



## 1.0 MISSION, VISION AND VALUES

### **Our Vision**

Where all can learn, explore and connect in a welcoming environment.

### **Our Mission**

We exist to provide inspiration, resources and expertise to enrich the cultural, social and intellectual lives of Salt Spring Islanders.

### **Our Values**

**Responsiveness:** We believe in anticipating, being aware of and acting on changing community needs.

**Collaboration:** We believe in working with individuals, groups and organizations to make a difference to the community.

**Volunteerism:** We believe training and supporting people who give freely of their time and skills is a key to our success.

**Community:** We believe that all are welcome and we are committed to addressing their expressed needs.

**Innovation:** We believe that embracing change is essential to a quality service by providing a supportive environment for those seeking new ways to achieve their goals.

## **2.0 GOVERNANCE PROCESS**

### **2.1 GOVERNANCE PRINCIPLES**

The Board commits to a set of guiding principles in order to ensure careful stewardship of the public trust.

- 2.1.1 The Board governs the library on behalf of the people of Salt Spring Island. It is to this community that the Board is primarily accountable.
- 2.1.2 The Board's priority is to determine Mission and Goals, liaise with the community, provide financial stewardship, and monitor the library's performance.
- 2.1.3 The Board is a governing body that speaks with one voice. All authority rests with the Board, and individual directors have no authority except as conferred by the Board for specific purposes.
- 2.1.4 The Board has one employee: the Chief Librarian. The Chief Librarian is accountable and reports to the Board.
- 2.1.5 The Board leads through policy, using a framework that defines four categories of Board Policy: Mission and Goals; Governance Process; Board - Chief Librarian Relationship; and Executive Limitations.
- 2.1.6 The Board states the expected Mission and Goals, directing the Chief Librarian to determine the "means" to achieve these results within limits of ethics and prudence.
- 2.1.7 When developing policy the Board starts at the broadest most inclusive level, gradually moving towards more specific statements. Each policy is defined and narrowed to a point where the Board is satisfied that any reasonable interpretation would be acceptable.
- 2.1.8 When the Board approves policy, the Chief Librarian is empowered to make all further decisions. The Chief Librarian's authority begins immediately and automatically.
- 2.1.9 The Chief Librarian is responsible for the creation, review and revision of all operational policies. All Operational Policies shall be subject to annual review by the Board.
- 2.1.10 The Board monitors the Chief Librarian solely on the basis of organizational performance, written policies and mutually agreed upon expectations.
- 2.1.11 Board committees are to assist the Board in doing its job; not to advise or direct staff in doing their job.
- 2.1.12 The Board's ongoing activity is anchored by its bylaws and is focused on governance issues rather than operational or management issues.

## 2.2 ROLE OF THE BOARD

The job of the Board is to exercise its role as public trustee for the people of Salt Spring Island. The Board is responsible for creating a vision of library service for the community, articulating values and principles, setting goals, developing effective governance policy, providing financial stewardship, monitoring library performance and meeting provincial standards.

Accordingly, the contributions of the Board shall be to:

- 2.2.1 Liaise with the community to determine:
  - a) what they want the library to be,
  - b) what the library should accomplish, and
  - c) what benefits are worth the costs.
- 2.2.2 Articulate the vision, values and principles that form the foundation for policy and define library priorities.
- 2.2.3 Write governing policies that, at the broadest levels, define:
  - a) **Mission and Goals:** Which long-range benefits will be achieved, for whom, and at what cost
  - b) **Governance Process:** How the Board conceives, carries out and monitors its own job
  - c) **Board-Chief Librarian Relationship:** How the Board delegates authority to the Chief Librarian and monitors performance
  - d) **Executive Limitations:** Those Board and staff practices that will not be permitted.
- 2.2.4 Monitor achievement or compliance with policy against criteria it has previously set, using:
  - a) reports authorized by the Chief Librarian;
  - b) reports from outside individuals or agencies;
  - c) direct inspection by the Board.
- 2.2.5 Evaluate the Chief Librarian's performance based on organizational performance, written governance policy, and mutually agreed upon expectations.
- 2.2.6 Use the results of monitoring to improve performance by:
  - a) reviewing existing policies;
  - b) revising existing policies;
  - c) formulating new policies.
- 2.2.7 Develop long term financial stability and growth by advocating for funding that supports prudent long term planning requirements for the provision of library services to the Salt Spring Island community.
- 2.2.8 Develop a Library Development Plan that incorporates a multi-year financial and capital plan, and the annual Strategic Plan.
- 2.2.9 Develop a Communications Plan for increasing the community support for the library through raising the profile and awareness of the value of the library.

2.2.10 Create partnerships with other agencies to achieve the library's Mission, and to foster effective and efficient delivery of library programs and services.

2.2.11 Recognize the value and contributions of staff, volunteers and directors.

2.1.12 Develop and comply with the Bylaws.

2.1.13 Carry out other responsibilities as specified in the Library Act.

## **2.3 GOVERNANCE STYLE**

The Board shall govern with a proactive style emphasizing outward vision, encouragement of diversity in viewpoints, strategic leadership, clear distinction of Board and staff roles, collaborative decision-making, and a focus on the future.

