

# BC Transit's Board of Directors: Assessment against BC's Board Resourcing and Development Office Checklist

*Last Updated: August 2012*

## Board Composition and Succession

Guideline 1		Current Status
a.	The Board is made up of individuals who, collectively, have the required competencies and personal attributes to effectively carry out their responsibilities.	Seven-member board in place, as set out under the <i>BC Transit Act</i>
b.	Board members are independent from management and have no material interest in the organization.	No declared conflicts or less than arms-length relationships
c.	The Board has a competency matrix that is updated annually and when vacancies arise. The competency matrix is used to identify competency "gaps" on the Board and to assist in the search for new candidates.	Competency matrix updated annually at a minimum. Most recently updated August 2012.
d.	The Board has a Governance Committee that develops director selection criteria.	No Governance Committee in place. Delt with by the full Board as a "Committee of the Whole."
e.	Board members are selected and appointed in compliance with the <a href="#">Province of BC Board Appointment Process</a> .	Board member selection and appointment process complies with applicable policies.
f.	The Board has a succession plan for the orderly turnover of directors.	No formal plan in place.
g.	The Board publishes the name, appointment term and a comprehensive biography for each director on the organization's web site.	Information is published on BC Transit's public website
h.	Unless otherwise required by legislation or directed by Cabinet, the appropriate Board size is 9 to 11 members, including the Chair.	<i>BC Transit Act</i> specifies board size and composition.(currently set at 7)

## Board Responsibilities

Guideline 2		Current Status
a.	The Board sets the tone for the Crown Agency through its operating style, ethical values, assignment of roles and responsibilities, and actions in response to wrongdoing.	Board is setting appropriate tone. BC Transit has established and communicated a code of conduct and ethics in addition to a whistleblower program.
b.	The Board publishes a Charter describing the Board's roles and responsibilities and the governance process used to fulfill Board duties.	Legal obligations, roles and responsibilities outlined in Board Handbook.
c.	The Board develops an internal manual and by-laws outlining Board procedures and responsibilities, consistent with BRDO's Best Practices Guidelines.	Procedures, roles and responsibilities outlined in Board Handbook.
d.	<p>The Board fulfills its responsibilities to Government (see the <a href="#">Shareholder's Expectations Manual for BC Crown Agencies</a>) which include:</p> <ul style="list-style-type: none"> <li>• Establishing Board policies and procedures that are consistent with and meet Government's governance standards as set out in the Best Practice Guidelines.</li> <li>• Ensuring the Crown Agency's management is in compliance with statutory obligations and applicable legislation.</li> <li>• Approving the strategies, policies and plans necessary to fulfill Government's direction.</li> <li>• Hiring and dismissing the Crown Agency's Chief Executive Officer (CEO), unless otherwise specified in the Crown Agency's enabling legislation.</li> <li>• Ensuring the Crown Agency's adherence to financial and other reporting obligations to Government.</li> <li>• Fulfilling any responsibilities under enabling legislation (e.g., statutory decision-making powers).</li> <li>• Monitoring and reporting on the Crown Agency's progress in fulfilling Government direction, and informing the Minister Responsible of any significant variances from planned targets (reflecting either unexpected successes or shortfalls).</li> <li>• Overseeing the development of and approving (based on the Minister Responsible's review) the annual Service Plans and Annual Reports for Commercial and Service Delivery Crown Corporations.</li> <li>• Appearing as witnesses at Legislative Committees, as required.</li> <li>• Responding to enquiries from Officers of the Legislative Assembly.</li> <li>• Meeting the fiduciary obligation to act in the best interests of the Crown Agency.</li> </ul>	The Board fulfills its responsibilities to Government as outlined in the Shareholder's Expectations Manual for BC Crown Agencies.
e.	The Board fulfills its responsibilities for a relationship with the Minister Responsible and Ministry staff	Board Chair meets regularly with the Minister Responsible and regular "staff to staff" meetings are held.

