

The logo features a green stylized plant icon above the word "BRUCE" in large, bold, black capital letters. Below "BRUCE" is the phrase "Botanical Food Gardens" in a green, cursive script font.

BRUCE

Botanical Food Gardens



Board of Directors'
Guide
Book



Board of Directors' Guide Book - Contents

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Board of the Bruce Botanical Food Gardens

Roles and Responsibilities

The Board of the Bruce Botanical Food Gardens (BBFG) was formed as an administrative governing board.

Roles

The Board is responsible for the highest level of decision-making and legal authority of the organization.

1. By law, the Board is ultimately accountable for, and has authority over, the organization's resources and activities.
2. The Board articulates and communicates the organization's vision to the community.
3. Through policy the Board defines the parameters within which the organization will carry out its work.

Responsibilities

1. Establish and implement the organization's mission and vision.
2. Provide continuity for managing and implementing the organization's affairs.
3. Set the rate of progress that the organization takes in reaching its mission and vision.
4. Secure community support and appreciation for the organization's objects beliefs, vision mission and long-term direction.

Functions

The main function of the board is governance. The Board carries out this function by establishing, directing, and influencing implementation of policy in four areas:

1. Framework Governance
 - a. Defines the mission,
 - b. Defines the expected outcomes, and
 - c. Sets the future direction of the organization.
2. Board self-governance
 - a. Fulfills its legal mandate;
 - b. Develops, implements and monitors board self-governance policies;
 - c. Describes lines of communication and authority; and
 - d. Plans and conducts the Annual General Meeting.
3. Operational governance (program, personnel, finance)
 - a. Directs the organization's programs and services, personnel and financial resources, and
 - b. Sets the rate of progress that the organization takes toward its vision in the three areas of program governance, personnel governance, and financial governance.
4. Advocacy governance
 - a. Secures the community's support for the organization's beliefs, vision, mission, and long-term direction.
 - b. Establishes the organization's response to matters that affect its relationship to the community and to society.



Position:	Director
Responsible to:	Board of Directors
Summary of primary job functions:	Participate in the planning, direction and coordination for the successful operation of the Bruce Botanical Food Gardens (BBFG)
Legal Requirements: <ul style="list-style-type: none"> • Agree to comply with the provisions of the Corporations Act, Ontario • At least 18 years of age • A person who has not been found by a court in Canada to be of unsound mind • Not an undischarged bankrupt 	
Duties and Responsibilities:	
General:	
<ul style="list-style-type: none"> • Acts as an ambassador for the BBFG • Actively participates in meetings including the Annual General Meeting, meetings of the Board of Directors and Committee meetings • Prepares for meetings by reading agenda, minutes and reports as circulated • Participates in personnel decisions as required. • Liaise with other agencies, organizations and individuals to advance the mandate of the BBFG 	
Financial:	
<ul style="list-style-type: none"> • Provides input for the annual budget and expenditures for the BBFG • Reviews financial reports provided for accountability • Participates in helping the organization reach fundraising objectives 	
Governance:	
<ul style="list-style-type: none"> • Directs the organizational resources • Establishes policies, or changes to policies and procedures, as required • Ensures compliance to standards in accordance with all government legislation, regulations and guidelines pertinent to the BBFG's role as a non-profit agency • Implements plans, policies and goals that support the BBFG's strategic objectives 	
Key Competencies:	
<ul style="list-style-type: none"> • judgment • decision-making • information management • resource management • planning and organizing • problem analysis and problem solving • delegating tasks and responsibility • communication skills • coaching • teamwork • adaptability 	



Ministry of
Government Services
Ontario

Ministère des
Services gouvernementaux

LETTERS PATENT

This application constitutes the charter
of the corporation which is issued by
these Letters Patent dated this

LETTRES PATENTES

La présente demande forme la charte de la
société constituée en personne morale
par lettres patentes daté le

