



BOARD GOVERNANCE AND POLICY STATEMENTS

APPROVED BY THE CBT BOARD:

20 June 2000

UPDATED BY THE CBT BOARD:

13 December 2000	27 September 2007
21 March 2001	16 February 2008
25 April 2001	11 June 2008
13 December 2002	25 November 2010
20 March 2004	13 October 2011
21 September 2005	5 March 2015

REAFFIRMED FOLLOWING MAJOR REVISION:

May 22, 2013
November 9, 2017

CLAYOQUOT BIOSPHERE TRUST (CBT)
BOARD GOVERNANCE AND POLICY STATEMENTS

TABLE OF CONTENTS

1.	ORGANIZATIONAL BACKGROUND AND PROFILE	Pages 4-7
1.1	Organizational Background	4
1.2	Organizational Profile	5
1.3	Organizational Principles	6-7
2.	GOVERNANCE	Pages 8-22
2.1	Governance and Assessment	8
2.2	Director Job Description	9-10
2.3	Role of the Co-chairs	11-12
2.4	Code of Conduct	13-14
2.5	Operating Principles	15
2.6	Board Decision-Making Process	16-19
2.7	Collaborations	20
2.8	Risk Management	21
2.9	Financial Accountability	22
3.	COMMITTEES	Pages 23-27
3.1	Committee Principles	23
3.2	Executive Committee	24
3.3	Investment Committee	25
3.4	Advisory Committees	26-27
4.	EXECUTIVE LIMITATIONS	Pages 28-34
4.1	General Executive Constraint	28
4.2	Staff Treatment	29
4.3	Compensation and Benefits	30
4.4	Communication and Counsel to the Board	31
4.5	Financial Conditions	32
4.6	Budget	33
4.7	Discretionary Spending	34
5.	BOARD – EXECUTIVE DIRECTOR RELATIONSHIP	Pages 35-37
5.1	Executive Director Authority	35
5.2	Executive Director Job Description	36
5.3	Monitoring Executive Performance	37
6.	FINANCIAL MANAGEMENT	Pages 38-45
6.1	Investment Policy – Long Term	38
6.2	Funds, Fund Types and criteria for Naming	39-41
6.3	Expense Recovery Charge	42
6.4	Donation Recording and Receipting	43
6.5	Cost of Living Allowance (COLA) Allocations	44
6.6	Signing Authority	45
7.	DONOR AND GIFT MANAGEMENT	Pages 46-48
7.1	Gift Acceptance	46-47
7.2	Donor Recognition and Stewardship	48

8	GRANT MANAGEMENT	49-55
8.1	Disbursement from Capital	49
8.2	Granting	50-51
8.3	Sponsorships	52
8.4	Scholarships	53-55
9	BOARD EXPENSE REIMBURSEMENT	56-58
9.1	Directors and Alternates	56
9.2	Non-Government Board Advisors and Non-Local Committee Members	57
9.3	General Guidelines	58

POLICY TYPE: 1. ORGANIZATIONAL BACKGROUND AND PROFILE

POLICY TITLE: 1.1 Organizational Background

*Approved June 20, 2000
Amended 22, 2013*

The Clayoquot Sound region of British Columbia has received international attention over volatility surrounding a divergence of views on local land-use policy, particularly forestry policy, expressed during the 1980s and early 1990s, which culminated in the arrest of over 800 people in 1993. Since this time of conflict, local First Nations and local communities have been seeking ways to build bridges and develop new models of sustainable development and conservation. One of these models was the creation of a United Nations Educational, Scientific, and Cultural Organization (UNESCO) Biosphere Reserve in the Clayoquot Sound region.

UNESCO Biosphere Reserves are internationally recognized for promoting and demonstrating a balance between people and nature. Biosphere Reserves are in essence learning sites for sustainable development. They combine the three functions of conservation, sustainable development, and support for research, education and training. All reserves have legally-protected core areas (which give long-term protection to landscapes and ecosystems), buffer zones (where activities are organized so they help support the conservation objectives of the core areas), and zones of co-operation (where people work together to use the area's resources in a sustainable manner).

With the support of local First Nations, local communities, and each of the local, provincial, and federal governments, in January 2000 Clayoquot Sound became designated as the Clayoquot Sound UNESCO Biosphere Region (CSUBR). The CSUBR is a member of the international network of UNESCO Biosphere Reserves. The CSUBR designation acknowledges aboriginal title and rights, and does not prejudice ongoing treaty negotiations.

To mark the CSUBR designation and its intended focus on balancing conservation and sustainable development in the Clayoquot Sound Region, the federal government made a \$12 million grant to the Clayoquot Biosphere Trust (CBT).

Since 2000, the CBT has worked closely with eight communities (including five Nuu-chah-nulth First Nations) through a governance model that invites participation of all communities in the region. The organization has developed expertise in the areas of grantmaking, administration and fiscal accountability. In 2012, the CBT joined Canada's network of community foundations. As a community foundation, the CBT plays a unique role that is different from other charitable organizations in our communities. The CBT seeks, encourages and manages charitable funds of all kinds and sizes, from all sorts of donors, for a variety of purposes. The CBT also invests the funds and make grants across the entire region in response to constantly evolving challenges and opportunities.

- END -

POLICY TYPE: 1. ORGANIZATIONAL BACKGROUND AND PROFILE

POLICY TITLE: 1.2 Organizational Profile

*Approved June 20, 2000
Amended May 22, 2013*

The Clayoquot Biosphere Trust Society (CBT) is a society incorporated in British Columbia and registered as a charitable organization under the federal *Income Tax Act*. The CBT has a Board of Directors comprised of representatives from local First Nations and local communities.

The CBT works in support of the Biosphere Region's objectives of conservation, sustainable development, and support for local research, education, and training.

The CBT is responsible for managing several funds and for distributing the income earned from the funds to support programs that advance one or more of the above purposes, in accordance with guidelines CBT develops. The CBT is also responsible for fundraising, to increase the amount of capital in its funds and to create new funds.

The CBT connects donors with community needs and opportunities and is flexible in supporting their individual interests and goals.

Lastly, the CBT works to identify gaps, issues and opportunities in the region and to address them through its own programs.

- END -

POLICY TYPE: 1. ORGANIZATIONAL BACKGROUND AND PROFILE

POLICY TITLE: 1.3 Organizational Principles

Approved May 22, 2013

1.3.1 We Build Community Vitality

Strong, vital communities are those in which everyone can participate. They are resourceful and resilient. Community foundations nurture and build our community's strengths and assets. We respond to challenges and opportunities and support organizations and individuals to do likewise. We develop local leadership, invest in sustainability, champion justice, and mobilize civic participation and resources.

1.3.2 We Understand Our Communities

Sweeping changes to the economy, the environment and demographics are just some of the trends affecting our country and our communities. We actively participate in the life of the community, continually engage in consultation and discussion, track and report on local and national trends and respond to change.

1.3.3 We Create Opportunities for Dialogue and Inclusion

Nurturing a vital community means reaching out and ensuring that people with different experiences and points of view are included, especially those who are often excluded. We bring people together to create opportunities for respectful dialogue and joint problem solving. We enthusiastically participate when invited to dialogues convened by others.

1.3.4 We Embrace Collaboration

More can be accomplished when we act together. We believe in the power of collaboration and joint action to maximize our community's opportunities and respond to our challenges. We initiate, participate in, and support partnerships that build community vitality and are based on shared vision and mutual responsibility.

1.3.5 We Tackle Pressing Issues

We believe philanthropy has a role to play in addressing some of the most pressing issues of our time. We tackle tough problems on many fronts through our grantmaking, investments, research, convening, communication and participation in the public policy process. We work with other foundations, organizations, business and governments in our region and across the country on problems that require shared action.

1.3.6 We Embrace Diversity and Foster Renewal

We believe there is strength in diversity. As our community's foundation, we have a responsibility to reflect its diversity. We continually renew our boards and staff, reach out to understand different points of view, and engage the broader community in our deliberations and decision making.

1.3.7 We Grant for Breadth and Impact

Grant dollars are community capital for seizing opportunities, finding solutions, sustaining what works, providing needed services, expressing ourselves and taking calculated risks. We grant broadly across the spectrum of community life, supporting organizations and programs that are making a difference.

- 1.3.8 **We Build Community Assets and Champion Philanthropy**
Permanent endowments and other philanthropic funds are vital community resources now and for the future. We are passionate champions of philanthropy and engage donors of all ages and from all walks of life and traditions. Our donors work with us to find the best ways to serve their communities while meeting their charitable goals.
- 1.3.9 **We Learn and Share What We Know**
We have extraordinary opportunities to learn from the groups we fund, our donors, our partners and our colleagues around the country and the world. We gather data, question, reflect, and evaluate so that we can have impact on the important issues in our community. We share what we learn with others.
- 1.3.10 **We Are Responsive and Accountable**
We are reputable stewards of community resources and are committed to being accountable, responsive and transparent. We continually look for the best ways to invest our assets to meet our mission. We are open and accessible, fair and objective, flexible and timely as we work with grant seekers, donors, volunteers and others in the community.

- END -

POLICY TYPE: 2. GOVERNANCE

POLICY TITLE: 2.1 Governance and Assessment

*Approved June 20, 2000
Amended May 22, 2013*

The Board will approach its responsibilities in a manner which emphasizes: outward, strategic vision and leadership rather than preoccupation with internal, operational or administrative details; reflection upon and representation of the entire Biosphere Region and not just individual components within the Region; encouragement of diversity in viewpoints; clear definition of Board and staff roles and the interaction between the two; future direction rather than past or present situations; and proactive rather than reactive thinking.