## Committees

Guideline 3		Current Status
a.	The Board has Committees that address the Audit, Governance, and Human Resources functions, as well as other committees relevant to Board operations as required. While the committee approach is good practice, organizations sometimes choose to have committee functions performed by the Board as a whole.	One standing committee, the Audit, Finance and Risk Management Committee. All other matters are referred to the Board as a Committee of the Whole.
b.	Each Board Committee has Terms of Reference that set out its roles and responsibilities.	Committee Terms of Reference and membership reviewed annually.
c.	Each Board Committee annually reviews its Terms of Reference outlining the Committee's composition and responsibilities, and assesses its effectiveness in meeting the needs of the Board.	Committee Terms of Reference and membership reviewed annually.
d.	Each Committee keeps informed about emerging good practices in corporate governance and any new statements of Government expectations that are relevant to the Crown Agency's assigned functions.	Relevant reference material and links to Crown Agency Best Practices are included in the Board Handbook.
e.	The membership and Terms of Reference for each Committee are publicly disclosed.	Committee Terms of Reference and membership are available upon request.
f.	Any Board task force or working group that is established to address specific Board requirements has a Terms of Reference outlining its composition, responsibilities, working procedures and termination date.	No active task forces or working groups.
g.	The Terms of Reference, including the termination date, for all Board Committees, task forces and working groups are publically disclosed.	No active task forces or working groups.

## Board Chair

Guideline 4		Current Status
a.	The positions of Chair and CEO are separate in the organization.	Chair and CEO positions are separate.
b.	The Board has a position description that sets out the roles and responsibilities of the Chair.	Roles and responsibilities of Chair are outlined in the Board Handbook.
c.	The Chair and the Minister Responsible communicate regularly (at least quarterly) to develop and maintain a strong working relationship.	The Chair and the Minister Responsible communicate regularly.

### Individual Directors

Guideline 5		Current Status
a.	The Board develops a Charter of Expectations (or equivalent document) detailing the expectations for Board members.	Obligations and expectations are outlined in the Board Handbook and reviewed with each Board Member during their orientation.
b.	The Board develops minimum attendance expectations for directors and publically discloses the annual attendance records of the Chair and directors.	Attendance expectations outlined in the Board Handbook and posted annually on BC Transit's public website.
c.	As part of public sector transparency, the organization annually discloses the amount of compensation paid to the Chair and each director for the preceding year.	Remuneration for Chair and Directors included as part of BC Transit's <i>Financial Information Act</i> filings.

### Board and Committee Meetings

Guideline 6		Current Status
a.	The Board and its Committees hold a sufficient number of meetings to fulfil their roles and responsibilities.	The Board meets at least quarterly; additional meetings will be held if required.
b.	The Board keeps adequate meeting minutes and supporting documentation.	Meeting minutes reflect the key events that transpired.
c.	The Chair sets the agenda for Board meetings with input from other Board members and the CEO.	The Chair and CEO establish the agenda for Board meetings.

### Chief Executive Officer or President

Guideline 7		Current Status
a.	The Board has a CEO position description that sets out roles and responsibilities.	CEO roles, responsibilities and expectations documented and reviewed annually.
b.	The Board establishes the annual performance expectations for the CEO.	CEO performance reviewed and expectations for upcoming year established annually.
c.	The Board annually assesses the CEO's performance against the position description and performance expectations.	CEO performance reviewed annually by the Board.
d.	The Board (or its delegate, such as the Chair of the Audit Committee) reviews and approves the CEO's expenses.	CEO expenses reviewed and approved by the Board Chair.
e.	The organization has a documented process for undertaking Board meetings or portions of meetings without management present.	There is an opportunity for an 'in camera' session at each Board meeting
f.	The CEO is not a voting member of the Board.	The CEO is not a voting member.

