

Board of Commissioners Terms of Reference

1. Introduction

BC Housing is a Crown corporation established in 1967 under the *Ministry of Lands, Parks and Housing Act* to fulfill the Provincial Government's commitment to the development, management and administration of subsidized housing in British Columbia. BC Housing is accountable to the Provincial Government, our sole shareholder, through the Minister Responsible for Housing.

The board has a general duty to guide BC Housing's strategic direction and oversee management in the conduct of the business of organization. In doing so the board plays a role in policy-making, guidance of the strategic planning process, and performance monitoring.

2. Board Membership

The Board Chair and Commissioners are appointed by the Provincial Government for terms up to three years, for a maximum of six years.

All board members are independent of management at BC Housing, and have the best interests of taxpayers and the shareholder as their primary consideration. All board members have no material interest in the organization and are bound by BC Housing's Standards of Conduct Policy.

3. Board Committees

The board creates and maintains a committee structure, as appropriate, to assist it in fulfilling its role. The Committee structure is established and approved by the board of Commissioners on the recommendation of the Chair in connection with the Chief Executive Officer. The board approves a Terms of Reference for each Committee that includes the method for establishing committee membership and composition as well as delegated duties and responsibilities. Committee Chairs are appointed by the board of Commissioners.

To assist the board in the effective delivery of its mandate, the board may establish new or ad hoc committees, task forces and work groups as deemed necessary.

4. Board Chair

The Board Chair is appointed by the Lieutenant Governor in Council and represents the board in its accountability to the shareholder. The Board Chair provides leadership in managing the board's affairs, including ensuring that the board is organized properly, functions effectively and meets its obligations and responsibilities. The Board Chair manages the regular activities of the board, acts as a liaison, and maintains communication with all Commissioners and Committee Chairs to coordinate meeting input and flow, and to encourage positive engagement in board discussion and activities. The Board Chair supports and encourages continuous improvement of the board, its Committees, individual Commissioners and the CEO.

The Board Chair may designate an acting Chair from among Commissioners in the event that the Chair is unable to attend a board meeting.

The Board Chair is a member of all board committees, entitling the Chair to attend and vote at any committee meeting (though not to be included in a determination of quorum for the committee).

5. Board Public Spokesperson

The Minister Responsible for Housing is the primary public spokesperson for BC Housing on all issues. The Minister may designate the Board Chair to be the spokesperson to external stakeholders for matters pertaining to the board of Commissioners, or the Chief Executive Officer for matters related to BC Housing's operations.

6. Chief Executive Officer

The board delegates responsibility for the day-to-day leadership and management of BC Housing to the Chief Executive Officer (CEO). The CEO leads BC Housing in achieving board-approved goals and objectives, sets the standard for organizational conduct and recommends new strategic initiatives to the board.

The board is responsible for the following with respect to the CEO: appointment and replacement, performance evaluation, and approval of compensation. The board provides advice and counsel to the CEO in the execution of their duties.

7. Corporate Secretary

The Corporate Secretary is responsible for providing strategic and operational support to the board in carrying out its responsibilities. The Corporate Secretary works with the Board Chair to establish and administer BC Housing's governance framework.

The board has the responsibility to approve the appointment of the Corporate Secretary on the recommendation by the CEO. However, the Corporate Secretary is an employee of BC Housing and may only be terminated by the CEO.

The roles and responsibility of the Corporate Secretary are set out in the Terms of Reference of the Corporate Secretary which is approved by the board.

8. Corporate Governance

The board has a responsibility to ensure that BC Housing's approach to corporate governance meets the needs of the Provincial Government, BC Housing and the public.

The board also ensures that governance practices meet or exceed best practices for Crown corporations.

The board ensures that governance practices, committee operations and board orientation and development programs are consistent with BC Housing's mandate and legislation. The Corporate Governance Committee regularly reviews the board's and BC Housing's governance practices to promote continuous improvement and adoption of best practices.