FEBRUARY 03 FÉVRIER, 2012

Minister of
Government Services

Le ministre des Services
gouvernementaux

K. [Signature]
Director / Directrice

per/par

APPROVED AS A CHARITY -- PGT
OEUVRE DE BIENFAISANCE APPROUVEE -- TCF

Form 2
Corporations
Act

Formule 2
Loi sur les
personnes
morales

**APPLICATION FOR INCORPORATION OF A CORPORATION WITHOUT SHARE CAPITAL
REQUÊTE EN CONSTITUTION D'UNE PERSONNE MORALE SANS CAPITAL-ACTIONS**

1. The name of the corporation is: (Set out in BLOCK CAPITAL LETTERS)

Dénomination sociale de la société : (Écrire en LETTRES MAJUSCULES SEULEMENT)

B	R	U	C	E	B	O	T	A	N	I	C	A	L	F	O	O	D	G	A	R	D	E	N	S	I
N	C	.																							

2. The address of the head office of the corporation is:

Adresse du siège social:

585 KENNARD CRESCENT

(Street & Number or R.R. Number & if Multi-Office Building give Room No.)

(Rue et numéro ou numéro de la R.R. et, s'il s'agit d'un édifice à bureaux, numéro du bureau)

KINCARDINE

Ontario **N 2 Z 1 T 4**

(Name of Municipality or Post Office)

(Postal Code)

(Nom de la municipalité ou du bureau de poste)

(Code postal)

3. The applicants who are to be the first directors of the corporation are:

Requérants appelés à devenir les premiers administrateurs de la personne morale :

First name, middle names and
surname

Address for service, giving Street & No. or R.R. No., Municipality, Prov-
ince, Country and Postal Code

Prénom, autres Prénoms et nom
de famille

Domicile élu, y compris la rue et le numéro, le numéro de la R.R. ou le
nom de la municipalité, la province, le pays et le code postal

LYNNE CHRISTINE TAYLOR

**585 KENNARD CRESCENT
KINCARDINE, ON N2Z 1T4**

ANTHONY THOMAS BEVAN

**103765 GREY ROAD 18
OWEN SOUND, ON N4K 5N8**

JANICE KATHRYN THOMSON

**P.O. BOX 1946
643 ELGIN STREET
PORT ELGIN, ON N0H 2C0**

4. The objects for which the corporation is incorporated are:
Objets pour lesquels la personne morale est constituée:

The establishment and operation of a Botanical Food Garden for the purposes of:

- a) To educate and inform the Public about the availability and use of edible plant species and sustainable lifestyles as an affordable, healthy, safe, culturally acceptable, and nutritious food source by providing courses, seminars and workshops;
- b) To educate and inform the public about the use of alternative edible plant varieties by gathering and exchanging specimen ideas, and data, scientific, horticultural and botanical information; and bringing together individuals interested in the conservation, natural beauty and productive use of flora in beautification of the environment and as both an alternative and an environmentally friendly food source;
- c) To organize or participate in environmental and agricultural projects designed to advance the environmental and agricultural use of plants and environmental responsibility in growing, harvesting, processing, transporting, using and disposing of waste materials from edible and other plant species;
- d) To relieve poverty by providing food stuffs to local food banks and other programs that feed those in need;

5. The special provisions are:
Dispositions particulières:

The corporation shall be carried on without the purpose of gain for its members, and any profits or other accretions to the corporation shall be used in promoting its objects.

La personne morale doit exercer ses activités sans rechercher de gain pécuniaire pour ses membres, et tout bénéfice ou tout accroissement de l'actif de la personne morale doit être utilisé pour promouvoir ses objets.

- a) The corporation shall be subject to the Charities Accounting Act and the Charitable Gifts Act.
- b) The directors shall serve as such without remuneration and no director shall directly or indirectly receive any profit from their positions as such, provided that directors may be paid reasonable expenses incurred by them in the performance of their duties.
- c) The borrowing power of the corporation pursuant to any by-law passed and confirmed in accordance with section 59 of the Corporations Act shall be limited to borrowing money for current operating expenses, provided that the borrowing power of the corporation shall not be so limited if it borrows on the security of real or personal property.
- d) If it is made to appear to the satisfaction of the Minister, upon report of the Public Guardian and Trustee, that the corporation has failed to comply with any of the provisions of the Charities Accounting Act or the Charitable Gifts Act, the Minister may authorize an inquiry for the purpose of determining whether or not there is sufficient cause for the Lieutenant Governor to make an order under subsection 317(1) of the Corporations Act to cancel the letters patent of the corporation and declare them to be dissolved.
- e) Upon the dissolution of the corporation and after payment of all debts and liabilities, its remaining property shall be distributed or disposed of to charities registered under the Income Tax Act (Canada), in Canada.
- f) To invest the funds of the corporation pursuant to the Trustee Act.
- g) For the above objects, and as incidental and ancillary thereto, to exercise any of the powers as prescribed by the Corporations Act, or by any other statutes or laws from time to time applicable, except where such power is limited by these letters patent or the statute or common law relating to charities.