2.1.1 In this spirit, the Board will:

2.1.1.1 Focus chiefly on intended long term impacts on the world outside the organization (*Ends*), not on the administrative or programmatic means of attaining those effects;

2.1.1.2 Direct, control and inspire the organization through the careful establishment of the broadest organizational values and perspectives (*Policies*);

2.1.1.3 Enforce upon itself and its members whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, policymaking principles, *lisaak* (respect) of clarified roles, speaking with one voice and self-policing of any tendency to stray from governance adopted in Board policies;

2.1.1.4 Be accountable to the local First Nations, local communities, and the general public for competent, conscientious and effective accomplishment of its obligations as a body. It will allow no officer, individual or committee of the Board to usurp this role or hinder this commitment;

2.1.1.5 Monitor and regularly discuss the Board's own process and performance. Insure the continuity of its governance capability by retraining and redevelopment; and

2.1.1.6 Be an initiator of policy, not merely a reactor to staff initiatives. The Board, not the staff, will be responsible for Board performance.

2.1.2 The Board will assess its effectiveness on a bi-annual basis at the meeting immediately following the annual general meeting.

2.1.3 An action plan will be developed to strengthen the Board's effectiveness. The Board will monitor the implementation of the plan.

- END -

POLICY TYPE: 2. GOVERNANCE

POLICY TITLE: 2.2 Director Job Description

*Approved June 20, 2000
Amended May 22, 2013
Amended November 9, 2017*

The job of each director is to provide leadership and make contributions that assist the organization toward its desired goals and performance outcomes. The obligation on individual directors to contribute stems from each director's position as a fiduciary of the organization. The meaningful contribution of each director is necessary for proper governance and management.

Consequently, the job description for the Board as a whole, and for each director, will be as follows:

2.2.1 Making the link between the organization and local First Nations and local communities within the Biosphere Region by the following:

2.2.1.1 Each Board member individually doing the following:

- 2.2.1.1.1 Considering Board issues from the perspective of local First Nations and local communities within the Biosphere Region and having perspectives and expectations from these communities made aware to the Board;
- 2.2.1.1.2 Attending events of local First Nations and local communities within the Biosphere Region, both listening to, and speaking to and with, local first Nations and local communities about their perspectives on the CBT and its programs and opportunities;

2.2.1.2 As a Board, by doing the following:

- 2.2.1.2.1 Consciously strive to ensure that Board decisions are informed by local First Nations and local communities within the Biosphere Region, including considering the perspective of staff working with the communities;
- 2.2.1.2.2 With public involvement of local first Nations and local communities, and adhering to the CBT's Constitution & By-laws and its funding agreements with the federal government, and considering the perspective of staff, have at all times in affect a three-year business plan;
- 2.2.1.2.3 With public involvement of local first Nations and local communities, and adhering to the CBT's Constitution & Bylaws and its funding agreements, and considering the perspective of staff, establish funding criteria for granting from the endowment funds;
- 2.2.1.2.4 Approve applications or proposals for funding from the CBT's endowment funds which have been reviewed by staff as meeting funding criteria as established by the Board and

prioritized by the volunteer Advisory Committees then presented to the Board as a package of recommendations from the Executive Director, for decision on the package as a whole;

- 2.2.2 Establishing written governing policies which, at the broadest levels, address:
 - 2.2.2.1 Ends: Organizational products, impact, benefits, outcomes (what good for which needs at what cost).
 - 2.2.2.2 Executive Limitations: Constraints on executive authority that establish the prudence and ethics boundaries within lies the acceptable arenas of executive activity, decisions and organizational circumstances.
 - 2.2.2.3 Governance Process: Specification of how the Board conceives, carries out and monitors its own tasks.
 - 2.2.2.4 Financial Process: Specification of how endowment funds are managed and gifts are received.
 - 2.2.2.5 Grantmaking: Specification of how grants are administered.
 - 2.2.2.6 Board – Executive Director Relationship: How power is delegated and its proper use monitored.
- 2.2.3 Evaluating and facilitating Executive Director performance.
- 2.2.4 Each Board member assisting in CBT fundraising activities, by doing as much of the following as his / her personal circumstances permit:
 - 2.2.4.1 Making a donation in an amount that is personally significant
 - 2.2.4.2 Encouraging donations to the CBT;
 - 2.2.4.3 Suggesting to the CBT the names of individuals who may be appropriate for participation in CBT fundraising programs, and helping to personalize the task;
 - 2.2.4.4 Opening doors for the CBT for fundraising activities, including doors to foundations, employee trusts, service and other clubs, and sources of government revenue;
 - 2.2.4.5 Attending and encouraging attendance at CBT publicity and fund raising events;
 - 2.2.4.6 Encouraging volunteer participation in CBT fundraising projects; and
 - 2.2.4.7 Participating in volunteer fundraising activities.

- END -

POLICY TYPE: 2. GOVERNANCE

POLICY TITLE: 2.3 Role of the Co-chairs

*Approved June 20, 2000
Amended May 22, 2013*

The job of the Co-chairs is, primarily, to provide leadership on the Board, secondly, to ensure the integrity of the Board's processes, particularly its meetings and consensual decision-making process, thirdly, to preside at general meetings of CBT and, fourthly, to provide occasional representation of the Board to outside parties.

2.3.1 The responsibility of a Co-chair, or in his/her absence, the appointed Chairperson, is to ensure that the Board operates in a manner consistent with its own constitution and bylaws, applicable policies and any obligations legitimately imposed upon it from outside the organization. Specifically, the Co-chairs are responsible for the following:

2.3.1.1 Soliciting and coordinating input from the directors into the creation of a meeting agenda for each board meeting.

2.3.1.2 Acting as presiding officer at board meetings and moving through the accepted agenda efficiently.

2.3.1.3 Ensuring the content of board meetings and discussions will be restricted to those issues which, according to Board policy, are clearly the responsibility of the Board to decide, and not for the Executive Director or management, except as such items may be presented as information or awareness items.

2.3.1.4 Striving to ensure that board discussion and deliberation is timely, fair, orderly and thorough, but also efficient, limited to time and kept to the point.

2.3.2 A Co-chair is empowered to preside as chair at Board meetings and general meetings with all the commonly accepted procedural and parliamentary powers of that position as it relates to a consensual decision-making model, such as:

2.3.2.1 Recognizing speakers;

2.3.2.2 Facilitating and wording motions;

2.3.2.3 Calling the question on a motion;

2.3.2.4 Facilitating deliberation on a question;

2.3.2.5 Ruling on procedural matters, points of order and votes;

2.3.2.6 Announcing the outcome of vote; and

2.3.2.7 Generally conducting board meetings in accordance with such rules of order or parliamentary authority as may be adopted by CBT.

- 2.3.3 The authority of a Co-chair, or person acting as chair, is limited to decisions which fall within and are consistent with a reasonable interpretation of Board policies on *Governance* and on the *Board – Executive Director* relationship.
- 2.3.4 A Co-chair has no individual authority to supervise or direct the Executive Director.
- 2.3.5 A Co-chair may, on occasion and solely as authorized by the Board, speak for or represent CBT and/or the Board to outside parties. This representation may take the form of:
 - 2.3.5.1 Announcing Board positions or policies;
 - 2.3.5.2 Stating rulings, decisions and interpretations made as Co-chair on matters within his or her authority and in accordance with policy; or
 - 2.3.5.3 Reading prepared statements.

- END -

POLICY TYPE: 2. GOVERNANCE

POLICY TITLE: 2.4 Code of Conduct

*Approved June 20, 2000
Amended May 22, 2013*

The Board as a whole and each individual director is expected to conduct him or herself at all times in a manner which is ethical, respectful and professional. Directors are required to act honestly, in good faith and in the best interest of the CBT and to exercise the due care, diligence and skill in performing their functions as a director. No action or course of conduct is acceptable if it falls below this standard of care.

Appropriate conduct includes respect for the offices and contributions of others, the use of established procedures and lines of communication and appropriate decorum in communication and behaviour when acting in one's capacity as a director.

Every director and member of a Board committee (referred to as a "Member") will conform to the following principles:

- 2.4.1 A Member will conduct him or herself in a manner that will bear the closest public scrutiny, an obligation that is not fully discharged by simply acting within the law.
- 2.4.2 A Member will perform his or her official duties and arrange his or her private affairs in such a manner that public confidence and trust in the integrity, objectivity, and impartiality of the management of the CBT or its endowment funds are conserved and enhanced.
- 2.4.3 Not knowingly take advantage of, or benefit from, information that is obtained in the course of their official duties and responsibilities to the CBT or its endowment funds that is not generally available to the public.
- 2.4.4 Where possible, a Member will take action to avoid actual, potential, or perceived conflicts of interest (referred to as "Conflicts").
- 2.4.5 A Member will regularly consider whether his or her circumstances gives rise to a Conflict. Examples of Conflicts include:
 - 2.4.5.1 Where a Member, or some person close to a Member, will or may receive a direct or indirect benefit, whether pecuniary or non-pecuniary, as a result of a decision of the CBT;
 - 2.4.5.2 Where an organization or entity on which the Member serves or with which the Member is employed or contract will or may receive a direct benefit, whether pecuniary or non-pecuniary benefit as a result of a decision of the CBT; and
 - 2.4.5.3 Where a spouse, family member or close associate of a Member is being considered for employment with the CBT.
- 2.4.6 A Member will disclose all Conflicts to every other director upon discovery without delay. This includes informing the Board of any circumstance that may

affect their individual ability to perform the duties required of them impartially and objectively.

