

Calgary Arts Development Authority

Board Governance Manual and Directors Orientation Handbook



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I. Introduction and Background

The purpose of this manual is to advise Calgary Arts Development Authority Ltd. (CADA) board members of the roles, individual responsibilities, operating mandate and policies that may affect board members of a corporation. In the event that any information may appear to be in conflict with the provisions of the By-laws of the corporation, the By-laws shall take precedence.

This manual will be reviewed and updated by the board on a regular basis. The content of the manual will remain in effect until changes are made by Board motion.

A. Calgary Civic Arts Policy (2004)

The City of Calgary (Note: the use of the words "City" or "The City" in this document, when capitalized, refers to The City of Calgary) has developed a broad Civic Arts Policy that sets out the central role of the arts and culture in contributing to the quality of life of its residents and to economic development of the city. CADA has been created as the umbrella through which arts policy will be coordinated. Through the cooperation between the cultural, economic and tourism sectors, The City is demonstrating its commitment to integrate the arts and culture into other areas of urban development.

Guidelines established in the Civic Arts Policy have been adopted in the creation and governance of CADA. Key Arts Policy guidelines are referenced below:

4.1 Mandate and Structure Guidelines

- A. City Council will delegate the creation, maintenance and implementation of a long-term strategic plan for the arts, in line with this policy, to a single arm's-length arts authority.
- B. City administration will ensure that the City of Calgary's organization structure provides clear responsibility and accountability for all City of Calgary arts-related operations and policy.
- C. City Administration will ensure that the City of Calgary's arts-related operations compliment and support the work of the arm's-length arts authority, with no duplication of activities.

4.2 Funding Guidelines

- A. All municipal funding to external arts organizations will go to a single arm's length arts authority, which will have the final decision on all arts-related funding matters.
- B. City Council will refer all arts-related capital and operational funding inquiries to the arm's-length arts authority.
- C. Funding recommendations related to City-operating programs and facilities will be made by the City division responsible for art-s related operations and policy.

4.3 Reporting Guidelines

- A. The City's arts authority will provide City Council with an annual report on the outcomes of all municipal arts and culture funding and the activities of any arts and culture related committees.

II. CADA Principles of Governance:

Implied in the governance practices established by the CADA board, under the guidelines outlined in the Civic Arts Policy, are a set of governing principles. Alberta Community Development has established a set of governance principles for not-for-profit organizations that are useful in guiding CADA operations¹. Under these principles, the board:

- Articulates and communicates the vision, making sure the vision is in line with community (Civic Arts Policy) needs. The board focuses on strategic planning and direction (the ends), and through policy, the board defines the parameters and limitations that the organization operates within.
- Focuses on the whole organization and not on particular issues of interest to the board or to individual board members.
- Is a corporate body and must work together as a whole. No individual member, including the chair, or group of individuals such as committees, have the authority to direct the organization and its staff on their own.
- Speaks with one voice. Once the board has approved something through a motion, it becomes the organization's official policy. All members are bound by it even if they disagree. They do not undermine the President or other board members. If the decision is of major importance and a board member cannot accept the decision of the majority, the board member should resign.
- Directs the organization's work by approving policy and monitoring the impact of policy. The board makes policy in three areas- strategic and governance frameworks, board self-governance and operations.
- Is responsible for its own management. This includes board recruitment, orientation, agenda development, evaluation and meeting management.
- Hires, supervises and releases only one employee- the President and CEO. In a Policy related board, the President hires, supervises and releases the rest of the organization's employees.
- Avoids making management and operational decisions (on the means), even though individual board members may have expertise in specific areas.

There are typically three levels of responsibility and authority in any organization, for which the board leads governance duties, while management directs the implementation as outlined below:

¹ Board Development Program, Volunteer Services Branch, Alberta Community Development, September 1998. **Note** that *Calgary Arts Development Authority Ltd.* is incorporated under the *Alberta Business Corporations Act* and does not have a "traditional" not-for-profit structure. CADA "looks" like a for-profit corporation, but its bylaws restrict it from making a profit in order to enable it to be owned by The City of Calgary.