Ancillary Powers

a) Power to Accumulate

To accumulate from time to time part of the fund or funds of the corporation and income therefrom subject to any statutes or laws from time to time applicable;

b) Power to Solicit Donations and Grants

To solicit and receive donations, bequests, legacies and grants, and to enter into agreements, contracts and undertakings incidental thereto;

c) Power to Receive Personal Property

To acquire by purchase, contract, donation, legacy, gift, grant, bequest or otherwise, any personal property and to enter into and carry out any agreements, contracts or undertakings incidental thereto, and to sell, dispose of and convey the same, or any part thereof, as may be considered advisable;

d) Power to Hold and Dispose of Real Property

To acquire by purchase, lease, devise, gift or otherwise, real property, and to hold such real property or interest therein necessary for the actual use and occupation of the corporation or for carrying on its charitable undertaking, and, when no longer so necessary, to sell, dispose of and convey the same or any part thereof;

5. Ancillary Powers (Cont...)

e) Power to Hire

To employ and pay such assistants, clerks, agents, representatives and employees, and to procure, equip and maintain such offices and other facilities and to incur such reasonable expenses, as may be necessary, provided that the corporation shall not pay any remuneration to a Director in any capacity whatsoever;

f) Power to Cooperate with any Other Charitable Organizations

To cooperate, liaise, and contract with other charitable organizations, institutions or agencies which carry on similar objects to that of the corporation;

g) Power to Sue and Compromise Claims

To demand and compel payment of all sums of money and claims to any real or personal property in which the corporation may have an interest and to compromise any such claims, and generally to sue and be sued in its corporate name;

h) Power to Issue Cheques

To draw, make, accept, endorse, execute and issue cheques and other negotiable or transferable instruments;

i) Power to Pay Costs of Incorporation

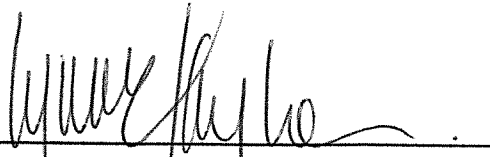
To pay all costs and expenses of, or incidental to, the incorporation.

6. The names and address for service of the applicants:
Nom et prénoms et domicile élu des requérants :

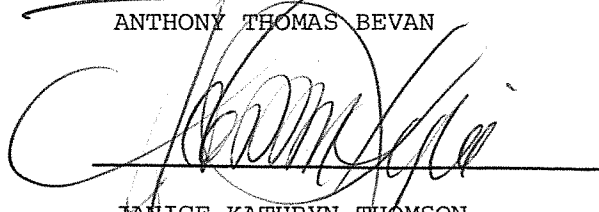
First name, middle names and surname Prénom, autres Prénoms et nom de famille	Address for service, giving Street & No. or R.R. No., Municipality, Province, Country and Postal Code Domicile élu, y compris la rue et le numéro, le numéro de la R.R. ou le nom de la municipalité, la province, le pays et le code postal
LYNNE CHRISTINE TAYLOR	585 KENNARD CRESCENT KINCARDINE, ON N2Z 1T4
ANTHONY THOMAS BEVAN	103765 GREY ROAD 18 OWEN SOUND, ON N4K 5N8
JANICE KATHRYN THOMSON	P.O. BOX 1946 643 ELGIN STREET PORT ELGIN, ON N0H 2C0

This application is executed in duplicate.
La présente requête est faite en double exemplaire.