- 2.4.7 A Member who has a Conflict will, following disclosure of the Conflict to the other directors, submit to the decision of the Board as to whether this Conflict can be managed in accordance with the following rules, or whether the Conflict must be resolved by resignation or removal of the Conflict circumstances.
- 2.4.8 In any event, a Member who has a Conflict will, following disclosure, refrain at all times and in all places from using his or her position to influence any decision that relates to the Conflict and will not be present during any vote on a matter related to the Conflict.
- 2.4.9 In addition to the above, a Member will observe and comply with any specific conduct requirements contained in the statutes governing their roles under any relevant legislation, including but not limited to the *Society Act*, the *Trustee Act*, the *Insurance Act*, and the *Criminal Code of Canada*.
- 2.4.10 Should a Member be considered for employment, he or she will resign as a director or withdraw from the Board committee, as the case may be, as soon as the Member has expressed an interest in employment with the CBT.
- 2.4.11 A Member will not directly or indirectly use, or allow the use of, CBT assets for anything other than the activities approved and established by the CBT.
- 2.4.12 A Member will not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies or as expressly authorized by the Board. In particular, a Member has no inherent individual authority to speak for the Board to:
 - 2.4.12.1 The Executive Director or with staff; or
 - 2.4.12.2 The public, press or other third parties.
- 2.4.13 Members will make no judgments regarding the Executive Director or staff performance except as that performance is assessed against explicit Board policies by the official process.
- 2.4.14 Members will treat all matters dealt with by the Board or committee, as the case may be, as strictly confidential and, in particular all legal matters, personal information and matters related to personnel and property will be held in strictest confidence.
- 2.4.15 Members will, if requested by a donor, or determined by board resolution, keep the donor's name, as well as details of the donor's gift and information which might otherwise identify the donor strictly confidential at all times.
- 2.4.16 A Member's obligation to keep information confidential continues even after he or she ceases to be a Member.

- END -

POLICY TYPE: 2. GOVERNANCE

POLICY TITLE: 2.5 Operating Principles

Approved June 20, 2000

The Board of Directors, volunteers and staff at the CBT will conduct their work according to the following principles:

- 2.5.1 Openness, honesty and respect for each other is the basis of our interaction and relationships;
- 2.5.2 Frequent two-way communication utilizing constructive and helpful feedback. We listen to understand each other;
- 2.5.3 Trust and fairness in our approach creates an atmosphere of mutual support;
- 2.5.4 Diversity of individuals, ideas, and opinions is a strength which supports personal growth and creativity;
- 2.5.5 Co-operation and teamwork are important in sharing responsibility and recognizing our interdependence;
- 2.5.6 Recognition is given in appreciation for both individual and team accomplishments;
- 2.5.7 Excellence is the standard for services and for individual effort;
- 2.5.8 Leadership and decision-making rely on personal initiative to solve problems in consultation with affected individuals;
- 2.5.9 Conflict resolutions are constructive and welcomed as opportunities leading to better decisions;
- 2.5.10 Creativity and new approaches are encouraged;
- 2.5.11 Challenges are embraced with a “can do” attitude;
- 2.5.12 Keeping abreast of, and responding to, social, cultural, economic, and ecological change is critical in conducting the operations of the CBT.

- END -

POLICY TYPE: 2. GOVERNANCE

POLICY TITLE: 2.6 Board Decision-Making Processes

*Approved December 13, 2002
Amended September 21, 2006
Amended May 22, 2013
Amended November 9, 2017*

Further to Bylaws 6.1 – 6.4, the Board will strive to decide all issues by consensus. A consensus decision-making process is one in which members aim to reach agreement on actions and outcomes. In a consensus process, participants commit to share their abilities to resolve their differences in good faith. Although they may not agree with all aspects of the agreement, consensus is reached if all participants are willing to live with the “total package.” Consensus implies no substantive disagreement and no public expression of dissent by board members.

Assumptions and Expectations:

- 2.6.1 The underlying assumptions of consensual decision-making are critical to its success. They include:
 - 2.6.1.1 Respect by each individual for each of the others. This includes openness to understanding the motives of each other as well as their background including cultural values.
 - 2.6.1.2 A mutual understanding, as well as an agreed upon statement of the issue itself and its background. This needs to be accomplished before any discussion on options begins.
 - 2.6.1.3 Information that is researched and inclusive.
 - 2.6.1.4 Equal and ensured access to information for all members.
 - 2.6.1.5 Trust between and among members.
 - 2.6.1.6 Equal voice in formation and discussion of alternatives. Discussions must be ordered and deliberate. Time must be given to the consideration of each alternative, no matter how “ridiculous.” Often the option may seem unrealistic, but may contain a “gem” of an idea that could be very relevant. Options should be viewed in terms of their consequences.
- 2.6.2 Each member has the right to expect:
 - 2.6.2.1 Adequate time to become informed and discuss issues appropriate to their relative complexity and importance;
 - 2.6.2.2 A full articulation of agreements and areas of disagreement.

Obligations of board members:

- 2.6.3 To come to meetings prepared to discuss issues on the agenda;
- 2.6.4 To share their abilities to resolve their differences in good faith;
- 2.6.5 To articulate interests, propose alternatives, listen to proposals and build agreements through discussion;

- 2.6.6 To accommodate or balance the views of members while weighing the collective public interest of the matters before it;
- 2.6.7 To creatively seek solutions where disagreements occur;
- 2.6.8 To clearly state points of disagreement and the reason why the disagreement exists;
- 2.6.9 When unable to support a consensus decision, to demonstrate that:
 - 2.6.9.1 The item at issue is a matter of such principle and/or importance that there would be substantial and adverse effects on the interests of the Trust from the proposed decision;
 - 2.6.9.2 It justifies holding up the proceedings.

Obligations of the Chair:

- 2.6.10 Ensure that the principles of decision making described in this policy are adhered to and that all reasonable measures are taken to reach consensus;

Decision Making Process:

- 2.6.11 The decision making process is summarized in Figure 1 below and consists of the following steps:
 - 2.6.11.1 Issues requiring decision by the Board will be brought to the attention of the Executive Committee;
 - 2.6.11.2 The Executive Committee will decide if the issue is sufficiently clear and well digested to go directly to a Board Meeting for decision in the form of a motion or board resolution;
 - 2.6.11.3 If the issue requires further development or if there are expected to be significant differences of opinion, then the Executive Committee may refer the issue to one or more committees for further discussion and clarification before being brought to a board meeting;
 - 2.6.11.4 At all meetings of the board and committees the chair will take all reasonable steps to reach a decision on each issue by consensus, as outlined above;
 - 2.6.11.5 On each motion in a board meeting one of four actions can be taken:
 - i) Motion can be passed or rejected by consensus;
 - ii) The motion can be tabled until the next board meeting in order to gather more information on which to base the decision; or
 - iii) The motion can be referred to a committee for further discussion before being returned to the Board for decision.
 - iv) The motion can be decided by a vote.

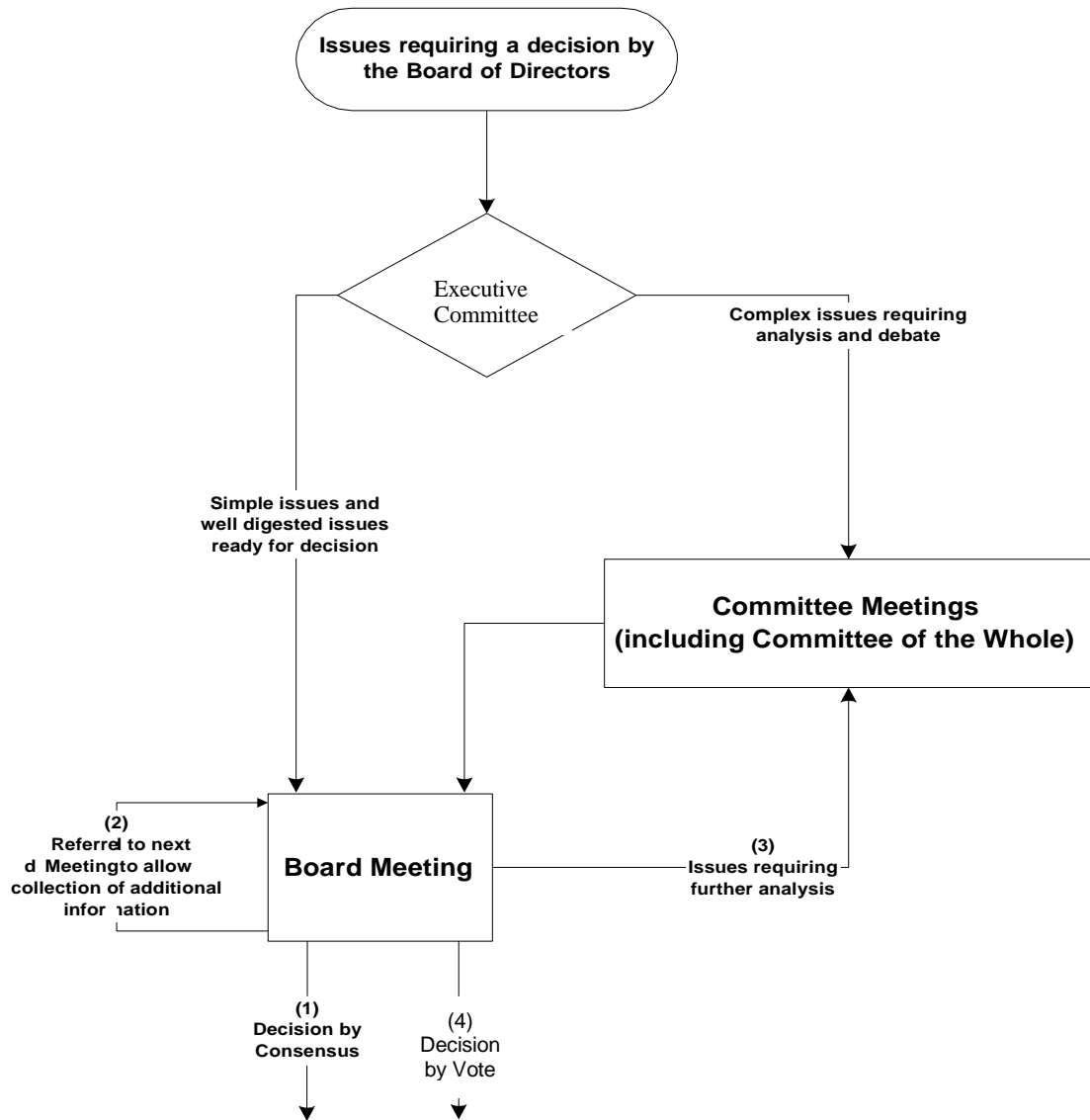


Figure 1. Process for handling issues requiring decision by Board

Voting Procedure at a Board Meeting:

2.6.12 When consensus cannot be reached, the Board may resort to a majority vote.

2.6.13 All members may vote including the chair.

Number of Voting Directors Present	Votes required for a Majority
6	4
7	4
8	5
9	5
10	6

2.6.14 Where decision making authority has been delegated to the Executive Committee by the Board:

1. The quorum for decisions on motions at a meeting will be 3.
2. Resolutions signed by all members of the Executive Committee are as valid as those passed at a meeting.

