

BOARD NOMINATION, SELECTION AND RENEWAL POLICY

Introduction

It is important to CBDC Northumberland Inc. 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 of the Board of Directors can fulfill its responsibilities set out in the Nominations Committee Mandate. This Policy includes director selection criteria 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.

Nomination Committee Mandate

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

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 Northumberland Inc.

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 Northumberland Inc. (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 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 association and the position. (Position description, brief overview of association, board list, financial statements, insurance coverage).
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 Northumberland Inc., the Nominations 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 Northumberland Inc., as a whole, should reflect diversity of skills, experience, and perspective.
- **Specific Skills and Experience:** In considering the attributes of candidates, the Nominations 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 Northumberland Inc.;
 - 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 Northumberland Inc. and its role as a leader in community economic development;
- Understands the principles behind and share the vision of CBDC Northumberland Inc. and have the ability to reflect the values and commitments of CBDC Northumberland Inc. as well as acting in the best interests of CBDC Northumberland Inc. at all times;
- 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 Northumberland Inc.

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 Northumberland Inc., gender representation, cultural and linguistic representation, and other indicia of diversity.

Procedures

REPRESENTATION AND TERM OF OFFICE

- a) The Board of Directors - The Corporation shall be governed by a board of twelve (12) directors as provided for hereafter;
- b) Constituency Directors - Eight (8) directors shall be elected by the membership of the Corporation at its annual meeting as provided for in ARTICLE 9 of the By-Laws, two (2) from each of the provincial electoral constituencies within the defined service area of the Corporation;
- c) Appointed Directors - The remaining four (4) seats on the Board will be filled by a member appointed from, but not necessarily be limited to, the following community interest: Business/commerce, education and training, equity groups, special interest groups, First Nations, other community economic development organizations. Appointed Directors may be added or removed as deemed necessary from time to time by a two-third majority vote of the Board.
- d) Term of Office - Directors shall serve for a maximum of 3 terms of 3 years. Directors who serve their maximum allowable terms are eligible to re-offer after a one-year absence. In order to allow for the regular and orderly replacement of Directors, terms of office will be staggered to ensure continuity of the program.

- e) Exception – Notwithstanding the term of office established for Directors as outlined in (d) above the following exceptions may occur:

In the event a Director of the Corporation's Board of Directors holds office or a position on the Board of Directors of the Provincial, Atlantic or National Association of CBDC's (not sub-committees), subject to Board approval, the Director's term of office may be extended by the same period of time he or she is required to complete current term while serving on the foregoing.

- f) Notwithstanding the provisions of the foregoing, a vacancy on the Board shall be filled within four (4) months of its creation by a member representative of the same sector - at a special meeting of the members.

Responsibilities

The Nominating Committee of the Board of Directors is responsible for the recruitment and nomination of Directors to the Board in accordance with the Nominating Committee Mandate. The recruitment of incoming Directors is an ongoing process but shall commence at the Fall 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 Northumberland Inc. website. Solicitation of candidates through personal contacts of existing Board members is encouraged.

The Nominating Committee will review, interview and assess all applicants, and will 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 meeting:** Identify required number of nominees for next AGM and review potential candidates. Publish invitation for expressions of interest.
- **Winter meeting:** Identify preferred nominees and assign responsibility for individual recruitment.
- **Spring meeting:** Confirm nominees and recommend to the Board of Directors
- **Annual General Meeting:** Elect new directors.

Related Documents

- Board Recruitment Policy

Authorization

Pauline Tenass – Policy Officer

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