Signatures of applicants
Signature des requérants


LYNNE CHRISTINE TAYLOR


ANTHONY THOMAS BEVAN


JANICE KATHRYN THOMSON

BRUCE BOTANICAL FOOD GARDENS INC.

CORPORATE BY-LAW

BY-LAW NO. 1

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BRUCE BOTANICAL FOOD GARDENS INC.
(the "Corporation")

BE IT ENACTED as a by-law of the Corporation as follows:

Head Office

1. Until changed in accordance with the *Corporations Act* (Ontario) (the "Act"), the head office of the Corporation shall be in the Town of Kincardine, in the Province of Ontario and at such place therein as the Board may from time to time determine.

Conditions of Membership

2. Membership in the Corporation shall consist of one class of members and shall be those persons who are from time to time the directors of the Corporation. The first directors of the Corporation shall be members of the Corporation until they resign or are removed as such in accordance with this By-Law.
3. There shall be no membership fees or dues unless otherwise determined by the board of directors. The directors may establish, set the amount of, adjust or cancel membership fees at any time without prior approval of the members unless to do so would effect the right to continued membership or any fundamental rights of membership in the Corporation.
4. Any member may withdraw from the Corporation by delivering to the Corporation a written resignation and lodging a copy of the same with the secretary of the Corporation.
5. Any member may be required to resign by a vote of three-quarters (3/4) of the members at an annual meeting.
6. Membership in the Corporation shall automatically terminate (i) if the person ceases to be a director of the Corporation, or (ii) if the member dies.

Members' Meetings

7. The annual or any other general meeting of the members shall be held at the head office of the Corporation or at any place in Ontario as the board of directors may determine and on such day as the said directors shall appoint. The members may resolve that a particular meeting of members be held outside of Ontario.
8. At every annual meeting, in addition to any other business that may be transacted, the report of the directors, the financial statements and the report of the auditors thereon shall be presented and the auditors shall be appointed for the ensuing fiscal year. The members may consider and transact any business either special or general at any meeting of the members. The board of directors or the president or the vice-president shall have power to call, at any time, a general meeting of the members of the Corporation. The board of directors shall call a special general meeting of members on written requisition of members carrying not less than five per cent (5%) of the voting rights. Twenty-five per cent (25%) of the members present in person at a meeting will constitute a quorum. Proxies will not be counted towards establishing quorum for a members meeting.

9. Notice of Meeting and Voting Rights:

- (a) Fourteen (14) days' written notice shall be given to each member of any annual or special general meeting of members. Notice of any meeting where special business will be transacted shall contain sufficient information to permit the member to form a reasoned judgment on the decision to be taken. Notice of each meeting of members must remind the member that they have the right to vote by proxy; and
- (b) Each member present at a meeting shall have the right to exercise one vote. A member may, by means of a written proxy, appoint a proxy holder to attend and act at a specific meeting of members, in the manner and to the extent authorized by the proxy. A proxy holder need not be a member of the Corporation.

10. A majority of the votes cast by the members present and carrying voting rights shall determine the questions in meetings except where the vote or consent of a greater number of members is required by the Act or these By-laws.

11. No error or omission in giving notice of any annual or general meeting or any adjourned meeting, whether annual or general, of the members of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. For purpose of sending notice to any member, director or officer for any meeting or otherwise, the address of the member, director or officer shall be their last address recorded on the books of the Corporation.

Board of Directors

12. The property and business of the Corporation shall be managed by a board of directors, comprised of a minimum of three directors. The number of directors shall be determined from time to time by a majority of the directors at a meeting of the board of directors and sanctioned by an affirmative vote of at least two-thirds (2/3) of the members at a meeting duly called for the purpose of determining the number of directors to be elected to the board of directors. Directors must be individuals, 18 years of age, with power under law to contract. Directors need not be members.

13. The applicants for incorporation shall become the first directors of the corporation whose term of office on the board of directors shall continue until their successors are elected. At the first meeting of members, the board of directors then elected shall replace the provisional director(s) named in the Letters Patent of the corporation.