- END -

POLICY TYPE: 2. GOVERNANCE

POLICY TITLE: 2.7 Collaborations

*Approved on September 27, 2007
Amended May 22, 2013*

The CBT recognizes that in order to accomplish its vision, mission, strategic goals and objectives, it will be necessary at times to develop relationships and collaborations with other organizations.

The CBT will enter into collaboration arrangements with other organizations to advance its Business Plan priorities and core outcomes including, but not limited to, supporting the CBT responsibility to uphold the spirit and intent of the Biosphere designation, fund raising and fund development, education, training and research including measuring community health.

Collaboration Principles:

- 2.7.1 The development of partnerships will consider the following principles:
 - 2.7.1.1 Respect for aboriginal title and rights and on-going treaty negotiations.
 - 2.7.1.2 Reflect the diverse cultures and peoples of the Clayoquot Sound UNESCO Biosphere Region.
 - 2.7.1.3 Involve local First Nations and/or local communities.
 - 2.7.1.4 Demonstrate clear and tangible benefits and deliverables to the Clayoquot Sound UNESCO Biosphere Region.
 - 2.7.1.5 Encourage community and/or inter-community partnerships.
 - 2.7.1.6 Create opportunities for individual capacity building in the Clayoquot Sound UNESCO Biosphere Region.
 - 2.7.1.7 Ensure equal opportunity to participate and equal access to results.
- 2.7.2 With the exception of administrative and/or operational matters all CBT partnerships will be approved by the CBT Board of Directors.
- 2.7.3 The CBT will not enter into partnerships which could put endowment funds at risk.

- END -

POLICY TYPE: 2. GOVERNANCE

POLICY TITLE: 2.8 Risk Management

Approved May 22, 2013

Amended November 9, 2017

The CBT has an opportunity and an obligation to model high standards of accountability, at a time when charitable organizations are being closely scrutinized by donors, government agencies and the public. In addition, the Board need to ensure that adequate financial resources are committed to carry out responsibilities.

The Board is responsible to ensure that the CBT's bylaws are compliant with law and model best practices in non-profit governance; that governance practices are consistent with the bylaws; that adequate insurance provisions are in place to protect the organization and board from potential liabilities; that resources are sufficient to minimize risk to employees and volunteers; that the CBT is complying with statutory and regulatory requirements; that policies are respected in actual practice; and that adequate contingency plans are in place against reasonably anticipated crises.

- 2.8.1 The bylaws will be reviewed every 5 years or when there is a significant change in governance or in legislation. At such times, the Board will establish an ad hoc committee of the board to review the bylaws.
- 2.8.2 The Board will review annually the level and type of insurance to insure adequate insurance provisions are in place to protect the CBT and the Board from potential liabilities.
- 2.8.3 The secretary is responsible for insuring that the corporate records are maintained and stored securely. This includes: all charter documents, constitution, bylaws, registers of directors, officers and members, minutes of meetings of directors and members, copies of financial statements, banking documents, copies of T3010 and duplicate copies of charitable tax receipts.
- 2.8.4 Backup copies of all computer records are to maintained off-site.
- 2.8.5 There will be three copies made of each fund agreement. One copy will be kept in the CBT office, one copy will be backed up off-site and one copy will be provided to the donor.
- 2.8.6 All CBT business will be conducted in a means that maximizes workplace safety.

- END -

POLICY TYPE: 2. GOVERNANCE

POLICY TITLE: 2.9 Financial Accountability

Approved May 22, 2013

- 2.9.1 The CBT's financial affairs will be conducted in a responsible manner, consistent with the ethical obligations of stewardship and the legal requirements of provincial and federal regulators.
- 2.9.2 All donations will be used to support the charitable purposes of the CBT, as specified in the constitution.
- 2.9.3 All donations will be used for the purposes, if any, for which they were expressly given. Donations not made for an express purpose will be used as the CBT sees fit to advance its charitable purposes. If an alternate use for a donation made for an express purpose is necessary due to program or organizational change, staff will discuss the alternate use with the donor or the donor's legal designate. If no agreement can be reached with the donor or donor's legal designate, the unexpended part of the donation will be returned to the donor. If the donor is deceased and the CBT is unable to contact a legal designate, the donation will be used in a manner that is consistent as possible with the donor's original intent.
- 2.9.4 The annual financial statements will be prepared using generally accepted accounting principles and standards established by the Canadian Institute of Chartered Accountants, in all material respects.

- END -

POLICY TYPE: 3. COMMITTEES

POLICY TITLE: 3.1 Committee Principles

*Approved June 20, 2000
Amended May 22, 2013
Amended November 9, 2017*

The Board may establish committees to help carry out its responsibilities. To preserve Board control and inclusiveness, committees will be used sparingly, generally only when other methods have been deemed inadequate. Committees will be used so as to minimally interfere with the Board's governance role, and so as to never interfere with delegation from Board to Executive Director.

- 3.1.1 Board committees may not speak or act for the Board except when formally and expressly given such authority for specific and time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the Executive Director.
- 3.1.2 Board committees are to help the Board do its job, not to help the staff do its jobs. Committees will ordinarily assist the Board by preparing policy alternatives and implications for Board deliberation. Board committees are not to be created by the Board to advise staff.
- 3.1.3 Board committees are to avoid over-identification with organizational parts rather than the whole. Therefore, a Board committee which has helped the Board create policy on some topic will not be used to monitor organizational performance on that same subject.
- 3.1.4 Board committees cannot exercise authority over staff. In keeping with the Board's broader focus, Board committees will normally not have direct dealings with current staff operations. Because the Executive Director works for the full Board, s/he will not be required to obtain approval of a Board committee before an executive action, however, the Executive Director will work with an Executive Committee of the Board to ensure that Board policies are being followed, adhered to, and implemented.
- 3.1.5 This policy applies only to committees that are formed by the Board action, whether or not the committees include non-Board members. It does not apply to committees formed under the authority of the Executive Director.
- 3.1.6 The committees formed by Board action as standing committees are the Executive Committee and the Investment Committee.

- END -

POLICY TYPE: 3. COMMITTEES

POLICY TITLE: 3.2 Executive Committee

*Approved June 20, 2000
Amended November 29, 2000
Amended May 22, 2013*

Meets: As necessary, between Board meetings, to accomplish tasks that need attention prior to the next Board meeting.

Composition: Four directors, being each of the Co-chairs, the Secretary and the Treasurer, and the Executive Director.

Mandate: The executive body of the Board of Directors.

Responsibilities:

- 3.2.1 To ensure the transaction of all business in accordance with the policies of the Board. The Committee sets the Board agenda based on input from the Board.
- 3.2.2 To deal with any emergency that may occur between meetings of the Board and to report such action for ratification at the next board meeting.
- 3.2.3 To co-ordinate the Executive Director's annual performance review, as follows:
 - 3.2.3.1 To provide an opportunity for directors and other stakeholders to provide feedback on the Executive Director's performance;
 - 3.2.3.2 To ensure the focus of feedback is on information relevant to evaluating performance related to Ends and Executive Limitation policies;
 - 3.2.3.3 To compile the information received in a report to the Board and presents the report to the Board for discussion and adoption;
 - 3.2.3.4 To communicate findings to the Executive Director including any performance issues and expected changes in performance to the Executive Director; and
 - 3.2.3.5 To recommend to the Board any change to the Executive Director compensation and communicates changes to the Executive Director in writing; and
- 3.2.4 To undertake such other work as may be assigned by the Board from time to time.

Representation:

- 3.2.5 Insofar as possible, the executive committee will include an equal balance between First Nations and other representatives on the Board.

- END -

POLICY TYPE: 3. COMMITTEES

POLICY TITLE: 3.3 Investment Committee

*Approved June 20, 2000
Amended May 22, 2013*

Meets: As needed, but no less than annually.

Composition: Two directors, three certified and recognized members of the Investment Community of BC, and the Executive Director. Insofar as possible, the same individuals should remain members of this standing Committee for at least a three-year period.

Mandate: To ensure expert, strategic and consistent advice is given to the Board to guide the management of endowment fund assets.

Responsibilities:

- 3.3.1 Maintain a current and up-to-date understanding of the legal and regulatory requirements and constraints applicable to endowment funds.
- 3.3.2 Review the investment policies, annually or as needed, and make appropriate recommendations to the Board.
- 3.3.3 Make recommendations, annually or as needed, to the Board regarding the content and development of a *Statement of Investment Objectives and Guidelines* ("SIO&G").
- 3.3.4 Provide the Investment Manager(s) of the funds with the Board's approved SIO&G and amendments thereto.
- 3.3.5 Make recommendations, annually or as needed, to the Board regarding the selection, engagement or replacement of the investment manager(s) of the funds.
- 3.3.6 Oversee the funds and monitor the activities of the investment manager(s) of the funds.
- 3.3.7 Through the Executive Director, act as a liaison between the Board and the investment manager(s) for the purposes of the day to day management of, and reporting on, the funds.
- 3.3.8 Through the Executive Director, keep the investment manager(s) informed of cash flow / liquidity requirements.
- 3.3.9 Continually assess the market climate to advise the Board of its findings and to make recommendations to the CBT Board as to the appropriate investment of endowment fund assets.