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- Governance: Done by the board. Governance sets the tone and direction for the future of the organization policy, sets budgets and long term strategic direction.
- Management: Done by the President. Management is the interpretation of the Board's policy, allocating the resources of the organization according to Board Policy. Oversees the planning and co-ordination of the day-to-day organization operations.
- Implementation: Done by staff. Carrying out the day-to-day operations of the organization, putting organization activities in place.

III. Key Shareholder Relationships

In 2004, Calgary City Council approved a new Civic Arts Policy and established CADA with responsibility for implementing the Civic Arts Policy. CADA is a corporation formed under the Alberta Business Corporations Act, with 100% of the shares in the corporation owned by the City of Calgary. The City will direct all external funds for the arts through CADA, and expects CADA to develop long-term plans and provide advice to City Council on priority areas for funding and developing the arts in Calgary.

In carrying out its responsibilities as a City-owned development authority, CADA has a direct link with City Council through The City's role as shareholder, and via the ongoing appointment of one member of Council to the Board of Directors. CADA is expected to work efficiently with a number of key organizations and City departments providing services related to the arts in Calgary. CADA's relationship with The City of Calgary's operations will focus on providing advice and establishing process links within and across four main priorities:

- Venues and infrastructure issues, primarily through the Culture Parks and Recreation Infrastructure Investment Plan (CPRIIP);
- The City's provision of services and venues to support arts activities in the city, such as festival and special event services and the provision of development and other permits that facilitate arts activities;
- The ongoing investment of municipal funds in the arts through the provision of annual operating funds and through the City's public art program; and,
- The adoption of civic policies and bylaws that foster an environment that supports and encourages creative and artistic expression.

The City looks to CADA to act strategically to bring arts priorities under one roof, to set goals and a framework for City based investments. The City looks to CADA as a standing vehicle for setting direction and reporting to Council on key arts related issues requiring Council's support and involvement. CADA will work to bring together arts related issues, and in so doing linking and leveraging the City's arts activities and investments with the activities and investments from other governments and other sectors.

IV. Principal Duties of the CADA Board of Directors

The Board of Directors functions as a steward of the Corporation, and has statutory authority and an obligation to manage the affairs and business of the Corporation.

While the fundamental objective of the Board is to act in the best interest of the Corporation, the Board has a responsibility to ensure congruence between the expectations of the shareholder (The City of Calgary), corporate plans and management performance.

It is important to note that delegation of responsibility by the Board to a board committee does not absolve the full Board from responsibility for a committee's work or decisions.

The Board Chair is ex-officio on all board committees and may attend any meeting, as appropriate.

In discharging its obligations, the Board's principal duties are:

- To provide leadership in setting the Corporation's long-range strategic direction, and to approve the Corporation's overall strategic plan, operating goals, operating budget, performance indicators and the business plans established to achieve them; and to ensure that in so doing, the Corporation is achieving the mandate set out by the shareholder.
- To make regular reports to the shareholder (The City of Calgary) to ensure public accountability for the expenditure of municipal government funding.
- To participate in identifying the principal risks (including reputation management) of the business in which the Corporation is engaged, to achieve a proper balance between risks incurred and potential returns and to oversee the implementation of appropriate systems to manage the risks.
- To monitor and evaluate the performance of the President and CEO, taking appropriate action as warranted, and to provide for effective succession planning.
- To adopt policies and processes to enable effective communication with the shareholder (The City of Calgary), stakeholders and the public.
- To ensure the integrity of the Corporation's internal control and management information systems.
- To develop practices to ensure that the Board functions effectively and independently of management.

A. Legal and Compliance Duties

The Board has a responsibility to see that procedures are in place to ensure statutory responsibilities are met, an effective Corporate compliance program has been

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established, and Corporate documents and records are properly prepared, approved and maintained.

In performing their duties, members of the Board shall:

- act honestly and in good faith with a view to the best interests of the Corporation, while taking into account the public policy objectives of the Corporation as outlined in the City of Calgary's 2004 Civic Arts Policy; and
- exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Draft terms of reference for the CADA Board Chair are included as attachments in Appendix I.