14. Directors shall be elected for a term of one (1) year by the members at an annual meeting of members. Directors who are also officers of the Corporation shall be elected for a term as set out in Section 28 of this By-Law. Each director, if otherwise qualified, is eligible for election for five (5) consecutive full one (1) year terms and thereafter is not eligible for re-election until a period of eleven (11) months has elapsed from the date of retirement of such director.

15. The office of director shall be automatically vacated:

- (a) if at a special meeting of members, a resolution is passed by sixty-six per cent (66%) of the members present at the meeting that they be removed from office;

- (b) if a director has resigned their office by delivering a written resignation to the secretary of the corporation;
- (c) if they are found by a court to be of unsound mind;
- (d) if they become bankrupt or suspends payment or compounds with their creditors; and
- (e) on death;

provided that if any vacancy shall occur for any reason in this paragraph contained, the board of directors by majority vote, may, by appointment, fill the vacancy with a member of the Corporation for the remainder of the term.

- 16. The directors shall serve as such without remuneration and no director shall directly or indirectly receive any profit from his position as such; provided that a director may be paid reasonable expenses incurred by him/her in the performance of his/her duties.
- 17. A retiring director shall remain in office until the dissolution or adjournment of the meeting at which their retirement is accepted and their successor is elected.

Powers of Directors

- 18. The directors of the Corporation may administer the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter into and, save as hereinafter provided, generally, may exercise all such other powers and do all such other acts and things as the Corporation is by its charter or otherwise authorized to exercise and do.
- 19. The directors shall have power to authorize expenditures on behalf of the Corporation from time to time and may delegate by resolution to an officer or officers of the corporation the right to employ and pay salaries to employees. The directors shall have the power to enter into a trust arrangement with a trust company for the purpose of creating a trust fund in which the capital and interest may be made available for the benefit of promoting the interest of the Corporation in accordance with such terms as the board of directors may prescribe.
- 20. The board of directors is hereby authorized, from time to time:
 - (a) to borrow money upon the credit of the Corporation, from any bank, corporation, firm or person, upon such terms, covenants and conditions at such times, in such sums, to such an extent and in such manner as the board of directors in its discretion may deem expedient;
 - (b) to limit or increase the amount to be borrowed;
 - (c) to issue or cause to be issued bonds, debentures or other securities of the corporation and to pledge or sell the same for such sums, upon such terms, covenants and conditions and at such prices as may be deemed expedient by the board of directors; and
 - (d) to secure any such bond, debentures or other securities, or any other present or future borrowing or liability of the Corporation, by mortgage, hypothec, charge or

pledge of all or any currently owned or subsequently acquired real and personal, movable and immovable, property of the Corporation, and the undertaking and rights of the Corporation.

21. The board of directors shall take such steps as they may deem requisite to enable the Corporation to acquire, accept, solicit or receive legacies, gifts, grants, settlements, bequests, endowments and donations of any kind whatsoever for the purpose of furthering the objects of the Corporation.
22. The board of directors may appoint such agents and engage such employees as it shall deem necessary from time to time and such persons shall have such authority and shall perform such duties as shall be prescribed by the board of directors at the time of such appointment.
23. Remuneration for all executive officers, agents and employees shall be fixed by the board of directors by resolution.

Directors' Meetings

24. Meetings of the board of directors may be held at any time and place to be determined by the directors provided that at least 48 hours written notice of such meeting shall be given, other than by mail, to each director. Notice when sent by mail, shall be sent at least fourteen (14) days prior to the meeting. There shall be at least one (1) meeting per year of the board of directors. No error or omission in giving notice of any meeting of the board of directors or any adjourned meeting of the board of directors of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any director may at any time waive notice of any such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat. Each director is authorized to exercise one (1) vote on each matter coming before the board. In the case of an equality of votes, the chair of the meeting shall not have a second or casting vote.
25. A majority of directors in office, from time to time, shall constitute a quorum for meetings of the board of directors. Any meeting of the board of directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the by-laws of the Corporation.

Indemnities to Directors and Others

26. Every director of the Corporation and his/her heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless to the maximum extent possible out of the funds of the Corporation, from and against:
 - (a) all costs, charges and expenses which such director sustains or incurs in or about any action, suit or proceedings which is brought, commenced or prosecuted against them, or in respect of any act, deed, matter of thing whatsoever, made, done, or permitted by them, in or about the execution of the duties of his/her office or in respect of any such liability; and
 - (b) all other costs, charges and expenses which he/she sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his/her own willful neglect or default.