9. Strategic Plan and Corporate Performance

The board has responsibility to develop BC Housing's strategic plan (or service plan) in collaboration with the CEO, and ensures that the plan is aligned with available resources, the organizational mandate and performance expectations of the shareholder and stakeholders. The board tracks BC Housing's corporate performance with respect to the strategic plan, to ensure that it is meeting its mandate and performance expectations. The board:

- Provides direction for development and content of the service plan;
- Monitors BC Housing's performance against established goals and objectives;
- Takes into account any relevant financial, social and environmental considerations;
- Ensures that reporting, monitoring and accountability obligations are met;
- Makes adjustments to plans through the CEO in light of changing circumstances.

10. Risk Management

The board provides guidance and oversight of BC Housing's approach to enterprise risk management. The board:

- Approves the Enterprise Risk Management Charter that describes BC Housing's approach to enterprise risk management including organizational roles and responsibilities with respect to risk management and reporting;
- Ensures that appropriate and prudent risk management systems to manage identified risks have been implemented and review these periodically;
- Makes strategic decisions in the context of full awareness of the key risks relevant to those decisions.
- Ensures management has in place robust business continuity and disaster recovery plans.

11. Financial Oversight

The board is responsible for safeguarding BC Housing resources by ensuring there is effective financial oversight. The board:

- Approves the annual budget to ensure that it supports BC Housing in achieving its mandate and strategic direction
- Reviews and approves quarterly and annual financial statements and ensures that financial results are reported fairly and in accordance with generally accepted accounting principles;
- Ensures that the financial performance of BC Housing is reported accurately and in a timely way to the Provincial Government and the public;
- Directs management to ensure that the appropriate systems are in place to maintain the integrity of BC Housing's internal financial controls and management information systems;
- Approves an annual internal audit plan and reviews quarterly reports issued by the internal auditor; and
- Appoints and oversees the independence of the external auditor, and approves an annual external audit plan and results.

12. Human Resources

The board is responsible for ensuring a strategic workforce plan is in place and to provide a focus on senior management human resource and compensation matters. The board:

- Approves and periodically reviews progress of BC Housing's People Strategy;
- Approves BC Housing's compensation philosophy and process for the CEO and Executive Management, and ensures that the compensation philosophy and processes meet guidelines and requirements established by the Provincial Government; and
- Ensures that labour negotiations will be in accordance with a mandate as approved by the board and the Public Sector Employer's Council.

13. Capital Projects

Primary responsibility for oversight with respect to the delivery of capital projects is vested in management and overseen by the board. (Capital projects include new social housing as well as the repair of existing social housing.) The board:

- Approves BC Housing's affordable housing investment plan and reviews quarterly updates; and
- Approves projects with a capital value of \$35 million or greater, as well as additional criteria as set out in the Capital Review Committee Terms of Reference.

14. Community Relations

The Board has obligations and responsibilities with respect to community relations in the areas of communications, research, social housing sector relations and sponsorships. While these areas are primarily staff-driven functions, the Board has an oversight role and may provide direction and recommendations regarding supports to the sector and relevant policies. The Board also has the responsibility to monitor BC Housing's reputation.

15. Board Policies

The board ensures that appropriate policies, procedures and other key governance documents are in place and reviewed on a regular basis to ensure they are kept current and relevant, and to ensure proper governance and oversight of BC Housing, and to mitigate risk to the organization. The board, with the assistance of the Corporate Secretary, ensures that these documents are consistent with Provincial Government legislation, guidelines and direction.

16. Standards of Conduct

The board acknowledges that it plays a critical role in setting the tone of appropriate behavior for BC Housing. The board has oversight responsibilities to ensure that BC Housing operates at all times within applicable laws and regulations, and to the highest ethical standards.

The board acts as the guardian of, and approves BC Housing's corporate values and Standards of Conduct Policy which governs the conduct and behaviour of the board of Commissioners and employees.