Consequently, the Board shall:

2.3.1 Encourage its members to govern with excellence. Discipline will apply to matters such as attendance, governance principles, respect of roles, and support for Board decisions once made.

2.3.2 Be accountable for accomplishment of its obligations as a public trustee.

2.3.3 Direct, control and inspire the organization through the careful establishment of the broadest written policies that reflect the community's values and perspectives.

2.3.4 Focus chiefly on intended long term benefits, not on the operational means of attaining those results.

2.3.5 Monitor and regularly discuss the Board's own process and performance. Ensure the continuity of its governance capability through Board education and development.

a) Self-monitoring will include annual comparison of Board activity to its Governance Process and Board-Chief Librarian Relationship policies.

b) Continuous development will include orientation of new members to the Board's governance model and policies, and periodic Board discussion of governance process improvement.

## **2.4 ROLE OF THE CHAIR**

The role of the Chair is primarily, to ensure the integrity of the Board's process and secondarily, to represent the Board to outside parties.

Consequently, the Chair:

- 2.4.1 Upholds the Board's own policies and rules and those legitimately imposed upon the Board from outside the organization.
- 2.4.2 Restricts meeting agendas and discussions to those issues that, according to Board policy, are clearly in the Board's jurisdiction, not the Chief Librarian's.
- 2.4.3 Chairs Board meetings with all the commonly accepted powers as outlined in Robert's Rules of Order.
- 2.4.4 Keeps deliberations timely, fair, orderly, thorough, efficient, time efficient, and to the point.
- 2.4.5 Does not have a vote. In the event of a tie, the Chair may cast the deciding vote, or abstain to bring about further discussion.
- 2.4.6 Makes decisions on behalf of the Board that fall within and are consistent with any reasonable interpretation of Board policies on Governance Process and Board-Chief Librarian Relationship.
- 2.4.7 Has no authority to make decisions beyond policies created by the Board on Mission and Goals and Executive Limitations.
- 2.4.8 Individually, has no authority to supervise or direct the Chief Librarian except as expressly directed by the Board as a whole.
- 2.4.9 Represents the Board to outside parties, stating positions consistent with Board policies and resolutions.
- 2.4.10 Facilitates the Vice-Chair in fulfilling the duties of the Chair in the absence of the Chair.

## **2.5 ROLE OF THE VICE-CHAIR**

The role of the Vice-Chair is primarily to act for the Chair when required.

Consequently, the Vice-Chair:

- 2.5.1 Understands the responsibilities of the Board Chair and performs these duties in the Chair's absence or, in Board meetings when the Chair chooses to take an active role in debate.
- 2.5.2. Performs such other duties as may be directed by the Bylaws of the Salt Spring Island Public Library.

## **2.6 ROLE OF BOARD COMMITTEES**

The Board shall operate as a committee-of-the-whole, and also have permanent committees as appear in the Bylaw of the S.S.I.P.L.A. It shall also designate task groups, committees or individuals on an ad-hoc basis, to help carry out its governance subject to the direction of the Bylaws. This policy applies only to tasks delegated by Board action and not to those delegated under the authority of the Chief Librarian.

Consequently, Committees:

- 2.6.1 Shall not interfere with the wholeness of the Board's job, or with delegation from the Board to the Chief Librarian.
- 2.6.2 Shall not speak or act for the Board except when formally given such authority for specific, time-limited purposes.
- 2.6.3 Are constituted to help the Board do its job, not to advise or help the Chief Librarian do her/his job.
- 2.6.4 Shall not exercise authority over the Chief Librarian. The Chief Librarian works for the full Board and is not required to obtain approval of a Board Task Group before taking executive action.
- 2.6.5 Shall operate within a Terms of Reference approved by the Board which includes the scope of the task and a timeline for completion.
- 2.6.6 Shall not fail to communicate in a clear and timely manner to the Chief Librarian the need for support to the task group.

## **2.7 CODE OF CONDUCT**

The Board and its members shall operate in an ethical and businesslike manner, strive for open, effective and transparent governance of the Library, and effectively administer the Library's funds. This commitment includes proper use of authority and appropriate decorum when acting on behalf of the Board.

Consequently, Board Members:

- 2.7.1 Shall act with honesty, fairness, openness and integrity in all dealings as members of the Board.
- 2.7.2 Shall conduct themselves with a professional level of courtesy, respect and objectivity, always representing the Board in a positive light, and taking no private action that will compromise the Board and its decisions.
- 2.7.3 Shall represent loyalty to the interests of the Salt Spring Island Public Library Association. This accountability supersedes the interest of any Board member as an individual consumer of library services, or as a member of another community organization.
- 2.7.4 Shall engage in public advocacy for the Library by promoting its work, understanding the

message it strives to deliver, and inviting the public's opinions and reporting input to the Board.