V. Board Committee Structure and Mandates

The Board has statutory authority to appoint any committees that it considers necessary for the efficient conduct of the affairs and business of the Corporation and to prescribe the duties of any committee it appoints. CADA has chosen to create two types of committees: "Committees" consisting only of members of the Board of Directors, and "Volunteer Committees" consisting only of members of the public who are not members of the Board of Directors. This section deals with Board Committees only.

The Calgary Arts Development Authority Board of Directors has established the following Board Committees (see Appendix III for detailed Draft Terms of Reference for each committee):

1. Finance and Audit;
2. Governance and Human Resources and;
3. Public Policy.

Members of the board work collectively to oversee responsibilities for steering strategic planning, advocacy, communications and overall board stewardship and oversight duties. Specific committees however assist the board in discharging obligations in respect to a number of critical board functions.

The Finance and Governance Committees are statutory or standing committees of the board, set out in CADA's bylaws, typical of most not-for-profit organizations. The Policy Committee is a non-statutory committee reflecting CADA's unique role in relation to the needs and expectations of City Council.

A. Finance and Audit Committee

Roles and responsibilities for the Finance and Audit Committee are to be approved by the board and set out in a written charter. The Committee is responsible for making recommendations to the board with respect to financial strategies and policies, reviews and recommends the annual and long term financial plans and budgets, and oversees their implementation. The committee must also oversee and approve the relationship with the City sponsor regarding major borrowings, lease or contractual arrangements.

The committee must ensure that accounting principles adopted by CADA comply with GAAP, are the most appropriate under the circumstances, and that financial disclosures meet the highest standards of clarity and transparency.

This committee is also responsible for overseeing the work of the external auditor. They must recommend to the board, the nomination of the external auditor and approve the fees. They review the annual financial statements with both management and the external auditor and recommends their approval or modification to the board. The board approves the annual financial statements after considering the Audit Committee's report and the report from the external auditor.

B. Governance and Human Resources Committee

The responsibilities of this committee include creation of policies and practices for CADA and its committees, nominating and recruiting directors that represent the artistic and cultural dynamics within the City, developing and implementing board self assessment

practices, and overseeing CADA human resources, including regular review and recommendations to the Board regarding the performance, compensation, succession and selection of the President and CEO.

C. Public Policy Committee

The Public Policy Committee exists to determine CADA's public policy position on all issues related to the development of the arts in Calgary. This includes identifying and prioritizing public policy issues related to the development of the arts in Calgary. Through management, the committee ensures that actions are put in place to address priority public policy issues. It also oversees actions that the Board of Directors feel should be adopted by the City of Calgary and monitors and reports to the Board on the progress of implementation of established public policy positions adopted by the Board of Directors. On an annual basis and as necessary, with the assistance of management and other committees as necessary, this committee recommends to the Board of Directors the disbursement of funds to support the development of the arts in Calgary in line with established public policy positions.

VI. Board By-Laws and Procedures

As outlined in the Corporation's Bylaws:

The Board of Directors shall be comprised of not more than (15) members, who shall be appointed by the shareholder (The City of Calgary).

Board members are appointed to specific term lengths, however to ensure continuity, each member of the Board shall continue to be a member of the Board until a successor is appointed. Where a vacancy occurs at any time in the membership of the Board, it may be filled by City Council, and the Board's Governance and HR Committee is expected to make recommendations respecting appropriate skill sets and individuals to fill the vacancy.

The members of the Board shall designate a Chair from among the Board members, and may designate another member as Vice Chair. If the Board Chair is absent from a meeting of the Board, the Vice Chair shall perform the duties and exercise the powers of the Chair. If both the Chair and the Vice Chair are absent, the Chair of the meeting shall be chosen by the remaining members of the Board. The Chair presiding at any meeting of the Board shall have a vote in all matters considered by the Board.