The board appoints an Ethics Advisor to assist the board in maintaining the highest ethical standards of conduct and reputation of BC Housing. The role of the Ethics Advisor is bound by the Terms of Reference for the Ethics Advisor.

17. Board Evaluation

The board recognizes the need for continuous improvement in executing its governance and oversight responsibilities. To do this, the board:

- Carries out an annual board evaluation process assessing the effectiveness of the board as a whole and the contribution of individual commissioners; and
- Reviews the required skill sets, experience, background and diversity of the board to inform future board composition and succession planning decisions, taking into account the strategic direction of BC Housing.

18. Board Orientation and Development

The board is responsible for ensuring that every new board member is provided with an orientation session to become familiar with BC Housing, such that they can quickly gain a good understanding of BC Housing and to be able to discharge their responsibilities. The board also ensures that Commissioners are provided with education and learning opportunities on an ongoing and as needed basis to support them in fulfilling their governance and oversight role. The board uses recommendations from board evaluation and reviews to help guide professional development activities.

19. Board Succession and Appointments

The board communicates and recommends to government its succession plan, and potential candidates and overall board competency requirements. The Crown Agency Board Resource Office (CABRO) and the Ministry responsible for Housing administers the appointment process of Commissioners.

20. Board and Committee Meetings

Regular board meetings, generally held quarterly, will be held at the call of the Board Chair in accordance with the board Timetable that is attached to this Terms of Reference. The Board Chair may also call a Special Meeting of the board to address a matter outside of the normal program of board meetings, or on an urgent basis. Special meetings will have a limited agenda and will not be called for the purpose of discharging regular board work.

The Board Chair shall call either a Regular Meeting or Special Meeting of the Commissioners if requested, in writing, to do so by a majority of the Commissioners.

Board and Committee meetings must have quorum to be a duly constituted meeting and for decisions to be official. Quorum for any meeting will be the majority of the members of the board. The Chief Executive Office and Corporate Secretary may attend all meetings of the board. However the board may at any time move In-Camera.

There will be a Secretary for all board meetings.

Meetings will normally be held in the Lower Mainland area at one of BC Housing's offices; however, the board may request meetings to be held at a BC Housing office in a different location of British Columbia.

At least seven days notice in writing of a Regular Meeting must be given to each Commissioner. The Notice must contain sufficient information to permit Commissioners to identify the issues pertinent to the decisions to be taken.

Notice for Special Meetings must be given in writing, including email, to each Commissioner. All reasonable efforts will be taken to ensure that all Commissioners are informed of the special meeting and that the timing of that meeting enables maximum participation. At the commencement of the Special Meeting the Board Chair will confirm the steps taken to give notice.

Attendance at a meeting constitutes waiver of notice, unless that attendance is for the express purpose of objecting to the transaction of business on the grounds that a meeting was not lawfully called. If all Commissioners waive notice and a quorum of Commissioners is present, the requirement to deliver notice needs to be met.

Attendance at board and Committee meetings may be in person, by videoconference or by teleconference, depending on the available of technology at the meeting location.

The Board Chair, in consultation with the CEO, sets board meeting agendas. However, any Commissioner may request a matter be placed on the agenda by advising the Chair. Committee Chairs set Committee meeting agendas in consultation with the Board Chair. The Corporate Secretary facilitates the agenda-setting process to ensure board and Committee timetables are taken into account to ensure good governance practices.

If unavailable to attend a board meeting, the Board Chair may designate a board member to be an acting Chair for that meeting.

If unavailable to attend a Committee meeting, a Committee Chair will confer with the Board Chair to designate an acting Chair for that Committee meeting.

Meetings will be conducted in accordance to *Robert's Rules of Order Newly Revised* as adapted for small boards.

21. Conflict of Interest

The board is guided by general obligations at law, the Province of BC's Charter of Expectations for Directors of Governing boards and BC Housing's Standards of Conduct policy with respect to conflict of interest.