- 2.7.5 Shall take reasonable steps to keep themselves informed of:
- a) the regular business of the Board including reports and correspondence;
  - b) the contents of the Library's Strategic Plan;
  - c) the Library's bylaws and policies;
  - d) operational issues of significance that are brought to the attention of the Board by either the Chief Librarian or the Chair of the Board; and
  - e) Library programs and activities.
- 2.7.6 Shall not speak or act for the Board except when formally given such authority by the Board for specific, time-limited purposes.
- 2.7.7 Shall not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies, or when acting under specific delegation by the Board. Specifically, Board Members shall recognize that:
- a) any interactions they, as individuals, or as individual Library volunteers, have with the Chief Librarian and staff lack authority;
  - b) individual interaction with the public, press or other entities has the same limitation; and
  - c) judgments of the Chief Librarian are made only by assessing performance against explicit Board policies through the official process.
- 2.7.8 Shall undertake to govern with excellence by:
- a) attending and actively participating in Board meetings;
  - b) actively preparing for Board deliberations;
  - c) speaking with one voice on matters arising from Board decisions;
  - d) refraining from disclosing differences of opinion expressed during discussions and/or meetings; and
  - e) abiding by accepted Rules of Order during Board meetings.
- 2.7.9 Shall avoid any conflict of interest, real or perceived, with respect to their legal and fiduciary responsibilities as per the Library Act or that reasonably could interfere with their judgement in making decisions in the best interests of the Library. Any duality of interest or possible conflict of interest shall be disclosed to the other Board Members and recorded, either when the duality or conflict is known or when the interest becomes a matter requiring Board attention, whichever comes first. A Board Member with a duality or possible conflict of interest will not be in the room to participate in discussions or votes on the issue(s) in question. The minutes of such a meeting shall reflect the disclosure and the abstention from attendance and voting on the issue.
- 2.7.10 Shall respect matters of confidentiality and privacy interests of individuals (patrons, staff and volunteers). Confidential information may include information that relates to business, financial, legal or personnel/human resource matters, discussions, decisions and all related correspondence, and includes all in camera discussions. A Board member must not, either during or following the termination of their term on the Board, disclose confidential information, either orally or in the form of written material, to any person unless authorized by the Chair of the Board or the Chair of the Board's delegate. Board-related documents and records must be maintained by Board members in a manner that respects their confidentiality where appropriate.

- 2.7.11 Shall refrain from trying to influence other board members outside of Board meetings to avoid creating factions and limiting free and open discussion.
- 2.7.12 Shall assume fiduciary responsibility toward the funds that are entrusted to the Salt Spring Island Public Library and promote sound budgetary management and the long-term economic wellbeing of the Library.
- 2.7.13 Shall serve on at least one Board committee. As members of Board committees, Board members must use their best efforts to respect the committees' established terms of reference, attend scheduled meetings, be prepared for those meetings, and be prepared to complete their committee related tasks with diligence and in a timely manner.
- 2.7.14 Shall not apply for a paid staff position.
- 2.7.15 Shall not participate in any part of the selection process when a relative is an applicant. The selection process includes screening applications, interviews and reference checking. No special advantage will be given, or favouritism shown, in hiring relatives of Library Board members or employees, and all regular prospective employment opportunities will be made available to any interested candidate. Relatives of Library Board members and of Library employees may be appointed to the staff with the exception of the Chief Librarian position. Any such appointment will abide by the principles of merit, equity and fairness and every attempt will be made to avoid placing relatives in a conflict of interest position. No such appointment may be made if it will create a supervisory/subordinate relationship. For the purpose of this policy, relative is defined as a parent, spouse (including common-law), brother, sister, child, grandparent, grandchild, or in-law.

## **2.8 ANNUAL AGENDA**

To accomplish its duties consistent with Board Bylaws and policies, the Board will follow an annual agenda. The agenda will focus Board attention on governance priorities using a systematic approach.

- 2.8.1 Annually, the Board at its discretion will establish a schedule that includes the following:
- a) Annual General Meeting
  - b) Board Orientation and Education
  - c) Election of Officers
  - d) Policy Evaluation, Review & Revision:
    - Mission and Goals
    - Governance Process
    - Board - Chief Librarian Relationship
    - Executive Limitations
  - e) Chief Librarian Evaluation
  - f) Board Self Evaluation

## **2.9 COMMUNITY RELATIONS AND ADVOCACY**

The Board will carry out its governance role emphasizing communications and advocacy with the community. All communications support the mission, vision, values and goals.

Consequently the Board shall, through its Communication and Advocacy Committee:

- 2.9.1 Develop and adopt an Annual Communications Plan that identifies:
  - a) who the Board communicates with;
  - b) what is communicated;
  - c) when communications occur;
  - d) how communications are delivered.
- 2.9.2 Establish effective two-way communication links with:
  - a) the people and communities they serve;
  - b) other libraries;
  - c) other local and regional governing bodies and community agencies;
  - d) B.C. Libraries and Literacy Branch
- 2.9.3 Ensure the means for the community to be informed about library goals and services.
- 2.9.4 Use communication strategies that are open and honest, responsive, informed and clear.