A. Director Term Lengths

CADA's bylaws stipulate that directors will be elected annually by the shareholder. The bylaws are augmented by the following internal policies:

- Directors will be appointed to three-year terms.
- The first year of a director's first appointment will constitute a "probationary" year. After the probationary year, the director may continue to serve out their initial appointment, or leave the board.
- Directors may serve a maximum of two terms, for a total of 6 years of service on the board.
- Director term lengths shall be staggered to ensure that no more than one-third of the board is renewed in any given year.
- At the discretion of the Governance and HR Committee, exceptions to director term length may be made to maintain effective board function.

B. Meetings

The time and place of meetings of the Board and the procedures at such meetings shall be determined from time to time by the members of the Board, provided that:

A quorum for meetings shall be 50% plus one (1) of the members of the Board, present either in person or by telephone or other telecommunications device that permits all members participating in the meeting to speak to and hear each other.

The Board shall meet at least a minimum of every three (3) months.

Reasonable notice, preferably fourteen (14) days before the meeting, shall be given in writing, by e-mail or by facsimile communication to each member of the Board and the Agenda and associated material shall be sent to each member of the Board prior, preferably seven (7) days, to the time for such meeting.

A member may in any manner waive a notice of meeting, and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

A meeting of the Board may be called by the Secretary of the Board on the direction of the Chair of the Board, the Chief Executive Officer of the Corporation or by any two (2) members of the Board.

The Board shall at all times have the right to determine which non-Board members shall and shall not be present at any part of the meetings of the Board.

C. Board Reporting Responsibilities

An outline of material issues addressed by the Board, and all recommendations, decisions and directives of the Board shall be recorded by the Secretary in the minutes of the meeting.

A draft copy of the minutes of each Board meeting, approved by the Board Chair, shall be circulated to the members of the Board prior to the next Board meeting for the purpose of adopting and verifying said minutes

D. Renewal of Terms of Reference

In conjunction with the Governance and Human Resources Committee, the Board shall review annually its Terms of Reference and, where appropriate, submit to the Board for approval revisions to its Terms of Reference.

E. Access To Corporate Records

In performing any of its duties and responsibilities, the Board shall have access to any and all books and records of the Corporation required for the execution of the Board's obligations and, as necessary, shall discuss with appropriate Corporate officers and employees such records and other relevant matters.

F. Confidentiality

All deliberations of the Board, and all Corporate records, material and information obtained by a member of the Board and not generally available to the public, shall be considered confidential.

Board members shall maintain the confidentiality of such deliberations, and shall safeguard such records and information from improper access.

G. Internal and External Advisors

If, in order to properly discharge its functions, duties and responsibilities, it is necessary, in the opinion of the Board, that the Board or any Committee of the Board obtain the advice and counsel of internal or external advisors, the Board shall engage the necessary advisors.

VII. Board Policy on Volunteer Committees

A. Rationale

As The City of Calgary's arts development authority, CADA is mandated to play an umbrella/oversight role to provide a consolidated, strategic view on the arts to City Council. Because CADA requires its board to include members of the arts community and because the Board strives to attain the highest standard of public accountability, we require a defined volunteer committee and appointments policy to enable the Board of Directors to include additional members of the public in CADA's decision making and planning processes.

B. Purpose

To guide the creation of, and the appointment of citizens to, volunteer committees required by CADA to fully discharge its mandate.

C. Policy Objectives

- 1) Transparency in decisions regarding the allocation of public funds;
- 2) Clarity, by making clear the distinction between "board committees" comprised only of board directors and "volunteer committees" comprised of members of the public that are *not* board directors.
- 3) High quality decision-making, informed by knowledgeable members of the public;
- 4) Stakeholder involvement in the achievement of CADA's goals; and,
- 5) Efficient use of volunteer time.

D. Procedures

- 1) General
 - a. All volunteer committees must have written terms of reference;
 - b. Terms of reference must specify term length; and,
 - c. Terms of reference should be designed to provide the Board of Directors the amount of control and oversight as is necessary to meet their fiduciary responsibilities.
- 2) Typical Role of Volunteer Committees
 - a. Volunteer committees will have an oversight and allocation role related to CADA's direct mandate from City Council to make decisions and provide advice regarding matters such as the allocation of arts funding, priorities for capital investment, and public art.
- 3) Volunteer Committee Powers and Responsibilities
 - a. Volunteer committees are delegated the power to make recommendations to CADA's Board, through the Board's Public Policy Committee, within the terms of reference and strategic vision of their committee. The committee's recommendations can be accepted or sent back for further consideration by CADA's Board, but cannot be changed. Once accepted, CADA's board will immediately communicate the decision to City Council.

