



Board of Directors Role and Responsibility

a. Board Overview

General

The Board of Directors of the Provincial Capital Commission is guided by legislation, regulation and public policy beyond the level found in private sector organizations. The Board is accountable to the Minister responsible for the PCC for the application of the *Capital Commission Act*, to ensure the:

1. organization's affairs are conducted in a manner than complies with the legislation and accepted standards of conduct;
2. organization is operating within approved financial standards; and
3. organization is fulfilling its purpose and mandate.

Board Composition

The Board consists of 14 Directors whose competencies and experience support the strategic needs of the Corporation. 8 Directors are appointed by the Lieutenant Governor in Council and 6 are appointed by the municipal governments of Victoria, Saanich, Oak Bay and Esquimalt.

Policy Board

The Board of Directors provides leadership and strategic direction to the organization through clearly articulated policies and specific corporate goals. The strategy of the Corporation and the guidelines placed on how results are achieved shall be governed by Board policies and communicated to staff through the CEO.

In delegating authority to the CEO, the Board will monitor and hold the CEO accountable for results and progress. The Board, having established the overarching policy framework, provides the CEO with the authority to administer corporate operations and is not involved in the day-to-day operations of the Corporation. This approach will enable the Board to focus on creating, sustaining and fulfilling a corporate vision.

b. Accountabilities

The PCC is accountable to the Shareholder. Annually the Board formalizes its agreement with the Shareholder on accountabilities and high level objectives through a Shareholder's Letter of Expectations. Stated corporate goals and measurements against each goal are set out in a three-year Service Plan which is renewed annually. The PCC Board reports formally to the Shareholder through an Annual Report on its operating results and the attainment of annual goals.

In carrying out its work, the Board operates within the broad policy direction set by the Shareholder. The Board Chair communicates with the Responsible Minister on a regular basis to apprise the Minister of strategic issues and to seek input and Ministerial advice.

c. Responsibilities

Board responsibilities fall into the following general categories:

Board Affairs

Establish the processes and structures necessary to ensure the effective functioning and renewal of the Board. Includes: monitor and improve quality of Board, ensure appropriate Board committees; ensure appropriate Board orientation and ongoing professional development; articulate roles and responsibilities



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for Board, committees, Chair and Directors; define Board process and guidelines, evaluate Board, committees, directors and chair; and identify potential director candidates.

Mandate

Fully understand the organization's mandate set by government, review and make recommendations to government regarding the mandate to reflect changing circumstances.

Strategy and Plans

Participate in the development of, review and approve the organization's strategic plan consistent with the organization's mandate as set by government.

Human Resources

Subject to government legislation and guidelines, select, appoint, compensate, evaluate and terminate the chief executive officer; oversee management succession and development.

Financial and Corporate Issues

Review financial, accounting and control systems; ensure appropriate risk management systems, ensure code of ethical conduct and conflict of interest guidelines in place.

Monitor and Report

Monitor organizational performance against strategic plans and compliance with applicable legislation and government direction; account to government and stakeholders through appropriate reporting.

Communications

Oversee organization's communications policy.

Role and Responsibilities of the Board

The Board has the responsibility for providing strategic direction and overseeing the conduct of the business of the Commission and the activities of management. Management is responsible for the day-to-day operations of the PCC.

Specific responsibilities of the Board include:

- providing ethical leadership and ensuring integrity,
- fiduciary duty to the Shareholder, and
- providing strategic leadership and stewardship and setting the strategic direction jointly with senior management.

As part of the overall stewardship responsibility, the Board:

1. establishes the Commission's strategic planning process; with the CEO and senior management, approves the vision and direction; identifies and prioritizes corporate objectives, approves the annual service plan; and monitors corporate performance
2. Ensures that the principal corporate business risks have been identified and appropriate systems to manage these risks have been implemented
3. Approves management's succession plan
4. Ensures that the Commission's information systems and management practices meet its needs and gives the Board confidence in the integrity of the information produced
5. Approves and reviews major financial and strategic policy decisions
6. Reports to the Shareholder on the Board's stewardship by
 - a. Maintaining effective communications through a corporate communications policy
 - b. Establishing a corporate governance framework
 - c. Selecting the CEO, overseeing and monitoring the CEO's performance, and conducting an annual CEO evaluation;



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- d. Ensuring an effective and transparent process of Board renewal; determining Director skill sets; and ensuring effective orientation for new Board members and ongoing development for Directors
- e. Evaluating the Chair, Board and Board Committee performance, and making recommendations to the Minister responsible
- f. Initiating and conducting periodic mandate reviews.

Under the *Capital Commission Act*, the Board may:

1. delegate to the CEO the exercise or performance of any power or duty conferred on it by the *Capital Commission Act*
2. pass resolutions it considers necessary or advisable to manage and conduct the affairs of the Corporation and to exercise the Board's power and perform its duties.

Additionally, the Board:

1. establishes the overall mission and goals of the Corporation within its mandate and role
2. develops a high level policy framework that will guide the Corporation towards the achievement of its goals
3. monitors the results and progress of the Corporation against the corporate goals
4. delegates authority to the CEO for the day-to-day operations and management of the organization in a manner that promotes and facilitates the realization of the overall mission, goals and values of the Provincial Capital Commission
5. delegates authority to the CEO to appoint officers and employees of the Corporation, remuneration, evaluate their performance, take disciplinary action as required, negotiate the collective agreement and handle all union grievances.

d. Matters Requiring Prior Board Approval

The following matters require prior Board approval:

1. overall mission and corporate goals
2. long-term and annual financial and operating plans
3. annual operating and capital budgets
4. expenditure authorization of capital projects having a cost in excess of \$200,000
5. new leases with annual revenue exceeding \$100,000
6. disposition of properties or legal encumbrances (e.g. easements)
7. published annual service plan