- END -

POLICY TYPE: 3. COMMITTEES

POLICY TITLE: 3.4 Advisory Committees

*Approved September 21, 2005
Amended May 22, 2013*

The board may create advisory committees to assist the board in planning, designing new programs, developing and evaluating project proposals and carrying out other specific tasks that the board requests.

- 3.4.1 Membership on advisory committees will be determined through a public request for expressions of interest and/or through direct Board and staff recruitment of individuals with known interest and expertise. The Board and staff will seek broad representation from First Nations, local community organizations, businesses, and government agencies based on technical, scientific, local, and Indigenous knowledge and experience. There will be no allotment of memberships, or 'designation of seats', based on particular interests or constituencies, however, efforts will be made to ensure that all First Nation and non-First Nation communities are represented on the Committees.
- 3.4.2 The roles and responsibilities of the advisory committees are to:
 - 3.4.2.1 Provide a forum for networking between community members for sharing information and assisting in the coordination of projects in the CSUBR Region;
 - 3.4.2.2 In support of the CBT Business Plan, work with the Board and staff to develop strategic directions to guide (a) CBT proposal calls, (b) proposal evaluation, and (c) jointly funded longer-term projects with partner organizations;
 - 3.4.2.3 Identify community priorities;
 - 3.4.2.4 Review past and current initiatives;
 - 3.4.2.5 Solicit project proposals and forward recommendations for project funding for Board discussion and approval;
 - 3.4.2.6 Evaluate the performance of projects funded by CBT;
 - 3.4.2.7 Serve as a forum for community consultation and outreach; and
 - 3.4.2.8 Provide advice and technical support to the Board and staff as requested.
- 3.4.3 Each advisory committee will consist of a number of members deemed appropriate by the Board, each of whom will be appointed to the committee for a term determined by the Board.
- 3.4.4 Funds will be allocated to committees in the annual budget that is approved by the Board.
- 3.4.5 The advisory committees, working with the Executive Director can allocate these budgets for the purposes of carrying out their mandate with regards to planning and advising the board including administration and support costs at the discretion of the Executive Director.

- 3.4.6 Committee recommendations for the funding of project proposals outside of the normal call for proposal process will be submitted to the board with a budget for final approval.
- 3.4.7 Committees will report regularly to the board on their planned and actual expenditures.
- 3.4.8 The advisory committees will, unless the Board determines otherwise, establish their own Terms of Reference in collaboration with the Board based on the roles and responsibilities outlined above. These Terms and References will be submitted to the Board for approval.

- END -

POLICY TYPE: 4. EXECUTIVE LIMITATIONS

POLICY TITLE: 4.1 General Executive Constraint

*Approved June 20, 2000
Amended November 9, 2017*

4.1.1 The Executive Director will cause or allow practices, activities, decisions or organizational circumstances which are either prudent, in accordance with commonly accepted business or professional ethics, consistent with the Constitution, Bylaws and policies of the CBT, or consistent with the policies and practices of a UNESCO Biosphere Region and community foundation.

- END -

POLICY TYPE: 4. EXECUTIVE LIMITATIONS

POLICY TITLE: 4.2 Staff Treatment

*Approved June 20, 2000
Amended May 22, 2013*

With respect to the treatment of paid and volunteer staff, the Executive Director will create or allow conditions that are humane, fair, or dignified. Accordingly, s/he will:

- 4.2.1 Demonstrate *lisaak* (respect) among all staff, volunteers and job applicants and reasonably emphasize the need for all staff, volunteers and job applicants to be treated with *lisaak* by all individuals either actively involved or actively associated with the CBT;
- 4.2.2 Take reasonable steps to make the CBT a desirable and enjoyable organization with which to work and volunteer;
- 4.2.3 Coach all staff and volunteers on, and ensure all staff and volunteer compliance and follow-through with, their job-related individual responsibilities;
- 4.2.4 Take reasonable steps to protect all staff and volunteers from unsafe or unhealthy conditions;
- 4.2.5 Ensure all staff and volunteers have a due-process grievance procedure, able to be used without bias;
- 4.2.6 Acquaint all staff and volunteers with their respective Code of Conduct; and
- 4.2.7 Acquaint all staff and volunteers with their rights under this policy.

- END -

POLICY TYPE: 4. EXECUTIVE LIMITATIONS

POLICY TITLE: 4.3 Compensation and Benefits

Approved June 20, 2000

With respect to the employment and compensation of employees, consultant(s), contract workers and volunteers, the Executive Director must protect the fiscal integrity and public image of the CBT. Accordingly, s/he will:

- 4.3.1 Leave to the Executive Committee all matters related to changes in his/her own compensation and benefits;
- 4.3.2 Never promise or imply employment in perpetuity;
- 4.3.3 Establish and utilize a public and transparent process in the hiring of permanent, full-time or part-time, paid staff and in the hiring of consultant(s) or contract workers for contracts with a value of \$10,000 and up;
- 4.3.4 Establish compensation for employees or consultant(s) that is fair and reflective of local market compensation trends;
- 4.3.5 Always give preference to the hiring of employees or consultant(s) or contract workers who are based within the Clayoquot Sound UNESCO Biosphere Region; and
- 4.3.6 Develop and provide meaningful recognition opportunities for volunteers.

- END -

POLICY TYPE: 4. EXECUTIVE LIMITATIONS

POLICY TITLE: 4.4 Communication and Counsel to the Board

Approved June 20, 2000

With respect to providing information and counsel to the Board, the Executive Director must keep the Board informed. Accordingly, s/he will:

- 4.4.1 Inform the Board of relevant trends, anticipated adverse media coverage, material external and internal changes, particularly changes in assumptions upon which Board policy has previously been established;
- 4.4.2 Submit any required monitoring data in a timely, accurate and understandable fashion, directly addressing provisions of Board policies being monitored;
- 4.4.3 Marshal as many staff and external points of view, issues and options as needed for fully informed Board choices;
- 4.4.4 Present information in an accessible form;
- 4.4.5 Provide a mechanism for Board, officer or committee communications;
- 4.4.6 Deal with the Board as a whole, with the exception of Board committees; and
- 4.4.7 Report actual or anticipated non-compliance with any policy of the Board or external regulation.

- END -

POLICY TYPE: 4. EXECUTIVE LIMITATIONS

POLICY TITLE: 4.5 Financial Conditions

*Approved June 20, 2000
Amended May 22, 2013*

The Executive Director will ensure the financial stability of the CBT. Accordingly, s/he will:

- 4.5.1 Only be authorized to spend funds in accordance with Board-approved business plans and budgets;
- 4.5.2 Invest assets with the advice of the Board and the investment committee, and which advice adheres to all fund agreements;
- 4.5.3 Ensure:
 - 4.5.3.1 Capital expenditures do not exceed the amounts specified in the capital budget; and
 - 4.5.3.2 Expenses excluding depreciation in all funds in each fiscal year do not exceed revenues.

- END -

POLICY TYPE: 4. EXECUTIVE LIMITATIONS

POLICY TITLE: 4.6 Budget

*Approved June 20, 2000
Amended May 22, 2013*

The Executive Director, with respect to operating the CBT in a sound and prudent fiscal manner, will undertake short and long term financial planning consistent with Board direction and the CBT constitution and bylaws and all fund agreements. Consequently, the Executive Director will:

- 4.6.1 Prepare annual and three-year budgets of operations and capital expenditures for approval by the Board;
- 4.6.2 Prepare budgets which contain enough detail to enable reasonably accurate projection of revenues and expenses, separation of capital and operational items, cash flow and subsequent audit trail;
- 4.6.3 Prepare budgets that adhere to targets and service priorities; and
- 4.6.4 Operate within existing approved budgets.

- END -

POLICY TYPE: 4. EXECUTIVE LIMITATIONS

POLICY TITLE: 4.7 Discretionary Spending

*Approved September 21, 2005
Amended May 22, 2013*

- 4.7.1 From time to time the Board may decide to allocate monies in the budget that can be spent at the discretion of the Executive Director.
- 4.7.2 The Executive Director will have complete discretion on the allocation and disbursement of these funds understanding that all grants must conform to applicable guidelines and regulations, particularly those administered by the Canada Revenue Agency.
- 4.7.3 The Executive Director will report to the board in a timely fashion for information on all allocations of funds that have been made or are planned to be made.
- 4.7.4 Every allocation of funds to a qualified donee requires a grant information sheet signed by the recipient that specifies what the funds are for, any conditions placed on their use, and their reporting requirements.

- END -

POLICY TYPE: 5. BOARD – EXECUTIVE DIRECTOR RELATIONSHIP

POLICY TITLE: 5.1 Executive Director Authority

Approved June 20, 2000

While the Board is generally confined to establishing the broadest policies, implementation and subsidiary policy development is delegated to the Executive Director.

- 5.1.1 The Board as a group, rather than individual directors, officers or committees is responsible for providing direction to the Executive Director.
- 5.1.2 All Board authority is delegated through the Executive Director, so that all authority and accountability of staff, as far as the Board is concerned, is considered to be authority and accountability of the Executive Director.
- 5.1.3 The Executive Director will work with the Executive Committee to ensure that Board policies are being followed, adhered to, and implemented.
- 5.1.4 *Ends* policies direct the Executive Director to achieve certain results; Executive Limitations policies constrain the Executive Director to act within acceptable boundaries of prudence and ethics. With respect to ends, and executive means, the Executive Director is authorized to establish further policies, make all decisions, take all actions and develop all activities as long as they are consonant with a reasonable interpretation of the Board's policies and directions.
- 5.1.5 The Board may change its policies, thereby shifting the boundary between Board and Executive Director domains. Consequently, the Board may change the latitude of choice given to the Executive Director, but so long as any particular delegation is in place, the Board and its members will respect and support the Executive Director's choices. This does not prevent the Board from obtaining information in the delegated areas.
- 5.1.6 No Board member, officer or committee has authority over the Executive Director. Information may be requested by individuals or groups other than the Board, provided that if, in the Executive Director's judgment, such request requires an unreasonable amount of staff time or funds or is disruptive, it may be refused.

