

BOARD NOMINATION, SELECTION AND RENEWAL POLICY

Policy Number	25-11-14-4 EN	
Developed by :	Policies and procedures committee	Approved on October 9 th 2014
	Board of directors	Ratified on November 25 th 2014

Introduction

It is important to the CBDC Madawaska 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.

Nominations Committee Mandate

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

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

- The present policy
- The Board Recruitment Policy
- Bylaws of CBDC Madawaska

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 Madawaska (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 of the Board.
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 not, 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 Madawaska, 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 Madawaska, 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.

Without limiting the generality of the following list, the competencies sought in this assessment could be:

- Risk management leadership experience in an organization of similar size and/or complexity to CBDC Madawaska;
- 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 Madawaska and its role as a leader in community economic development;
- Understands the principles behind and share the vision of CBDC Madawaska and have the ability to reflect the values and commitments of the CBDC Madawaska as well as acting in the best interests of CBDC Madawaska 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 Madawaska.
- Entrepreneurial experience or owner of a business

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 Madawaska, in accordance with paragraph “Service Territory” from Article 3.01 of the Constitution¹ gender representation, young entrepreneur representation, cultural and linguistic representation, and other indicia of diversity.

Procedures

1. The Board of Directors must comprise ten members.

¹ Constitution CBDC Madawaska Inc. 2014, art. 3.01, *Service Territory (Territoire desservi) -the territory served by CBDC extends from the LSD of St. François to the LSD of Rivière Verte in Madawaska County.*

2. The term of office is for a maximum of nine years- in accordance with Paragraph 5.05, Article 5 in the Constitution².
3. If a position on the Board of Directors becomes vacant, the Nominating Committee will meet at the request of the Board of Directors, in accordance with Paragraph 5.08, Article 5 of the Constitution³ to determine whether a replacement Director should be named.

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 Committee of the Board of Directors is responsible for the recruitment and nomination of Directors to the Board in accordance with the Nominating Committee's 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 Madawaska 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.

² Ibid, p.3 par.5.05, art.5, *Mandate*. The members are elected for a mandate of three (3) years renewable for two additional terms. Therefore a Board Member can serve a maximum of nine (9) years, after which said member must withdraw for at least a full year (1) before becoming eligible to serve again on the Board of Directors.

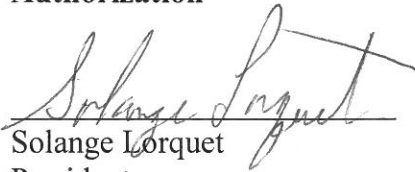
³ Ibid, p. 3, par.5.08, art. 5, *Vacancy*. In the case of a vacancy on the Board of Directors, the Members can chose to fill the post or let it remain unfilled, on condition that Paragraph 5.03 of Article 5 in the present constitution be respected. Should it became necessary to fill the vacant post to maintain the number of ten (10) Board Members, the Members must call a meeting of the Board and proceed to an election as soon as possible. While waiting for the election to fill the vacant position, should it be the case, the remaining Board Members can exercise all the powers of the Board of Directors until the nomination of a new Board member.


- **Spring meeting:** Confirm nominees and recommend to the Board of Directors
- **Annual General Meeting:** Elect new directors.

Related Documents

- Board Recruitment Policy

Authorization


Solange Lorquet
President
CBDC Madawaska inc.


Mark Landry
Secretary
CBDC Madawaska inc.