When the board is considering any matter that a Commissioner has a real or perceived conflict of interest in, the Commissioner may be counted in the quorum for the meeting. The Commissioner must disclose the nature of the conflict of interest to the Board Chair recuses themselves from any discussions on the matter, and may not vote with respect to that matter.

22. Independent Advice

The board, or any individual Commissioner, may at any time, through the Corporate Secretary and following approval of the Board Chair, engage independent consults to assist the board or the individual Commissioner with the performance of their duties.

23. Board Timetable

The following chart indicates key items for consideration by the board that arise on an annual and quarterly basis. Actual meeting dates and agendas for each quarter may vary as isolated matters arise.

Quarterly meeting dates are based on the April 1 to March 31 fiscal year, as follows:

Q1 - April, May, June

Q2 - July, August, September

Q3 - October, November, December

Q4 - January, February, March

ITEMS FOR APPROVAL	ANNUALLY	QUARTERLY
Service Plan	<ul style="list-style-type: none"> Review and approve Service Plan (Q3) Strategic planning discussion (Q2) 	<ul style="list-style-type: none"> Review quarterly performance report on Service Plan targets
Annual Report	<ul style="list-style-type: none"> Review and approve Annual Report (Q1) Review and approve audited financial statements (Q1) 	
Budget	<ul style="list-style-type: none"> Review and approve three-year budget forecast (Q4) 	<ul style="list-style-type: none"> Review quarterly financial reports
Board Governance Roadmap	<ul style="list-style-type: none"> Review and approve plan for continuous improvement in board governance framework (Q4) 	
Internal Audit	<ul style="list-style-type: none"> Review and approve internal audit master plan (Q4) 	<ul style="list-style-type: none"> Review quarterly internal audit reports, management response and any subsequent follow-up
External Audit	<ul style="list-style-type: none"> Review and approve audit plan with external auditor (Q4) 	
ERM Report	<ul style="list-style-type: none"> Review and approve key strategic risks (Q2 and Q4) 	
Committee Terms of Reference	<ul style="list-style-type: none"> Review and approve committee terms of reference for the Audit and Risk Management, Capital Review, Human Resources, Community Relations and Corporate Governance committees (Q3) 	
CEO & Executive Management Compensation	<ul style="list-style-type: none"> Review and approve compensation for the CEO and Executive Management (Q4) 	
CEO Performance Results	<ul style="list-style-type: none"> Approve CEO performance results (Q4) 	
CEO Performance Plan	<ul style="list-style-type: none"> Approve CEO performance plan for the year ahead (Q1) 	
Affordable Housing Investment Plan	<ul style="list-style-type: none"> Review and approve Affordable Housing Investment Plan (Q1) 	<ul style="list-style-type: none"> Review and approve quarterly updates
Communications Strategy	<ul style="list-style-type: none"> Review and approve Communications Strategy (Q4) 	

ITEMS FOR APPROVAL	ANNUALLY	QUARTERLY
Research Strategy	<ul style="list-style-type: none"> Review and approve Research Strategy (Q4) 	
Business Continuity and Disaster Recovery Plans	<ul style="list-style-type: none"> Review (Q2) 	
Board Assessment	<ul style="list-style-type: none"> Annual self-assessment questionnaires and interview (every 3 years) (Q3) 	

ITEMS FOR INFORMATION	ANNUALLY	QUARTERLY
CEO Report		<ul style="list-style-type: none"> Review quarterly CEO report, an overview of new and emerging issues and priorities
Provincial Rental Housing Corporation (PRHC)		<ul style="list-style-type: none"> Review quarterly PRHC report, an overview of PRHC activities, to support oversight and transparency of PRHC, as well as alignment with BC Housing's strategic priorities
Freedom of Information and Protection of Privacy Act (FIPPA)		<ul style="list-style-type: none"> Review quarterly
Executive Succession Plan	<ul style="list-style-type: none"> Review executive succession plan (Q4) 	