Volunteer committees may determine the need for an appeal process as part of their terms of reference.

4) Volunteer Committee Appointment Process

- a. A committee profile matrix will be created based on the committee's terms of reference and strategic vision;
- b. An advertisement soliciting applications from the public will be placed in the media outlet with the largest average daily circulation in Calgary at least one month prior to the application deadline, and concurrently on CADA's website and other electronic channels as appropriate;
- c. CADA's Board and staff will solicit committee applications from their networks based on the committee profile matrix;
 - i. The committee's terms of reference may provide for the committee to strike its own nominations subcommittee;
- d. CADA's Board Governance and HR Committee will rank all applications based on the committee profile matrix;
- e. The Chair of the Governance and HR Committee will contact the proposed appointees to determine their willingness to serve on the committee;
- f. A list of recommended committee appointments, including the committee profile matrix and the names of all applications received, will be forwarded for approval to the Board of Directors by the Governance and HR Committee;
- g. The Board's final appointment recommendations, along with an outline of the process followed, will be communicated to City Council; and,
- h. Appointments will be made public.

VIII. Board Policy on Conflict of Interest and Code of Conduct

A. Rationale

Integrity is a core value of the CADA and all actions of the Board and other advisors or volunteer committee members are founded on the principle of ethical community leadership.

CADA aims to recruit Board and volunteer committee members of the highest caliber, individuals who have a strong commitment to build the arts in Calgary, to make the arts central to the municipal decision-making process and to build relationships with other agencies from the public and private sectors.

To accomplish this objective CADA must be able to recruit from among those individuals of outstanding qualifications whose professional reputations and work in the community will enhance the impact of the organization. CADA will therefore wish to recruit broadly and especially from within the arts community itself – that means those who work in the arts as administrators, as practicing artists or as entrepreneurs; it must also be able to select the best qualified from the ranks of those who support the arts by volunteering on arts companies' boards and committees.

The Board and volunteer committee members are therefore conscious of the possible conflicts of interest which may arise in the normal course of business or as a result of Directors or volunteer committee members being connected to organizations which may receive direct or indirect benefits from the activities of CADA.

B. Definitions

"Integrity" means conducting all affairs of CADA in an honest, forthright and impartial manner and building our relationships on the basis of respect for the values, perspectives and aspirations of others.

"Conflict of Interest" means a potential or actual conflict of interest between the unbiased exercise of judgment on behalf of CADA and a potential or actual direct benefit accruing to an individual, corporation, partnership, other business enterprise or non-profit organization of which the Director or volunteer committee member or a person in his or her immediate family is an officer, director, partner or substantial shareholder.

C. Procedures

1) Obligation to Declare

- a. Upon appointment to the Board or a volunteer committee of CADA, the appointee shall make written disclosure of all known potential conflicts relating to the appointee's current positions or activities.
- b. Upon consideration of any proposed activity with the potential to benefit an organization or initiative with which the director or volunteer committee member is affiliated, that affiliation shall be disclosed. No Director or volunteer committee member shall participate in the decision making process where there is a

potential or actual conflict of interest. The individual so affiliated shall leave the room during discussions and shall not vote or use personal influence in the decision-making process. The abstention shall be noted in the Minutes.

A declaration of a conflict of interest shall not affect the quorum of the meeting.

D. Code of Conduct

The Code of Conduct, incorporating the above conflict of interest policy, for CADA board members, volunteer committee members, management and staff will be available on the CADA web site. All board members, volunteer committee members and staff will sign the CADA code of conduct when they join - either by writing or acknowledging acceptance electronically.

Appendix I: CADA's Relationship with The City of Calgary

CADA's relationship with City of Calgary Administration is primarily through the promotion of effective process. To facilitate congruence with City decision making, CADA recommendations will go to the Administration prior to being addressed by City Council. City Administration is expected to comment on implications and impacts (especially budgetary impacts) of recommendations provided by CADA, and so is expected to work closely with CADA on key arts initiatives.