## Corporate Secretary

Guideline 8		Current Status
a.	The Board has a Corporate Secretary position description that sets out roles and responsibilities.	Corporate Secretary position profile established.
b.	The Corporate Secretary reports to the Chair of the Board, and may also report administratively to the CEO. The CEO is not the Corporate Secretary.	Corporate Secretary reports to the Chair of the Board and also administratively to the CEO.

## Code of Conduct and Ethical Standards

Guideline 9		Current Status
a.	The Board has adopted a Code of Conduct and Ethical Standards for directors, officers and employees that is consistent with the Standards of Ethical Conduct for Public Sector Organizations	Code of Conduct and Ethical Standards adopted.
b.	The organization publically discloses its Code of Conduct and Ethical Standards, including a conflict of interest policy for Board members and staff.	The Code of Conduct and Ethical Standards is publicly disclosed.
c.	A process is in place whereby directors can disclose real or potential conflicts of interest, consistent with the standards and requirements established by BRDO.	A process is established whereby directors can disclose real or perceived conflicts of interests.
d.	The Board has established a whistle-blower policy for officers and employees.	BC Transit has a whistler-blower policy and process.
e.	If the organization's Code of Conduct and Ethical Standards allows the Board to grant waivers for any of its provisions, public disclosure of whether the Board granted any such waivers during the preceding year (and reasons for so doing) is required.	Not applicable.

## Orientation and Professional Development

Guideline 10		Current Status
a.	The Board has a comprehensive orientation program about the organization for new directors.	Comprehensive orientation program established for new directors.
b.	The Board has a culture that encourages new directors to fully and effectively participate in Board activities.	Participative and open culture exists.
c.	The Board provides ongoing educational opportunities for directors to learn about the organization, its sector and its corporate governance practices, and maintains a policy of encouraging directors to take advantage of these opportunities.	Board members are encouraged to pursue opportunities to enhance their skills. A formal learning and development program is under development.
d.	The Board undertakes measures to orient new directors regarding: <ul style="list-style-type: none"> <li>the relationship and division of roles and responsibilities between the Board and Government;</li> <li>the role and responsibilities of the Board, its Committees and directors; and, the mandate and operations of the organization.</li> </ul>	Comprehensive orientation program established for new directors.

### Board, Committee and Director Assessment

Guideline 11		Current Status
a.	The Board annually assesses its performance and the performance of each of its Committees against their respective Terms of Reference.	A formal process is under development.
b.	The Board annually assesses the performance of the Chair against the Chair's position description.	A formal process is under development.
c.	The Board annually assesses the performance of individual directors against the directors' Charter of Expectations.	A formal process is under development.

### Communications Strategy

Guideline 12		Current Status
a.	An appropriate communications strategy is in place that meets the needs of all stakeholders, employees and Government, and reflects a public sector organization's requirement for transparency and accountability. The Board approves and ensures compliance with the communications strategy.	A communication policy is approved and a communication strategy is under development.
b.	The Chair is the authorized spokesperson for the Board, and the CEO is the primary spokesperson for the organization.	Chair and CEO are primary spokespersons for the Board and organization, respectively.
c.	The organization's practice for reporting on financial and other affairs is publically disclosed.	BC Transit complies with all financial disclosure requirements.

### Board Access to Information

Guideline 13		Current Status
a.	The Board ensures that it receives sufficient, appropriate information to allow it to fully assess organizational performance and compliance, and to support Board-level decision-making.	The quality, timeliness and completeness of information received are reviewed regularly by the Board.
b.	Where additional information is required to make an assessment or upon which to base a decision, the Board requests such information from management and/or external sources and ensures that it is obtained on a timely basis. The Board defers decisions and/or judgement in cases where sufficient, appropriate information have not yet been received.	The Board requests additional information as required and defers decisions in cases where sufficient, appropriate information have not yet been received.
c.	The Board periodically looks critically at the quality and quantity of information they receive to ensure that it allows for the effective discharge of all of the roles and responsibilities of the Board.	The quality, timeliness and completeness of information received are reviewed regularly by the Board.