- END -

POLICY TYPE: 5. BOARD – EXECUTIVE DIRECTOR RELATIONSHIP

POLICY TITLE: 5.2 Executive Director Job Description

Approved June 20, 2000

As the Board's official link to the operating organization, the Executive Director is accountable to the Board for all organizational performance and exercises all authority transmitted into the organization by the Board.

5.2.1 The Executive Director's job contributions can be stated as performance in two areas:

5.2.1.1 Organizational accomplishment of the provisions of the Board policies on *Ends*;

5.2.1.2 Organizational operation within the boundaries of prudence and ethics established in Board policies on *Executive Limitations*.

5.2.2 A detailed job description will be included with the Executive Director's employment agreement.

- END -

POLICY TYPE: 5. BOARD – EXECUTIVE DIRECTOR RELATIONSHIP

POLICY TITLE: 5.3 Monitoring Executive Performance

Approved June 20, 2000

Monitoring executive performance is synonymous with monitoring organizational performance against Board policies on *Ends* and on *Executive Limitations*. Any evaluation of Executive Director's performance, formal or informal, should be derived from monitoring the following:

- 5.3.1 The purpose of monitoring is simply to determine the degree to which Board policies are being fulfilled. Information that does not do this will not be considered to be monitoring. Monitoring will be as automatic as possible, using a minimum of Board time so that meetings can be used to create the future rather than to review the past;
- 5.3.2 A given policy may be monitored in one or more of three ways:
 - 5.3.2.1 Internal Report:
Disclosure of compliance information to the Board from the Executive Director;
 - 5.3.2.2 External Report:
Discovery of compliance information by a disinterested, external auditor, inspector or judge who is selected by and reports directly to the Board. Such reports must assess executive performance only against policies of the Board, not those of the external party unless the Board has previously indicated that "party" opinion to be standard;
 - 5.3.2.3 Direct Board Inspection:
Discovery of compliance information by a Board member, a committee or the Board as a whole. This is a Board inspection of documents, activities or circumstances directed by the Board, which allows a "prudent person" test of policy compliance;
- 5.3.3. Upon the choice of the Board, any policy can be monitored by any method at any time. For regular monitoring, however, each *Ends* and *Executive Limitations* policy will be classified by the Board according to frequency and method;

- END -

POLICY TYPE: 6. FINANCIAL MANAGEMENT

POLICY TITLE: 6.1 Investment Policy – Long Term

Approved December 15, 2016

- 6.1.1 The Board will annually or as needed approve and adopt a *Statement of Investment Objectives and Guidelines* (SIO&G) which set the terms and conditions for all CBT investments. The SIO&G must include the investment conditions and guidelines found within the CBT's constitution and bylaws, and adhere to the Canada Fund Agreement, as well as all other fund agreements. The SIO&G may include a real estate asset class.
- 6.1.2 With advice from the Investment Committee, the CBT Investment Manager will actively manage the CBT's endowment fund investment portfolio including the Canada Fund investment portfolio and all community foundation endowments.
- 6.1.3 As the Canada Fund continues over time certain direct holdings in real estate are considered reasonable, i.e. would add to the efficient and/or effective management of the CBT. Examples include: a building to house the CBT offices, a building to house the library and archives, and infrastructure at a research station. Real estate assets will be limited to 15% of the Canada Fund at the time of purchase.
- 6.1.4 Direct investments in real estate shall be selected and monitored by the CBT Board of Directors. While real estate holdings are an asset of the Canada Fund, they will not be monitored by the Investment Committee or managed by the Investment Manager.
- 6.1.5 The CBT Board of Directors may appoint additional managers to provide oversight of real estate assets.
- 6.1.6 Real estate assets will be tracked annually as per the BC Assessment value. The Board may periodically obtain additional property valuation services.
- 6.1.7 The Canada Fund agreement obligation will be tracked annually by combining the value of the Canada Fund investment portfolio and real estate assets and comparing against the funding agreement obligation.
- 6.1.8 In the event that there is no longer a need to continue owning real estate, proceeds from the sale of property will be returned to the Canada Fund investment portfolio.

- END -

POLICY TYPE: 6. FINANCIAL MANAGEMENT

POLICY TITLE: 6.2 Funds, Fund Types and Criteria for Naming

Amended May 22, 2013

Amended November 9, 2017

The CBT gives individual donors, family foundations, businesses and charitable organizations a number of ways to fulfill their philanthropic objectives while supporting the well-being of our region.

We believe that by strengthening the gifts, assets and capacity of individuals and groups, we strengthen our community. The CBT specializes in building endowment funds, where the capital is held, and uses the funds' earnings to support the ever-changing needs and opportunities of our community.

The CBT has a number of types of funds available for donors. Many of them are open funds where gifts may be made by any interested contributor thereby allowing even modest contributions to be joined with others' gifts for maximum charitable benefit.

Donors may name a fund that they endow for themselves, a family member, a company or a valued friend. Some funds have names that convey specific goals or purposes, or hold special meaning to the donor. The criteria for naming and establishing funds are identified below in each fund definition.

General Guidelines:

- 6.2.1 All funds are open funds, meaning that any donor can make a gift at any time, once the fund is created.
- 6.2.2 Donors to donor advised funds will be provided with an annual fund statement, reflecting additions to the funds, administrative and investment fees charged against the funds, grants from the fund and the determination of annual distributable earnings for the subsequent year.
- 6.2.3 Annual distributions from the fund will be identified as having come from the fund, unless the donor wishes the distribution to remain anonymous.
- 6.2.4 Fund agreements will be required to establish all funds. The Board will approve templates for fund agreements for each type of fund. The Board must approve any changes to the clauses of these templates. The Board's legal counsel will review all fund agreements prior to having the agreement signed by the donor and the Board. The Board will pass a resolution confirming the terms of each fund agreement.
- 6.2.5 Unless otherwise stated in the specific agreement, fund agreements can be amended during the lifetime of the donor.

Types of Funds:

6.2.6 Community Fund

This fund will consist of donations, large and small, from a variety of sources – individuals, corporations and foundations to target support to a specific geographic community. Donations to this fund give the CBT the greatest flexibility to respond to current community needs through the provision of grants to charities. The minimum donation to establish a Community Fund is \$25,000.

6.2.7 Field of Interest Funds

These funds work much like the Community Fund, except that donors will identify an area of interest that they would like to target their support (ex. culture, children and youth, education, etc.). The donor empowers the CBT's Advisory Committees to select worthwhile projects to support. The minimum donation to establish a Field of Interest Fund is \$25,000.

6.2.8 Donor Advised Funds

Donor Advised Funds enable a donor to have ongoing participation in the selection of charities that will benefit from their gift. Donors can choose this type of fund instead of creating a family trust or private foundation. Existing foundations are able to transfer their assets to the CBT to achieve higher returns or reduce administrative costs while still remaining involved in allocating grants. A minimum donation of \$25,000 is required to open a Donor Advised Fund.

6.2.9 Designated Funds

By establishing a Designated Fund, donors have the opportunity to specify which particular charity or charities they would like to support. If a beneficiary organization ceases to exist and the donor has not named a successor beneficiary and the donor is deceased, the CBT will redirect the funds to a named fund within the Community Fund. Donors are able to establish a Designated Fund with a minimum donation per beneficiary of \$10,000.

6.2.10 Charitable Organization Endowment Funds

These funds can be created on behalf of registered charities. The fund allows the charity freedom from investment responsibility and gives donors the confidence of knowing that a permanent foundation is in place to professionally administer the charity's endowment. Once established, the charity will encourage their donors to contribute to their endowment fund. The minimum donation to establish this type of fund is \$25,000.

6.2.11 Emerging Funds

By establishing an Emerging Fund, donors are able to open a fund in any of the above categories with an initial donation and a pledge to meet one of the minimum donation levels as described above within five years of the initial gift. Until such time as the pledge is fulfilled, no distribution will be made from the Emerging Fund. The minimum initial donation to establish an Emerging Fund is \$1,000.

6.2.12 CBT Operating Endowment Fund

The purpose of this fund is to support the costs of operating the CBT.

6.2.13 Flow Through Funds

These are non-endowed fund whereby the funds are received by the CBT and then provided to a designated charitable organization on behalf of the donor(s) circumstances in accordance with regulations provided by the Canada Revenue Agency (i.e. by the fiscal year end following the year in which the gift was received). An expense recovery will be charged against these funds. The board will consider flow through funds on a case-by-case basis where there is a demonstrated advantage to the long-term growth of the CBT.

- END -

POLICY TYPE: 6. FINANCIAL MANAGEMENT

POLICY TITLE: 6.3 Expense Recovery Charge

Approved May 22, 2013

-
- 6.3.1 An expense recovery charge will be levied proportionally against all funds. This expense recovery charge will be determined by the Board and will be reviewed annually.
 - 6.3.2 The provision of an expense recovery charge will be included in all fund agreements. Donors establishing donor advised, designated and flow-through funds will be informed annually of the expense recovery charge.
 - 6.3.3 The expense recovery charge will be calculated based on the current market value of each fund as of the beginning of the quarter.
 - 6.3.4 Any extraordinary costs associated with creating a fund will be borne by the donor, subject to express agreement to the contrary approved by the board.

