

BOARD NOMINATION, SELECTION AND RENEWAL POLICY

Policy Title:	Governance		
Policy number	BGSWV-3	Version	One
Drafted by	Heather Schubert	Approved by board on	June 10, 2014
Responsible person	Executive Director/Board Chair	Scheduled review date	May, 2015

Introduction

It is important to CBDC Southwest to identify and attract individuals who are interested in serving as potential Directors and who possess the skills and attributes that will assist the organization in achieving its strategic plan and business objectives. It is also important to ensure that members of the Board are renewed from time to time, in order that fresh ideas and energy can contribute to the overall success of the organization.

Purpose

This Board Nomination, Selection and Renewal Policy is a tool to ensure that the Nominations Committee which will consist of the Past Chair, Board Chair, and at least two members from the identified sector or sectors, represented by the of the Board of Directors can fulfill its responsibilities set out in the Nominations Committee Mandate. This Policy includes director selection criteria and profile against which potential candidates for the Board of Directors can be evaluated, and also sets out the requirements for board renewal that will guide the Nominations Committee in determining annual requirements for nominations and elections.

Nominations Committee Mandate

The Nominating Committee of the Board of Directors of CBDC Southwest is charged with the responsibility to nominate qualified individuals as candidates for election to the Board of Directors of CBDC Southwest.

In discharging this responsibility, the Nominating Committee shall adhere to the requirements of:

- Board Recruitment Policy
- Board Nomination, Selection and Renewal Policy
- Bylaws of CBDC Southwest

In addition to the requirements of the Policies and Bylaws, the Nominating Committee shall ensure that proposed nominees to the Board of Directors:

1. Are readily available to engage fully in the work of the Board;

2. Understand and accept that they will be required normally to attend monthly meetings of the Board and, from time to time, special meetings in addition to participation in the Annual General Meeting (“AGM”); and
3. Are prepared, if elected, to undertake the necessary work to familiarize themselves with the governance, regulatory and operational issues relevant to the functions of a Director of CBDC Southwest (relevant training is available).

The specific activities of the Nominations Committee include:

1. Identify the board positions that will be up for election at the AGM either through the term of office expiring or due to a board member vacating a position prior to its term conclusion.
2. Prepare or review and revise position descriptions and profile for all to be vacant board positions.
3. Brainstorm, with the help of the board, potential replacements for each position that have the pre-requisite skill set.
4. Prioritize the list of recruits for each position, identify who is to contact the number one recruit for each position and establish a timeframe for reporting back to the chair.
5. Develop a standard recruitment ‘pitch’.
6. Put together an information kit on the CBDC and the position. (Position description, brief overview of the CBDC, board list, financial statements, insurance coverage, etc).
7. Make personal contact with priority recruit for each position, and if interested, provide information kit.
8. Follow-up with personal contact to get answer. Advise chair either way.
9. If no, repeat process with number 2 prospect on the list.
10. If yes, advise them of date for AGM and next steps in process.
11. Advise the board of the list of candidates that have agreed to let their name stand at the AGM and also where any remaining vacancies are and what is being done to find candidates for them.
12. Let names stand at the AGM along with any nominations from the floor.

Director Selection Criteria

In considering the nominations of individuals to serve on the Board of Directors of CBDC Southwest, the Nominations or Governance Committee will be using the following criteria to determine which candidates will be recommended to members:

- **Personal Attributes:** Every director must adhere to the highest ethical standards, display solid business judgment, and have strong interpersonal skills. Preferred candidates will be financially literate.
- **Diversity:** The Board of CBDC Southwest, as a whole, should reflect diversity of skills, abilities, experience, and perspective.
- **Specific Skills and Experience:** In considering the attributes of candidates, the Nominations or Governance Committee will have first considered the existing

composition of the Board of Directors and will have identified the number of vacancies to be filled in order to determine the gaps in skills and attributes that should be filled in any given year. In making this assessment, the overall Board composition should reflect representation of the following competencies:

- Risk management leadership experience in an organization of similar size and/or complexity to CBDC Southwest;
- Previous board experience in the profit or not-for-profit sectors;
- Financial literacy, with the proven ability to read and interpret financial statements; at least one member with a professional financial designation is desirable;
- Strategic planning experience, strong business acumen with a focus on entrepreneurial success;
- Community-mindedness demonstrated through volunteer experience with community boards;
- Experience in legal matters;
- Experience/expertise in the field of economics, finance, treasury or investment services;
- Supports the purpose and strategic initiatives of CBDC Southwest and its role as a leader in community economic development;
- Understands the principles behind and shares the vision of CBDC Southwest and has the ability to reflect the values and commitments of the CBDC Southwest as well as acting in the best interests of CBDC Southwest at all times;
- Promote the CBDC to business stakeholders in the community;
- Understands the duties and responsibilities of a director and wants to bring a unique perspective to the Board of Directors;
- Able to participate assertively in the deliberations of the Board;
- Able to devote the time and effort necessary for the good governance and betterment of CBDC Southwest.