## **3.0 BOARD - CHIEF LIBRARIAN RELATIONSHIP**

### **3.1 DELEGATION TO THE CHIEF LIBRARIAN**

All authority delegated from the Board to staff is delegated through the Chief Librarian so that all authority and accountability of staff, as far as the Board is concerned, is considered to be the authority and accountability of the Chief Librarian. The Board will establish governance policies and will delegate the implementation and subsidiary policy development to the Chief Librarian.

Consequently:

- 3.1.1 The Board will direct the Chief Librarian to achieve defined results, through the establishment and monitoring of Mission and Goals.
- 3.1.2 The Chief Librarian is authorized to establish all further operational practices and procedures, recommend new policy to the Board, make all decisions and take all actions as long as they represent a reasonable interpretation of the Board policies.

### **3.2 CHIEF LIBRARIAN JOB DESCRIPTION**

As the Board's link to the operating organization, the Chief Librarian's performance will be considered to be synonymous with organizational performance as a whole.

Consequently, the Chief Librarian's job contributions can be stated as performance in two areas:

3.2.1. Accomplishment of the Board policies on Mission and Goals.

3.2.2. Compliance with the Board policies on Executive Limitations.

### **3.3 ROLE OF THE CHIEF LIBRARIAN**

3.3.1 The Chief Librarian is responsible for the operation of the Salt Spring Public Library, in a manner consistent with the Board's Mission, Values, Goals, and Policies.

3.3.2 Chief Librarian shall maintain an open and trust-based relationship with the Board Chair.

3.3.3 On a quarterly basis, or when necessitated by issues of significance affecting both the Operational and Governance sides of the Library operation, the Board Chair and Chief Librarian shall meet to discuss, resolve, inform, and follow up on said issues.

3.3.4 The Chief Librarian, or designate, is expected to participate in Board meetings unless excused by the Board.

3.3.5 The Chief Librarian shall perform other duties as specified in the Library Act, including general supervision of the Library and staff, acting as Secretary to the Salt Spring Island Library Board and Association; and other duties as the Board may from time to time assign.

### **3.4 ASSESSING THE CHIEF LIBRARIAN'S PERFORMANCE**

Assessing the performance of the Chief Librarian includes:

3.4.1 Assessing organizational performance in achieving goals outlined in the Annual Operating Plan and endorsed by the Board.

3.4.2 Assessing the degree to which Board policies and mutually agreed upon expectations are being fulfilled.

3.4.3 Evaluation of the Chief Librarian's performance based on the qualitative and quantitative information acquired during assessments.

3.4.4 Monitoring the Chief Librarian's compliance with Board policy / policies.

3.4.5 Being mindful of professional, ethical and legal considerations in monitoring and assessment.

#### **4.0 CHIEF LIBRARIAN'S LIMITATIONS AND RESPONSIBILITIES**

##### **4.1 GENERAL EXECUTIVE CONSTRAINT**

The Chief Librarian shall not allow the Salt Spring Island Public Library to operate illegally, unethically, imprudently or in contravention of Board policy or the Library Act.

Consequently:

- 4.1.1 The Chief Librarian shall not cause or allow any practice, activity, decision or organizational circumstance that is either imprudent, discriminatory, unlawful or in violation of commonly accepted sound business and professional ethics, or is inconsistent with Municipal, Provincial, or Federal law, the policies of the Board or provisions of the Library Act.

##### **4.2 TREATMENT OF STAFF**

The Chief Librarian shall treat all staff, both paid and volunteer, in a fair and dignified manner.

Consequently, the Chief Librarian shall:

- 4.2.1 Operate with personnel procedures that:
  - a) clarify personnel rules for staff;
  - b) provide for effective handling of staff complaints; and
  - c) protect against wrongful conditions.
- 4.2.2 Communicate to staff their rights and obligations under this policy.
- 4.2.3 Take reasonable steps to protect staff from unsafe or unhealthy conditions.

##### **4.3 COMMUNICATION AND SUPPORT TO THE BOARD**

With respect to providing information and support to the Board the Chief Librarian shall keep the Board informed and supported.

Consequently, the Chief Librarian shall:

- 4.3.1 Submit the required operational data in a timely, accurate and understandable fashion.
- 4.3.2 Inform the Board of relevant library trends, anticipated issues of concern, and significant external and internal changes, particularly changes in the assumptions upon which any Board policy has previously been established.
- 4.3.3 Assist the Board in formulating policies, offering options and implications.

- 4.3.4 Present information in a clear, concise manner.
- 4.3.5 Provide a record of official Board communications.
- 4.3.6 Deal with the Board as a whole except when responding to officers and /or committees duly charged by the Board.
- 4.3.7 Provide support to committees duly charged by the Board, and communicate when Board or committee expectations exceed available time and resources.
- 4.3.8 Provide an Annual Operating Plan annually in January for Board discussion and information.
- 4.3.9 Inform the Board of significant donations to the library.
- 4.3.10 Report in a timely manner an actual or anticipated non-compliance with any policy of the Board.

#### **4.4 COMPENSATION AND BENEFITS**

The Chief Librarian shall not cause or allow jeopardy to fiscal integrity or public image with respect to employment, compensation and benefits to employees, consultants and contract workers.

