specific mutually agreed upon results for the Community Futures Lac La Biche and ensure relevant metrics exist for review. 5. Individual Board members will ensure a climate of positive collaboration, decorum, and outcomes-focus at all times. 6. Individual Board members will avoid any conflict of interest whether real or perceived that supersedes their responsibility to our Community Futures Lac La Biche. Potential conflict shall be declared and noted in minutes. The member will remove themselves from all related discussions, votes, and decisions. 7. Governing Community Futures Lac La Biche by all members of the Board should be with the perspective of the Community Futures Lac La Biche organization and the needs of our customers and communities. | 1. All Board authority is delegated to the Executive Director so that accountability of staff is considered to be accountability to the Executive Director. 2. As long as the Executive Director uses reasonable interpretation of the Community Futures Lac La Biche’ mandate, resources, and policies, they are **authorized to make all operational decisions**, take all actions, and establish practices to progress and safeguard the Community Futures Lac La Biche. 3. The Executive Director shall not cause or permit any activity or practice that is illegal, imprudent or in violation of commonly accepted business practices, regulations, or laws. 4. The Executive Director will ensure a climate of positive collaboration and common outcomes-focus at all times. 5. The Executive Director will not alter the mandate or course of services without the knowledge, discussion, and approval of the Board of Directors. 6. Budgeting and operational finances shall not deviate from mutually agreed upon priorities and direction with the Board of Directors. 7. The Executive Director will keep the Board apprised of the details of all legal matters unto the Community Futures Lac La Biche and will not act independently of advice from appropriate legal counsel an/or collective Board decision. 8. The Executive Director shall not cause or allow fiscal jeopardy or material deviation of major expenditures that deviate from the current mandate. This includes expended funds cannot exceed revenues in any given fiscal year. Investments shall not be made without the knowledge and collective approval of the Board. 9. The Executive Director will ensure all Community Futures Lac La Biche assets are protected, adequately maintained and exposures to risk are mitigated. 10. The Executive Director will not change their compensation and benefits without the written permission (and related specifics) by the Chairperson of the Board. 11. The Executive Director cannot increase the structured wage/salary grids of staff or provide bonus without the involvement and/or approval of the Board of Directors. 12. The Executive Director shall not withhold, impede, or misrepresent information and facts relevant to the Board’s ability and responsibility to take appropriate actions or make decisions. |