In assessing potential candidates, in addition to the selection criteria set out above, the Nominating Committee shall consider the overall composition of the Board of Directors and shall strive to ensure diversity in terms of geographic coverage of the area served by CBDC Southwest, gender representation, cultural and linguistic representation, and other indicia of diversity.

Procedures

1. The Board of Directors shall be a minimum of 8 and a maximum of 12 members.
2. The term of office for the executive members of the board is for one year. The executive members are composed of the Board Chair, Vice Chair, Secretary, Treasurer, and Past Chair.
3. The term of office for directors is 3 years, with a re-election at the end of the term if member is eligible and agrees to be re-nominated.
4. Directors may be re-elected at the end of their terms but a Director shall serve no more than nine consecutive years, effective as of the adoption date of this Policy. While the

maximum term of nine years will have to be adopted by the board on a certain date; the nine year term would take into account the numbers of years the board member has already been on the board. For example, if the policy is adopted and the board member already has 5 years on the board, then they would have 4 years remaining under this policy.

5. In an effort to initiate board renewal, an example for rotation could include the following; at the 2013 Annual General Meeting, one third of the directors shall be elected for a one year term, one third of the directors shall be elected for a two year term, and the remaining one third shall be elected for a three year term. Thereafter, directors shall be elected for three year terms.
6. If a vacancy on the Board of Directors occurs between AGMs, then the Nominating or Governance Committee will convene to consider whether a replacement Director should be nominated. If the AGM is more than six months away, the vacancy should be filled as soon as possible using the following process:
 1. Current board members are asked for recommendations for local area representatives;
 2. Local Stakeholders and partners such as town and village councils, Economic Development Partners, Chambers of Commerce, and Business Associations are asked for several nominations to be put forward and be vetted by the existing Board for appointments;
 3. Advertisement of any available open board seats via newspaper, website or other board approved media.

Once a potential member has been identified the following process will be followed:

1. The new member has a meeting with the Executive Director of the Corporation. Once the meeting has taken place the Executive Director will report back to the executive committee their findings.
 2. The executive committee will approve to have the potential new board member attend 3 provisional meetings to determine fit of the member within the current board structure, as long as the potential member fits all the criteria as set out in the corporations By-laws. The potential board member will be informed of this provision prior to attending the first of three meetings.
 3. After 3 consecutive meetings the board of directors will decide at a regular meeting to provisionally place the person into membership of the board or to dismiss the potential board member if they are not an ideal fit.
 4. If the board member is provisionally placed onto the board the member will then take that position until the AGM, when they will be officially nominated by way of nomination committee to the board.
 5. If the board member is deemed not be an ideal fit, they will be thanked for their service and the search for a potential candidate for the vacant seat will begin again.
7. If the AGM is less than six months away then the vacancy can be filled at the AGM via the nomination committee process. In the event that a replacement Director is nominated,

the new Director will be appointed by the Board of Directors and would fulfill the remaining term of the vacancy.

Exceptions to Term Limits

Provincial or Atlantic Board Service

Subject to Board approval, a member in good standing who sits on the Provincial or Atlantic Association may have his or her term of office extended by the same period of time served on those Associations.

Responsibilities

The Nominating or Governance Committee of the Board of Directors is responsible for the recruitment and nomination of Directors to the Board in accordance with the Nominating or Governance Committee Mandate. The recruitment of incoming Directors is an ongoing process but shall commence at the Fall/Winter meeting of the Board of Directors and must include a direct communication to the public and CBDC stakeholders to determine expressions of interest in becoming Directors. A public announcement soliciting candidates from the community at large may be placed in local newspapers and shall be placed on the CBDC Southwest website. Solicitation of candidates through personal contacts of existing Board members is encouraged.

The Nominating or Governance Committee will review, and assess all applicants, and empower Chair and the Executive Director to interview the selected candidates. Once the Chair and the Executive Director has interviewed the selected candidates, a full report will be made to the nominating committee. The nominating committee will then review and nominate the proposed slate of Directors for election or re-election to the Board at the Board meeting immediately prior to the Annual General Meeting. New directors are elected at the Annual General Meeting.

Calendar

Fall/Winter meeting

- Identify required number of nominees for next AGM and review potential candidates. Publish invitation for expressions of interest.
- Identify preferred nominees and assign responsibility for individual recruitment.
- Confirm nominees and recommend to the Board of Directors

Annual General Meeting: Elect new directors.

Related Documents

- Board Recruitment Policy

Authorization

Executive Director:	Heather Hubert
Board Chair:	Heather Hubert
Date:	June 10/14