- END -

POLICY TYPE: 6. FINANCIAL MANAGEMENT

POLICY TITLE: 6.4 Donation Recording and Receipting

Approved May 22, 2013

- 6.4.1 Donation receipts will only be issued once a donation qualifies as a gift at law and only subsequent to the date upon which the CBT becomes legally entitled to the donated property.
- 6.4.2 All donations of a value of \$20 or greater are eligible for a donation receipt.
- 6.4.3 The Executive Director is authorized to sign donation receipts.
- 6.4.4 Receipts will be issued within one month of the CBT receiving the gift.
- 6.4.5 Donation receipts will comply with applicable laws and regulations and will, subject to such laws and regulations, include the following information:
- i) Name and address of donor;
 - ii) Name and address of CBT;
 - iii) CBT's charitable registration number;
 - iv) Date gift was received;
 - v) Date receipt is issued;
 - vi) Website address of the Canada Revenue Agency;
 - vii) Value of donated property;
 - viii) Description of donation if gift-in-kind (i.e. non-cash);
 - ix) Appraiser information if gift-in-kind over \$1000; and
 - x) Donor advantage, if any.
- 6.4.6 A written donor direction must be received for any restriction to be placed on the capital of a gift.
- 6.4.7 The Executive Director will ensure that a written donor direction is received for all gifts with restrictions on capital.
- 6.4.8 Donation receipts for gifts of securities are based on the value of the securities at the close of trading on the day in which the ownership is transferred from the donor to the foundation. Supporting documentation in writing must verify this valuation.
- 6.4.9 A copy of the donation receipt, filed in numerical order, will be kept for seven years. This may be an electronic copy. A copy of the receipt for a gift to an established fund will be attached to the fund agreement in the fund file.

- END -

POLICY TYPE: 6. FINANCIAL MANAGEMENT

POLICY TITLE: 6.5 Cost of Living Allowance (COLA) Allocations

*Approved March 21, 2001
Amended May 22, 2013*

- 6.5.1 In regards to the Canada Fund Agreement, the annual average Canadian Consumer Price Index (CPI) will be used as the index for COLA allocations.
- 6.5.2 The CPI will be an annual minimum target (a baseline) for COLA allocations.
- 6.5.3 The annual financial statements will contain a running calculation of the COLA allocation under the Liabilities and Net Assets section.
- 6.5.4 In the event that this funding agreement cannot be met, the CBT will establish a COLA recovery plan and will monitor progress towards regaining the difference.

- END -

POLICY TYPE: 6. FINANCIAL MANAGEMENT

POLICY TITLE: 6.6 Signing Authority

Approved May 22, 2013

- 6.6.1 Two signatures will be required on all cheque requisitions and cheques. One of these signatures must be a member of the Executive Committee. The other will generally be the Executive Director.
- 6.6.2 The Board Chair and Secretary sign all legal documents once the Board approves these documents.
- 6.6.3 The Board Chair, Secretary and Treasurer sign all fund agreements, once the Board approves these agreements.
- 6.6.4 The Treasurer signs the annual Registered Charity Information Return.
- 6.6.5 The Executive Director signs all donation receipts.
- 6.6.6 The Executive Director is authorized to sign all grant applications with the exception of applications that specifically require Board signature.

- END -

POLICY TYPE: 7. DONOR AND GIFT MANAGEMENT

POLICY TITLE: 7.1 Gift Acceptance

Approved May 22, 2013

The purpose of this policy is to provide guidelines for the types of outright gifts (e.g. cash, publicly traded securities) and deferred gifts (e.g. bequests, life insurance) that will be accepted as donations by the CBT.

- 7.1.1 Gifts to the CBT will be used for purposes consistent with the charitable purposes of the CBT as set out in its constitution from time to time.
- 7.1.2 Donors establishing funds at the CBT will be encouraged to discuss a proposed gift with independent legal and/or tax advisors.
- 7.1.3 The Board Chair, Treasurer and Executive Director are authorized to negotiate gift agreements with prospective donors, the clauses of which are to be based on fund agreement templates previously approved by the board.
- 7.1.4 The CBT accepts gifts of cash, marketable securities, bequests and life insurance. Gifts of real property (i.e. interests in land or real estate), gifts of personal property (i.e. art, antiques, jewelry, etc.), gifts of residual value, charitable annuities, and charitable remainder trusts are not covered by this policy. Potential gifts outside those covered under this policy must come to the Board for consideration.
- 7.1.5 The CBT reserves the right to refuse a gift which in itself or its origin or circumstances may be controversial or in circumstances where the acceptance of the gift is determined to be not in the best interests of the CBT. All gifts must be in compliance with federal anti-money laundering policies.
- 7.1.6 The donor is required to pay all legal and accounting costs associated with making a gift. If substantial expenses are incurred by the CBT in accepting a gift including legal fees, maintenance and disposition fees, these expenses may be charged against the gift. The CBT will discuss this situation with the donor prior to accepting the gift.

Guidelines for specific gifts:

- 7.1.6.2 Cash – Gifts of cash include Canadian and foreign currency, cheques, bank drafts and money orders.
- 7.1.6.1 Publicly traded securities – The CBT accepts gifts of publicly traded securities. The investment manager has the authority to scrutinize and accept such a gift in consultation with the Treasurer. If accepted, these securities will be sold immediately upon receipt by the investment manager and converted to cash. The investment manager in consultation with the Treasurer and the investment committee will determine how these funds are to be invested in accordance with the SIO&G.

- 7.1.6.2 Bequests – Donors naming the CBT as a beneficiary of their estate will be encouraged to provide information about their bequests and if willing, to provide a copy to the CBT of that section of their will. With permission, the CBT may recognize these donors during their lifetime. A fund agreement will be established for all bequests.
- 7.1.6.3 Gifts of life insurance – The CBT promotes and accepts gifts of life insurance where the CBT is the owner and beneficiary, is assigned irrevocably a paid-up policy, is assigned irrevocably a policy on which premiums remain to be paid or names the CBT as a beneficiary. When the CBT is the owner and beneficiary, the donor is entitled to a gift receipt for all premiums paid. When the CBT is assigned irrevocably a policy, a donation receipt will be issued for the cash surrender value of the policy, as of the value at the date of assignment.
- 7.1.8 This policy will be amended as necessary in the event of relevant changes to the *Income Tax Act* (Canada).

- END -

POLICY TYPE: 7. DONOR AND GIFT MANAGEMENT

POLICY TITLE: 7.2 Donor Recognition and Stewardship

Approved May 22, 2013

- 7.2.1 The CBT will publicly acknowledge all donations, unless the donor has expressed a wish to remain anonymous.
- 7.2.2 A thank you letter will accompany all donation receipts. Donors creating funds will also receive a thank you call from a member of the Board of Directors.
- 7.2.3 Donors creating funds will receive copies of the CBT's annual report. The CBT does not publish the amount of the donation, except in circumstances approved in advance by the donor.
- 7.2.4 Donors creating designated or advised funds will receive an annual fund statement, which will be hand delivered, wherever possible, by a member of the Board of Directors or the Executive Director.
- 7.2.5 The CBT will not share its donor list with other organizations.
- 7.2.6 The privacy of donors will be respected. Donor records maintained by the CBT will be kept confidential to the greatest extent possible. Donors will have the right to see their donor record and to challenge its accuracy.

- END -

POLICY TYPE: 8. GRANT MANAGEMENT

POLICY TITLE: 8.1 Disbursement from Capital Restricted Funds

Approved May 22, 2013

- 8.1.1 This policy applies to all funds held by the CBT with the exception of the Canada Fund which have restrictions on the expenditure of capital.
- 8.1.2 Disbursements from a fund will be determined annually based on the terms of the fund and the investment return.
- 8.1.3 Annually an amount should be re-invested in the fund for the purpose of preservation of capital.
- 8.1.4 When necessary in order to meet its disbursement quota but only in the event that the terms of the fund itself permit encroachment, the CBT may encroach on the capital of a fund subject to capital restrictions.
- 8.1.5 This policy will be amended as necessary when applicable legislation or regulations change or when there is a significant change in the return on the CBT's investments.

- END -

POLICY TYPE: 8. GRANT MANAGEMENT

POLICY TITLE: 8.2 Granting

*Approved May 22, 2013
Amended March 5, 2015
Amended September 14, 2017*

- 8.2.1 The Board will approve the level of grants available on an annual basis, based on input from the investment committee and as a part of the annual business planning and budgeting process.
- 8.2.2 Grants are available only to qualified donees as defined in the *Income Tax Act* (Canada).
- 8.2.3 Grant recipients will be requested to provide a letter of acknowledgement; grant recipients should not provide an official donation receipt.
- 8.2.4 Annual Call for Projects:
 - 8.2.4.1 The call for projects provides grants with specific and published criteria to qualified donees.
 - 8.2.4.2 The Board will ensure that the program is actively promoted a minimum of 30 days prior to the deadline.
 - 8.2.4.3 Applications will be reviewed by the advisory committees and assessed against the criteria set for each.
 - 8.2.4.4 Applications received after the deadline date will not be accepted nor assessed.
 - 8.2.4.5 The assessment will be completed within 90 days of receipt of applications.
 - 8.2.4.6 The advisory committees will recommend to the Board a list of qualified donees and the amount of each grant for consideration.
 - 8.2.4.7 The Board will review and approve the applications.
 - 8.2.4.8 The Board will ensure all applicants are notified of granting decisions within 30 days of a decision being made.
 - 8.2.4.9 Grant agreement will be created between the CBT and the recipient qualified donee. The agreement will stipulate how the grant is to be used, based on the information in the grant application, as well as any conditions of the grant, timelines and reporting requirements.
 - 8.2.4.10 The Executive Director will be responsible for monitoring grant tracking and reporting. Grant extension requests will be reviewed and approved by the Executive Director. The Executive Director will regularly notify the Board when the terms of an agreement have been modified. The Board will be responsible for determining the appropriate course of action for all other exceptions.

- 8.2.5 Administration fees, overhead or indirect costs on university-administered research awards will be limited to 10% of the total award amount whether identified as a separate budget item or expressed as a function of the total cost. Indirect costs include, but are not limited to: accounting, human resources and payroll (invoicing, research account maintenance, preparation of financial reports, purchasing), research administration (drafting of research agreements, negotiation of contracts, review of research proposals, on-going contract administration, maintenance of information on funding sources, etc.), support for the libraries, access to computer services and the provision and maintenance of research facilities and office space.
- 8.2.6 Grants from Donor Designated, Charitable Organization and Donor Advised Funds are disbursed annually within 120 days of the annual general meeting. The recipients of these grants will be notified that the grant has come from (name) Fund of the CBT. A grant acknowledgement form accompanies the grant, for the beneficiary to confirm receipt.
- 8.2.7 The Board will determine the granting process for disbursements from Field of Interest Funds on a fund by fund basis.