CADA's current relationships are being established at the management level, such that the City's Arts & Culture Manager, will work directly with CADA's President on arts priorities and plans. Over time, CADA's Board of Directors, in conjunction with the President & CEO, will develop its relationship with Senior Administration and with Council and the Mayor, to help influence arts issues of direct interest to the City and CADA.

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Appendix II - Terms of Reference- Board of Directors Chair

The role of the Board Chair is as follows:

Board Leadership

1. Provides leadership to the Board of Directors which is ultimately responsible for achieving the organization's mission.
2. Develops Board meeting agendas with the Chief Executive.
3. Chairs meetings of the Board, who sets policy and to whom the Chief Executive is accountable.
4. Encourages Board's role in strategic planning.
5. Appoints the chairpersons of committees, in consultation with other Board members.
6. Serves *ex officio* as a member of committees.
7. Discusses issues confronting the organization with the Chief Executive.
8. Helps guide and mediate Board actions with respect to organizational priorities and governance concerns.
9. Reviews with the Chief Executive any issues of concern to the Board.
10. Responsible for monitoring and acting to ensure the financial stability of the organization, including monitoring financial planning and financial reports.
11. Formally evaluates the performance of the Chief Executive and evaluates the effectiveness of the Board.
12. Evaluates annually the performance of the organization in achieving its mission and publicly reports on that performance.
13. Ensures the long term strength and stability of the Board by conducting Board succession planning, including recruiting new board members.

Community Leadership

14. Plays a leading role with the Chief Executive in building community relationships, including with all orders of government, the private and public sector.
15. Advocates for the arts to attain a high profile in Calgary.
16. Leads Board efforts, with the Chief Executive, to generate additional resources for the arts in Calgary.

Transition Leadership

17. Ensures that the interests of artists, arts organizations, and volunteers supporting the arts are heard and incorporated in the transition to the new structure.
18. Ensures that City Council is informed and supportive of the new structure.

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Appendix III - Job Description - President and CEO

The President & CEO is the only employee of Calgary Arts Development Authority Ltd. (CADA) reporting to the Board of Directors. The President & CEO's job description is:

1. Provide leadership in the development of CADA's vision, mission, and goals, and the corresponding strategies, plans, and budgets to achieve them;
2. Ensure the development of performance measurements, management controls, and critical success factors;
3. Review approved plans and budgets as part of the annual planning and budgeting cycle and present recommendations to the Board of Directors and/or the appropriate committee;
4. Develop and provide appropriate policy recommendations for consideration by the Board of Directors;
5. Ensure that an annual plan and budget are prepared for and presented to the Board of Directors;
6. In conjunction with the Board Chair, develop agendas for the Board of Directors reflecting issues, opportunities, and priorities;
7. Present a written President's report reflecting progress on strategic initiatives and noting emerging opportunities and risks, to all board meetings;
8. Develop and maintain an effective staff organization which provides appropriate policy and program recommendations for consideration by the board and its committees, and which delivers services, programs and information beneficial to the community;
9. Hire, reward, discipline, terminate, and set the remuneration of, all association employees except for him/herself, in accordance with policy and/or approved budgets;
10. Develop strong relationships with artists and arts organizations, through the use of advisory committees and other means, to keep abreast of emerging issues and to generally advance progress toward CADA's goals;
11. Develop a working relationship with the Manager of Arts and Culture at the City of Calgary to enhance the coordination of business plans and strategic direction;
12. Develop a strategic relationship with members of City Council and senior managers at the City of Calgary to enhance the effectiveness of CADA's public policy initiatives;
13. Develop strategic relationships with Calgary Economic Development, Tourism Calgary, and other organizations with a similar civic development mandate to enhance the coordination of business plans and strategic direction;
14. Develop strategic relationships with civic leaders from all sectors to generally advance progress toward CADA's goals;
15. Act as the spokesperson for the corporation; and,
16. Perform such other duties as are prescribed in writing from time to time by the Board of Directors.