Consequently the Chief Librarian shall not:

- 4.4.1 Change his or her own compensation and benefits.
- 4.4.2 Establish compensation and benefits that:
  - a) deviate materially from the geographic or professional market for the skills employed in similar service sectors.
  - b) create obligations over a longer term than revenues can reasonably be projected.
- 4.4.3 Fail to promptly disclose to the Chair of the Board any circumstances in which the Chief Librarian or his/her Deputy may be perceived to be in a conflict of interest situation with a third party.

#### **4.5 ASSET PROTECTION**

The Chief Librarian shall protect and maintain the assets of the Salt Spring Island Public Library Association.

Consequently, the Chief Librarian shall, in consultation with the Board:

- 4.5.1 Insure against theft, casualty losses to a minimum of 80 percent replacement value, and against liability losses to Board members, staff or the organization itself in an amount greater than the average for comparable organizations.

- 4.5.2 Provide a program of regular and preventive maintenance.
- 4.5.3 Maintain controls over funds, accounting records and preparation of financial information that are considered satisfactory to the Board-appointed auditor's standards

#### **4.6 BUDGETING**

The Chief Librarian, in preparation of annual budgets and the multi-year budget for approval by the Board, shall adhere to the Board's Mission and Goals and priorities, ensuring financial integrity. Budget preparation shall be done with the Board Treasurer.

Consequently, the Chief Librarian shall:

- 4.6.1 Prepare budgets that contain sufficient detail to enable accurate projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
- 4.6.2 Prepare budgets that contain sufficient detail to enable accurate projection of operating capital requirements.
- 4.6.3 Prepare a budget that is based on Board goals and long term planning.
- 4.6.4 Budget so that expenditures do not exceed revenues at the end of the fiscal year, unless otherwise authorized by the Board.
- 4.6.5 Budget sufficient funds for Board meetings, Board development, fiscal audits and legal fees.

#### **4.7 FINANCIAL STABILITY**

The Chief Librarian shall not jeopardize the financial health and stability of the Salt Spring Island Public Library or the effective and efficient use of financial resources.

Consequently, the Chief Librarian shall:

- 4.7.1 Expend only funds that have been received in the fiscal year unless otherwise authorized by the Board.
- 4.7.2 Indebt the organization only for amounts that can be repaid by current funds or an existing bank line of credit.
- 4.7.3 Use Long Term Reserves only for special expenses designated by the Board and with the knowledge and consent of the Board Treasurer.
- 4.7.4 Maintain a sufficient level of available cash to settle payroll and debts in a timely manner.

- 4.7.5 File tax payments or other government-ordered payments in an accurate and timely manner.
- 4.7.6 Not permit current liabilities to exceed current assets.
- 4.7.7 Expend money in a manner presented in the annual budget approval process of the Board.

#### **4.8 TREATMENT OF THE PUBLIC AND STAFF**

The Chief Librarian shall model and encourage an atmosphere of friendliness, fairness, helpfulness, and respect towards the public, staff, volunteers and library patrons.

Consequently, the Chief Librarian shall:

- 4.8.1 Practice open, transparent, and respectful communication in the performance of his / her professional duties.
- 4.8.2 Schedule and budget for appropriate in-service training of all staff.
- 4.8.3 Develop and implement a Conflict Resolution Process for recording and managing conflict arising from Library operations.
- 4.8.4 Maintain complaint procedures that satisfy the Ombudsman's Fairness Checklist

References: Ombudsman Act (1996) Ombudsman Fairness Checklist.

#### **4.9 DELEGATIONS FROM THE PUBLIC**

The Salt Spring Island Public Library Association (SSIPLA) Board is committed to a policy of openness to public opinion on issues of public concern relevant to Library operations. That openness must be tempered by the time constraints required for regular Board business. Therefore, it is necessary to have and utilize the following stipulations guiding the length and nature of public presentations to the Board.

- 4.9.1 All presentations must be on topics under the purview of the SSIPLA Board.
- 4.9.2. Members of the public wishing to present must contact the Board Chair to be scheduled onto a board agenda. The Board Chair, in consultation with the Vice-Chair, shall determine the disposition of the request.
- 4.9.3. In asking to be placed on the agenda, potential presenters agree that they shall be guided by this policy.
- 4.9.4 All presentations on a particular issue must be no longer than 5 minutes in length, regardless of the number of presenters and excluding responses to follow-up questions from board members.

4.9.5. Presenters must provide an advance copy of their remarks and follow written text for their presentations.

4.9.6 Presenters and their supporters must conduct themselves in a manner appropriate for a business meeting as determined by the Chair.