- END -

POLICY TYPE: 8. GRANT MANAGEMENT

POLICY TITLE: 8.3 Sponsorships

Approved December 15, 2007

- 8.3.1 The CBT Board of Directors will approve funding each Business Plan year for the sponsorship of local events to:
 - 8.3.1.1 Support the spirit and intent of the UNESCO Clayoquot Sound Biosphere designation.
 - 8.3.1.2 Provide significant annual benefit to the communities and residents of the CSUBR.
 - 8.3.1.3 Enhance CBT's visibility and profile in support of the organizations on-going public relations efforts and further the CBT mandate, goals and objectives.
- 8.3.2 Criteria for distribution of sponsorship support will include the following:
 - 8.3.2.1 Public not-for profit and non-political events in the Biosphere Region consistent with CBT's goals and objectives.
 - 8.3.2.2 Events that are by local communities and residents, and about local communities and residents.
 - 8.3.2.3 Consistency, fairness and transparency in the distribution of funds to annual UNESCO Clayoquot Sound Biosphere Region community events.
 - 8.3.2.4 Acknowledged for CBT's support in the form of, for example, logo placement on posters and other promotional material including advertisements, official Board and/or staff participation, CBT displays, and speaking opportunities.
- 8.3.3 Allocation priorities will be reviewed and approved by the Board of Directors during the annual business planning and budgeting process.

- END -

POLICY TYPE: 8. GRANT MANAGEMENT

POLICY TITLE: 8.4 Scholarships

Approved August 30, 2010

Amended May 22, 2013

Amended March 5, 2015

The purpose of the CBT scholarship program is to support students of the Clayoquot Biosphere Region in their pursuit of higher education and skills development.

The USS Scholarship Program supports students graduating from Ucluelet Secondary School who are attending an accredited post-secondary institution in the academic year immediately following their graduation. The scholarship amount is \$3,000 per year for a maximum duration of four payments over five years (\$12,000).

The Central Region Nuu-Chah-Nulth Scholarship Program supports students that are registered members of the Hesquiaht First Nation, Ahousaht First Nation, Tla-o-qui-aht First Nations, Yuułuʔiłʔatḥ Government or Toquaht First Nation who are graduating from high school and are attending an accredited post-secondary institution in the upcoming academic year. Students do not have to reside in the Clayoquot Biosphere Region. The scholarship amount is \$3,000 per year for a maximum duration of four payments over five years (\$12,000).

Timelines:

- 8.4.1 Staff is responsible for publicly advertising the scholarships in September and February each year.
- 8.4.2 Applications for all scholarships are due on the 31st of March each year.
- 8.4.3 The CBT Board of Directors is responsible for selecting a recipient by the 15th of August.
- 8.4.4 Staff is responsible for contacting recipients prior to the start of the academic year.

Eligibility:

- 8.4.5 Students must be graduating that year and intend to commence post-secondary studies at an accredited institution the academic year immediately following, beginning in September or January.
- 8.4.6 Students must demonstrate high academic excellence in their Grade 11 and 12 years.
- 8.4.7 Students must be able to demonstrate community involvement.
- 8.4.8 Students applying for the Central Region Nuu-Chah-Nulth Scholarship Program must indicate if they are a registered member of the Hesquiaht First Nation, Ahousaht First Nation, Tla-o-qui-aht First Nations, Yuułuʔiłʔatḥ Government or Toquaht First Nation.

Ineligibility:

- 8.4.9 The following categories of students are ineligible for a scholarship:
- 8.4.9.1 Mature students;
 - 8.4.9.2 Part-time students;
 - 8.4.9.3 Continuing education students;
 - 8.4.9.4 Students who are not residents of the Clayoquot Biosphere Region other than those of First Nations descent as described in 8.4.8; and
 - 8.4.9.5 Students who are related or otherwise have a close association with a director or staff person of the CBT.

Decision:

- 8.4.10 The CBT Board of Directors is responsible for making decisions about the Central Region Nuu-Chah-Nulth scholarship recipient based on the applications, the advertised criteria and staff recommendations.
- 8.4.11 The Ucluelet Secondary School Scholarship Committee is responsible for making decisions about the USS scholarship recipient based on the applications and the advertised criteria.

Obligations of Scholarship Recipients:

- 8.4.12 Scholarship recipients are required to:
- i) Provide proof of full-time enrolment at an accredited post-secondary institution;
 - ii) Maintain a strong academic standing (C+ or better);
 - iii) Submit a request that the funds are released for each academic year following the first, a copy of that previous year's transcript, proof of full-time registration for the upcoming academic year, and a current mailing address before September 30th;
 - iv) Submit their social insurance number so that a T4A can be provided; and
 - v) Spend the funds on education-related expenses in this priority: 1) tuition, 2) books or 3) housing expenses.

Exceptions:

- 8.4.13 In the event that two or more students have very close averages (0.5%) and are equally active in their communities, the scholarship may be split between two or more students, within reason.
- 8.4.14 In the event that the post-secondary program that the recipient enrolls in is less than four academic years, the recipient will receive \$3,000 per year only for the duration of their program.
- 8.4.15 In the event that the recipient decides to complete two different post-secondary programs which combined, have a duration of four academic years, the student must provide notification and reasoning to the CBT, with the understanding that they will only receive \$3,000 per year for a maximum duration of four payments over five years (\$12,000).
- 8.4.16 In the event that a student wishes to defer his/her scholarship for any reason other than medical and/or compassionate leave, the student may submit a

one-time only request to the CBT Board by September 31 of that year to have their scholarship deferred for up to one year.

8.4.17 In the event that there are no applicants for a scholarship, or awarded funds are not requested, said funds will be reallocated to the CBT General Operating Budget.

8.4.18 In the event that a student fails to maintain a strong academic standing (C+ or better) and/or fails to provide the necessary documentation as outlined in 8.4.12, the CBT Board will review the case and determine whether the student will remain eligible for disbursement of remaining scholarship funds.

8.4.19 In the event that a student requests a medical/compassionate withdrawal from school, the student must provide the following documentation:

From the Institution:

i) Proof of withdrawal from the courses at the institution

Medical Documentation:

i) A letter from a doctor outlining the medical condition and how it impacts the student's ability to be successful in school, or;

ii) Where the condition is psychologically or emotionally based, a letter from a psychological professional or counsellor outlining the condition and how it impacts the student's ability to be successful

A letter from the student which clearly outlines:

i) The situation and/or condition that impacted the student's ability to be successful at school

ii) When the student first became aware of the situation/condition

8.4.20 If a student provides the above required documentation a medical withdrawal will be granted for one semester, upon which the student will provide an update regarding potential return date. The CBT Board will review the proposed return date and may allow the medical/compassionate withdrawal to continue if required.

- END -

POLICY TYPE: 9. BOARD EXPENSE REIMBURSEMENT

POLICY TITLE: 9.1 Directors and Alternates

Approved June 11, 2008

- 9.1.1 Mileage will be reimbursed for personal vehicle travel for all directors that attend board meetings and other meetings or events that are pre-approved by the CBT. The reimbursement rate is that established by the Treasury Board of Canada;
- 9.1.2 Other transportation required (i.e.: water taxi, ferry, airfare) to attend a meeting or events pre-approved by the Society will also be reimbursed with the submission of original receipts;
- 9.1.3 All regular meetings will be scheduled in order that Directors are not required to stay away overnight from home. For all meetings that occur during regular meal hours, meals will be provided by the Society;
- 9.1.4 Accommodation and meals may be provided only when a Director attends an event pre-approved by the Society (outside a regular meeting) that requires the Director to stay away overnight. These will be reimbursed as per Treasury Board of Canada guidelines; and
- 9.1.5 Childcare expenses that have been incurred as a result of attending scheduled CBT meetings or events will be reimbursed with the submission of an original receipt.

- END -

POLICY TYPE: 9. BOARD EXPENSE REIMBURSEMENT

POLICY TITLE: 9.2 Non-Government Board Advisors and Non-Local Committee Members

Approved June 11, 2008

- 9.2.1 Mileage will be reimbursed for personal vehicle travel for those non-government advisors and committee members attending regularly scheduled Board meetings, committee meetings or events that are pre-approved by the Society. The reimbursement rate is that established by the Treasury Board of Canada;
- 9.2.2 Other transportation required (i.e.: water taxi, ferry, airfare) to attend a meeting or events pre-authorized by the Society will also be reimbursed with the submission of original receipts;
- 9.2.3 A meal allowance can be claimed for the period required for travel to and attendance at regular Board meetings or other pre-approved events by the Society. The reimbursement rate is that established by the Treasury Board of Canada. Reimbursement will not apply when meal/s are provided at the meeting attended. No receipts are necessary;
- 9.2.4 Accommodation expenses including all applicable taxes will also be reimbursed for members attending regular Board meetings or other pre-approved events by the Society and that require a stay overnight. The member is expected to stay at hotels etc. that have “the best possible rate” for that area. A corporate or non-profit rate should be requested for all accommodation. Accommodation will be reimbursed with the submission of original receipts; and
- 9.2.5 Childcare expenses that have been incurred as a result of attending scheduled CBT meetings or events will be reimbursed with the submission of an original receipt.

- END -

POLICY TYPE: 9. BOARD EXPENSE REIMBURSEMENT

POLICY TITLE: 9.3 General Guidelines

*Approved November 29, 2000
Amended May 22, 2013*

- 9.3.1 Government of Canada and British Columbia Board advisors will be reimbursed by their employers and cannot claim reimbursement of their expenses from two sources.
- 9.3.2 An expense claim form by Board members (other than the Government of Canada and British Columbia Board advisors as noted in 9.3.1) must be completed and returned to the Society office within 14 working days of travel, with original receipts for accommodation, meals and other transport attached.

- END -