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Appendix IV - Terms of Reference-Board Committees

A. Finance and Audit Committee Mandate

The purpose of the Finance & Audit Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing and making recommendations to the Board regarding:

- Financial information, including audited financial statements, that will be provided to the Board of Directors and other stakeholders;
- Strategic financial plans and the annual operating budget;
- The systems of internal controls;
- Internal audit processes; and
- Investment management activities.

Responsibilities

1. Advising the Board on all financial matters affecting CADA;
2. On an annual basis, recommending auditors for appointment;
3. Reviewing scope of the audit and approving the audit fees involved;
4. Acting as the Board's liaison with auditors;
5. Receiving and reviewing the audited financial statements of CADA as to reasonableness of presentation, appropriateness of accounting principles and adequacy of disclosure prior to their submission to the Board;
6. Receiving and reviewing the written annual report of the auditor;
7. Reviewing the objectives and effectiveness of the internal audit function, including working relationships with the auditors and the administration;
8. On the advice of the President & CEO, recommending the annual budget to the Board;
9. Recommending the creation of, monitoring and forwarding to the Board a set of financial reports for Board review at each meeting of the Board;
10. Advising the Board on specific matters relating to financial exigencies;
11. Reviewing on behalf of the Board all contracts, agreements or other instruments involving the financial affairs of CADA and which are to be presented to the Board and to make recommendations to the Board regarding appropriate action;
12. Ensuring that CADA has an effective process in place that provide appropriate alignment of financial resources with strategic directions;

Membership

At least three (3) and up to five (5) members from the Board of Directors including the Treasurer.

Chair

The Finance & Audit Committee is chaired by the Treasurer

Meetings

The Finance & Audit Committee will meet regularly six (6) times per year to review progress and identify emerging priorities. The meeting schedule should be determined by the Committee Chair upon appointment.

Prior to each full meeting of the Board, the Finance & Audit Committee will review financial reports submitted to each member via e-mail. Comments on the reports will be submitted to the Committee Chair in a timely manner.

The Finance & Audit Committee will meet **as needed** to meet project-related deadlines, and in order to make recommendations to be forwarded for adoption by the Board of Directors.

Lines of Accountability/Communication

The Finance & Audit Committee is accountable to the Board of Directors.

1. The Chair of the Finance & Audit Committee reports on its activities to the Board of Directors, and submits written recommendations as required for the Board of Directors' consideration.
2. The Finance & Audit Committee's written reports and recommended positions are to be held confidential, and are to be made public only after approval by the Board of Directors.
3. Management will work closely with the Finance & Audit Committee as necessary to advance the work of the Committee.

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B. Governance & Human Resources Committee Mandate

The Governance and Human Resources Committee exists to:

1. Define board's public role, composition, and the board's relationship with the President and CEO.
2. Provide a focus on governance that will enhance the Calgary Arts Development Authority's performance. The Committee assesses and makes recommendations regarding Board effectiveness, provides direction regarding ongoing director development and leads the process for recommending new directors to the City of Calgary for appointment.
3. Assist the Board in fulfilling its obligations relating to human resource and compensation matters and to establish a plan of continuity and development of senior management.

Responsibilities

Governance

1. Review annually, for Board approval, a Board Governance Manual.
2. Outlining the policies and procedures by which the Board will operate and the terms of reference for the Board, the Board Chair, the President & Chief Executive Officer, Directors and Committees.
3. Recommend to the Board, and annually implement, an appropriate evaluation process for the Board, the Board Chair, and committees and assume responsibility for recommending an individual director evaluation at the appropriate time.
4. Develop recommendations regarding the essential and desired experiences and skills for potential directors (i.e. a 'Needs' matrix), taking into consideration the Board's short-term needs and long-term succession plans.
5. In consultation with the President & CEO, recommend to City Council the candidates for appointment to the Board.
6. Review, monitor and make recommendations regarding director orientation and ongoing development.
7. Recommend to the Board any reports on governance that may be required or considered advisable.
8. At the request of the Board Chair or the Board, undertake such other corporate governance initiatives, as may be necessary or desirable, to contribute to the success of the Authority.