## **APPENDICES**

### **Appendix A - Board Committee Guidelines, Permanent and Special Committees**

#### **Board Committee Guidelines**

For the purpose of more efficiently carrying out its business, the Board may form Committees to consider, investigate, make recommendations or take action on such specific matters as the Board may decide. The formation and operation of Committees shall be subject to the following:

- (a) Each Committee is ultimately subject to the control of the Board and shall take directions from and report to the Board, both as provided in the Bylaws of the Association and as otherwise required by the Board.
- (b) Each Committee shall meet at least twice annually; all meetings shall be formal with recorded meeting notes.
- (c) Each Committee shall report to every meeting of the Board with respect to its activities, and the activities of any Sub-Committee, since the date of the previous report. At the discretion of the Board Chair, reports shall be written and may be required to be circulated to Board members before a Board meeting, by a time specified by the Chair.
- (d) Each Committee will be composed of at least three members. All Committee members shall be members of the Association and at least one member of each Committee shall be a Board member.
- (e) The Board Chair and Vice Chair may participate in and vote at any Committee meeting. The Chief Librarian may participate in, but may not vote at, any Committee meeting.
- (f) A majority of the voting members of the Committee shall be a quorum for a Committee meeting.
- (g) Committees shall be formed as either Permanent Committees, which continue in existence indefinitely, or Special Committees, each of which is dissolved on completion of the purpose for which it was formed. A Special Committee may be formed as a Board Committee or as a Sub-Committee of a Board Committee. In the latter case (but without limiting sub-clause (a)), the Special Sub-Committee shall report to its parent Board Committee.

## Permanent Committees

### Name

### Committee Terms of Reference and Structure

Executive Committee

To serve as the expediter of board business and to assist and oversee the Chief Librarian. The committee shall be responsible for;

- (a) making decisions on behalf of the board in situations where it is not possible or practical to call a meeting of the board, or where the board has authorized the committee to act and report the decision at the next board meeting;
- (b) developing and recommending to the board, the board's annual work plan;
- (c) developing a process to oversee the performance and compensation of the C. L. by:
  - i. developing a position description for the C. L. for approval by the board;
  - ii. overseeing C.L. recruitment, selection and succession planning;
  - iii. reviewing and recommending to the board the C.L.'s annual objectives;
  - iv. developing and conducting a process to review the performance by the C.L. and report the results to the board; and,
  - v. recommending C.L. compensation for approval by the board.

The committee will be comprised of The Chair, Vice Chair, and Treasurer. The C.L. is an ex-officio, non-voting member of the Executive Committee. Chairs of the board's permanent committees may also be included in the Executive Committee at the invitation of the Board's Officers.

Communications Committee

To raise the profile of the Library and to ensure open and well-informed communications with the community. The Committee shall be responsible for media liaison and for the preparation and distribution of:

- (a) news releases related to Board actions;
- (b) material for public distribution, such as annual reports and descriptions of new projects; and
- (c) in consultation with the Chief Librarian, publicity related to fundraising and operational programs.

Finance Committee

To supervise the raising and expenditure of and accounting for library funds including:

- (a) presenting a financial report at each Board meeting;

- (b) recommending and implementing investment strategies;
- (c) ensuring preparation of the annual financial statements required by the Library Act and reviewing those statements;
- (d) presenting a detailed financial report at the Association's annual meeting;
- (e) preparing the annual budget required by the Library Act for the approval of the Board, and;
- (f) supervising the Association's revenue sources including tax based funding, grants, unsolicited donations and endowment programs.

This Committee will be chaired by the Treasurer.

Long Term Planning Committee

To ensure the development of library facilities and programs which are responsive to community needs. The Committee shall:

- (a) participate in the development of the Library's Strategic Plan;
- (b) plan future facilities and programs;
- (c) determine community needs through surveys, studies, focus groups and other appropriate mechanisms;
- (d) regularly review and update all plans;
- (e) review and recommend appropriate changes to the planning process, on an annual basis.

Policy Committee

To promote sound Association and Board governance by reviewing and recommending revisions in bylaws, policies, rules and regulations.

Building Committee

To oversee the management and development of the capital improvements and physical infrastructure of the Library. The Committee shall:

- (a) review on a regular basis and recommend to the Board any appropriate revisions to the Capital Plan, in order to ensure continued alignment with the Libraries' strategic plan;
- (b) review and recommend capital projects
- (c) review and monitor the effectiveness of the Facilities Management processes to appropriately maintain the physical infrastructure of the library.
- (d) review and renew leases or sub-leases;
- (e) review and recommend to the Finance Committee budgets relating to the operations, leases and rentals of real property and physical infrastructure.

Ex officio (non-voting) members include the Building Manager.

## **Special Committees**

<b>Name</b>	<b>Committee Terms of Reference and Structure</b>
Nominating Committee	To ensure the vitality and future of the Association and the Board by recruiting and proposing Board members for election or appointment.

### **Committee Consent Resolutions**

A resolution passed by the members of a committee of the Board (“Committee Members”) in accordance with the following requirements is called a “Committee Consent Resolution”. A Committee Consent Resolution will be as valid and effective as if it had been passed at a duly held and called meeting of such committee if it is in the form of either one written document signed by all Committee Members or a written document circulated and consented to in counterpart by all Committee Members if the consent of each of the Committee Members is given by either:

- an originally signed copy, or
- an e-mail transmission if the e-mail:
  - contains the full text of the Committee Consent Resolution and the clear consent of the transmitting Committee Member, and
  - is transmitted directly or by intermediary to the Committee Chair.