Human Resources

1. Recommend a performance evaluation process for the President & CEO and when approved, lead the implementation of the evaluation process.
2. Review and recommend the President & CEO's compensation.
3. Review and recommend the Authority's compensation policy and guidelines that will govern non-contract and executive positions.

4. Review and recommend Terms and Conditions of Employment and performance management program that will govern non-contract and executive positions.
5. Review with the President & CEO existing management resources and plans, including recruitment and learning programs, to ensure that qualified personnel will be available for succession to executive positions at the Authority and key officer positions in its reporting organizations, and report on this matter to the Board at least once each year.
6. Review and endorse major changes in the organizational structure of management as proposed by the President & CEO.
7. Recommend policy statements on broad Human Resource' matters such as Occupational Health and Safety, Ethics, Code of Conduct, etc.
8. Review with the President & CEO any significant outside commitments the President & CEO is considering before the commitment is made. This includes commitments to act as a director or trustee of for-profit and not-for-profit organizations.

Membership

Membership will consist of at least three (3) and up to five (5) members of the Board of Directors.

Chair

The Chair of the Governance and Human Resources Committee will be selected from among the committee members on an annual basis, as soon as possible following the formation of the committee.

Meetings

The Governance and Human Resources Committee will meet regularly four (4) times per year to review progress and identify emerging priorities. The meeting schedule should be determined by the Committee Chair upon appointment.

The Governance and Human Resources Committee will meet **as needed** to meet project-related deadlines, and in order to make recommendations to be forwarded for adoption by the Board of Directors.

Lines of Accountability/Communication

- I. The Governance and Human Resources Committee reports to the Board of Directors.
- II. The Governance and Human Resources Committee's written reports and recommended positions are to be held confidential, and are to be made public only after approval by the Board of Directors.

Management will work with the Governance and Human Resources Committee as necessary to advance the work of the Committee. The Committee shall also have the option to hire consultants, at the Authority's expense, to advance the work of the Committee.

Adopted: May 18, 2006

C. Public Policy Committee Mandate

The Public Policy Committee exists to determine CADA's public policy position on all issues related to the development of the arts in Calgary.

Responsibilities

1. With the assistance of management, identify and publicize priority public policy issues related to the development of the arts in Calgary.
2. Direct management, through the strategic planning process, to put in place actions that will address priority public policy issues.
3. Recommend public policy positions for adoption by the Board of Directors.
4. Identify those public policy positions adopted by the Board of Directors that should be adopted by the City of Calgary.
5. Directs management to establish and/or use the necessary communication channels and protocols to ensure that CADA's public policy positions receive a positive reception, leading to adoption by the appropriate parties.
6. Monitor and report to the Board on the progress of implementation of established public policy positions adopted by the Board of Directors.
7. With the assistance of management, respond appropriately to City Council requests for advice on matters related to arts development in Calgary.
8. On an annual basis and as necessary, with the assistance of management and other advisors as necessary, recommend to the Board of Directors the disbursement of funds to support the development of the arts in Calgary in line with established public policy positions.

Membership

Membership will consist of at least three (3) and up to five (5) members of the board, including at least:

1. One professional practicing artist or arts administrator
2. One member of the business community

Chair

The Chair of the Public Policy Committee will be selected from among the committee members on an annual basis, as soon as possible following the formation of the committee.

Meetings

The Public Policy Committee will meet regularly six (6) times per year to review progress and identify emerging priorities. The meeting schedule should be determined by the Committee Chair upon appointment.

The Public Policy Committee will meet **as needed** to meet project-related deadlines, and in order to make recommendations to be forwarded for adoption by the Board of Directors.

Lines of Accountability/Communication

1. The Public Policy Committee reports to the Board of Directors.
2. The Public Policy Committees written reports and recommended positions are to be held confidential, and are to be made public only after approval by the Board of Directors.
3. Management will work closely with the Public Policy Committee to conduct research, community engagement, and to communicate to stakeholders as necessary to advance the work of the Committee.
4. The Public Policy Committee will be the Board's primary interface with Volunteer Committees.

Adopted: May 18, 2006