A Committee Consent Resolution is effective on the later of the date stated in the Committee Consent Resolution or on the date of delivery or transmission of the last counterpart to the Committee Chair.

## **Appendix B**

### **INVESTMENT MANAGEMENT POLICY, GOALS AND GUIDELINES**

#### **Salt Spring Island Public Library**

Adopted November 18<sup>th</sup>, 2014

This Investment Management Policy Statement (“Policy”) is intended to govern the investment practices of the assets of the Salt Spring Island Public Library Association (“SSIPLA”), so that all individuals with either direct or indirect responsibility may effectively supervise, monitor, evaluate and manage the SSIPLA investment assets.

This Policy addresses the following issues:

- The general goals of the Operating, Reserve, Capital Improvement and Endowment Funds
- The specific investment objectives of the Funds

#### **Operating Fund:**

The Operating Fund shall be invested with the objective of preserving its assets to cover operating expenses and realizing earnings in a way that allows for immediate liquidity to meet the Association's ongoing operational needs. Operating Fund assets may be maintained in the chequing and savings accounts that the Association uses for day-to-day operations. The Funds may be invested in other cash-equivalent investments, such as savings accounts, money market accounts, certificates of deposit with maturities appropriate for expected needs, Treasury bills and other easily liquidated investments.

#### **Reserve Funds:**

Three to six months operational contingency shall be kept in this fund. The Operational Reserve Funds shall be invested with the objective of preserving the long-term real purchasing power of the Funds' assets while realizing appropriate investment income. Reserve Funds' assets may be invested in certificates of deposit, Treasury bills and other investments that are easily liquidated.

#### **Capital Improvement Funds:**

Two to three years of funds required for capital improvements shall be held in this fund, based on the objectives of the Capital Plan provided yearly by the Building Committee. The Capital Improvement Fund shall be invested with the objective of preserving and enhancing the purchasing power of the Funds' assets while ensuring that liquidity requirements can be met. Capital Improvement Fund's assets may be invested in certificates of deposit, Treasury bills and other investments that are easily liquidated.

The asset allocation of each of the above Funds shall be determined from time to time by the Board of Directors, in consultation with any managers or advisors, as appropriate. The allocation shall reflect the Fund's investment objective, risk tolerance and the need for liquidity as established under this policy.

#### **The Endowment Fund:**

The Endowment Fund is a perpetual fund established with the objective of preserving and enhancing the real purchasing power of the investment assets over time, while providing a predictable contribution to the annual operating budget. The Board shall be responsible for holding and managing the original contributions according to the Investment Policy Statement attached to this document. The Board shall also be responsible for distributing any income and gain produced

by the Endowment Fund, in accordance with the policies, with the purpose of benefitting the SSIPLA and furthering its mission and strategic priorities.

## INVESTMENT POLICY STATEMENT

### **Salt Spring Island Public Library**

Adopted November 18<sup>th</sup>, 2014

This Investment Policy Statement is intended to govern the investment practices of the Endowment Fund so that all individuals with either direct or indirect responsibility may effectively supervise, monitor, evaluate and manage the investment assets.

This Policy addresses the following issues:

- The general goals of the Operating, Reserve, Capital Improvement and Endowment Funds
- The specific investment objectives of the Funds
- Asset Allocation and rebalancing policies
- Measurement and evaluation of investment performance

#### A. Policy

Endowment assets will be managed on a total return basis while taking into account the level of liquidity required. The Finance Committee recognizes the importance of the long-term preservation of capital and adheres to the principle that varying degrees of investment risk are generally rewarded with commensurate returns over the long term. Therefore, investments with different types and degrees of risk are appropriate for the Endowment, provided that such risks are regularly identified and managed.

#### B. Roles and Responsibilities

The Finance Committee is authorized by the Board of Directors (“Board”) to act on its behalf subject to this Policy Statement. The Finance Committee, in turn, is authorized to delegate certain responsibilities to professional experts in various fields, including the flexibility to retain, terminate, or replace an external Chief Investment Officer (“CIO”). This delegation of authority allows for sufficient flexibility in the management process to capture investment opportunities as they arise.

The Finance Committee is responsible for:

1. Establishing and maintaining the Investment Policy Statement and Target Asset Allocation.
2. Monitoring the performance and risk profile of the Endowment as a whole.
3. Prudently diversifying the fund’s assets to meet the agreed upon risk/return profile.
4. Recommending the hiring, terminating, or replacing of an external CIO to the Board (if required).
5. Reviewing and addressing all potential conflicts of interest.
6. Including consideration of social, environmental and ethical issues in the management of the fund.

The external CIO is responsible for:

1. Selecting, rebalancing, terminating, and making tactical shifts between Investment Managers.
2. Monitoring the appropriateness of each Investment Manager's strategy given SSIPLA’s overall investment strategies, philosophies, and objectives.
3. Monitoring the investment performance of each Investment Manager compared to the benchmark established for that Investment Manager.
4. Overseeing SSIPLA’s investment assets and reporting on the status of the investments to the Finance Committee and/or Board of Directors.

### C. Investment Goals and Objectives

The investment objective for the Endowment is to preserve and enhance the real purchasing power of these assets over time, while providing a reasonably predictable contribution to the annual operating budget.

#### Expected Return

The expected return objective for the portfolio, measured over rolling three-year and five-year periods, is to provide an annualized total return, net of fees, of five percent (5%) over the rate of inflation (as measured by the Consumer Price Inflation (“CPI”)).

#### Risk

The Endowment should experience risk as measured by volatility or variability of return not materially higher than that of the composite benchmark defined as 60% equity 40% fixed income.

### D. Annual Draw Rate

The Board of Directors sets the annual draw rate with input from the Finance Committee. The current annual draw rate is set at 5%. The first draw shall be made in January, 2016 and shall be established by determining the value of the endowment fund at the end of the prior four quarter ending Endowment values. The second draw shall be made on January, 2017 and shall be established by determining the value of the endowment funds at the end of the prior eight quarter-ending Endowment values. Thereafter the yearly draws shall be made in January and shall be established by determining the value of the Endowment fund at the end of the prior twelve quarter-ending endowment values.

All distributions shall be made only to the Salt Spring Island Public Library.

### E. Asset Allocation

Diversification across asset classes is a core principle of prudent portfolio management. The Finance Committee will evaluate asset allocation targets and ranges for the Endowment and will review each annually. Certain asset classes require substantial time to adjust levels, particularly private equity and real assets, as well as multi-strategy mandates. Consequently, implementation of adjustments to targets and ranges may require several years to achieve.

#### Target Asset Allocation

	Minimum %	Maximum %	Target %
Cash and Equivalents	2%	10%	5%
Real Return Bonds	5%	25%	10%
Canadian Bonds	15%	45%	30%
Canadian Equity	10%	30%	20%
International Equity	10%	20%	15%
US Equity	10%	20%	15%
Real Assets	0%	10%	5%

Liquidity is required to meet operating cash needs, additional unanticipated needs, and to take advantage of unforeseen market opportunities.

The endowment should follow a passively managed, index replication approach.

At all times, at least 25% of the Endowment should offer daily liquidity, and at least 50% of the Endowment should be able to be liquidated within one year.

## F. Asset Class Guidelines

1. **Cash** is intended to serve as the principal source of liquidity for cash flow for the Endowment. It will be invested in the safest assets including Treasury bills, or safe money market instruments that focus on Treasury bills and equivalents. The focus is on liquid assets as opposed to generating significant yield.
2. The purposes of the **Real Return Bonds** allocation are to (i) provide current income to support cash flow; and (ii) to create some measure of diversification. A Canadian Real Return Bond Index ETF should seek to provide income by replicating, to the extent possible, the performance of the FTSE TMX Canada Real Return Bond Index™, net of expenses. The index is a market capitalization index consisting primarily of Canadian federal and provincial real return bonds.
3. The purpose of the allocation to **Canadian Bonds** is to provide long-term capital appreciation. An Index ETF should seek track the performance of the FTSE TMX Universe Bond Index, which measures the investment return of marketable government and corporate bonds outstanding in the Canadian market.
4. **Canadian Equity** seeks to track, to the extent reasonably possible and before fees and expenses, the performance of a broad Canadian equity index that measures the investment return of large-, mid- and small-capitalization, publicly traded securities in the Canadian market such as the FTSE Canada All Cap Index (or any successor thereto). It invests primarily in large-, mid- and small-capitalization Canadian stocks.
5. **US Equity** seeks to track the performance of the CRSP US Total Market Index. Which includes large-, mid-, and small-cap equity diversified across growth and value styles.
6. **Real Assets** investments may include private real estate, energy, timber, and commodities. Private real estate is comprised of commercial properties in various operating segments, primarily office, retail, hotel, industrial, and multi-family. Real estate should seek to replicate the performance of the Dow Jones Canada Select Equal Weight REIT Index.

## G. Cash Flows and Rebalancing

Interest and dividends not automatically re-invested will be re-invested twice a year. Contributions will be invested within two weeks of their receipt.

## H. Meeting Schedule

The Finance Committee (and external CIO) will meet to review the performance and the Endowment's compliance with objectives and guidelines annually.

## I. Conflict of Interest Policy

Any situation that brings to mind the question of a possible conflict of interest should be brought to the attention of the Finance Committee; committee members should be sensitive to the appearance of impropriety. Generally, a conflict of interest exists whenever litigation, a contract, or other relationship being entered into, reviewed, or modified is:

- Between SSIPLA and a committee member, or the employer, business partner, or immediate family of the committee member; or
- Between SSIPLA and an organization in which the committee member's employer, business partner, or immediate family is director, officer, or legal representative, or has a material financial interest.

This policy is not intended to prohibit investing with any firms or investment managers with whom a Board Member or Committee Member is affiliated; rather such relationships must be disclosed and the affiliated Board or Committee Member should recuse himself from any decisions pertaining to the affiliated firm.

## J. Policy Review

This Investment Policy Statement will be reviewed annually by the Finance Committee and be either reaffirmed or amended and submitted to the Board for approval.