Officers

27. The officers of the Corporation shall be a president, vice-president, secretary and treasurer and any such other officers as the board of directors may by by-law determine. Any two offices may be held by the same person.
28. The president shall be appointed by resolution of the board of directors at the first meeting of the board of directors following an annual meeting of members.
29. The officers of the Corporation shall hold office for two (2) years from the date of appointment or until their successors are elected or appointed in their stead. Officers shall be subject to removal by resolution of the board of directors at any time.

Duties of Officers

30. The president shall be the chief executive officer of the Corporation and shall preside at all meetings of the Corporation and of the board of directors. The president shall have the general and active management of the affairs of the Corporation and shall see that all orders and resolutions of the board of directors are carried into effect.
31. The secretary shall, in the absence or disability of the president, perform the duties and exercise the powers of the president and shall perform such other duties as shall from time to time be imposed upon them by the board of directors. The secretary may be empowered by the board of directors, upon resolution of the board of directors, to carry out the affairs of the Corporation generally under the supervision of the officers thereof and shall attend all meetings and act as clerk thereof and record all votes of all proceedings in the books to be kept for that purpose. The secretary shall give or cause to be given notice of all meetings of the members and of the board of directors, and shall perform such other duties as may be prescribed by the board of directors or president, under whose supervision they shall be. The secretary shall be custodian of the seal of the Corporation, which they shall deliver only when authorized by a resolution of the board of directors to do so and to such person or persons as may be named in the resolution.
32. The treasurer shall have custody of the funds and securities of the Corporation and shall keep full and accurate accounts of all assets, liabilities, receipts and disbursements of the corporation in the books belonging to the Corporation and shall ensure the proper deposits of all monies, securities and other valuable effects in the name and to the credit of the corporation in such chartered bank or trust company, or, in the case of securities, in such registered dealer in securities as may be designated by the board of directors from time to time. The treasurer shall disburse the funds of the Corporation as may be directed by proper authority, taking proper vouchers for such disbursements, and shall render to the president and directors at the regular meeting of the board of directors, or whenever they may require it, an accounting of all the transactions and a statement of the financial position of the Corporation. The treasurer shall also perform such other duties as may from time to time be directed by the board of directors.
33. The duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the board of directors requires of them.

Committees

34. The board of directors may appoint committees whose members will hold their offices at the will of the board of directors. The directors shall determine the duties of such committees.

Execution of Documents

35. Contracts, documents or any instruments in writing requiring the signature of the Corporation, shall be signed by any two officers and all contracts, documents and instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The directors shall have power from time to time, by resolution, to appoint an officer or officers on behalf of the Corporation to sign specific contracts, documents and instruments in writing. The directors may give the Corporation's power of attorney to any registered dealer in securities for the purposes of transferring of, and dealing with, any stocks, bonds, and other securities of the Corporation. The seal of the Corporation when required may be fixed to contracts, documents and instruments in writing signed as aforesaid or signed by any officer or officers appointed by resolution of the board of directors.

Minutes of the Board of Directors

36. The minutes of the board of directors shall not be available to the general membership of the Corporation but shall be available to the board of directors, each of whom shall receive a copy of such minutes.

Financial Year

37. Unless otherwise ordered by the board of directors, the fiscal year end of the Corporation shall be the 31st day of December.

Amendment of By-Laws

38. The by-laws of the Corporation not embodied in the Letters Patent may be repealed or amended by by-law, or a new by-law relating to the requirements of subsection 129(1) of the Act, may be enacted by a majority of the directors at a meeting of the board of directors sanctioned by an affirmative vote of at least two thirds (2/3) of the members at a meeting duly called for the purpose of considering the said by-law.

Auditors

39. Subject to the requirements of the Act, the members shall, at each annual meeting, appoint an auditor to audit the accounts and annual financial statements of the Corporation for report to the members at the next annual meeting. The auditor shall hold office until the next annual meeting provided that the directors may fill any casual vacancy in the office of the auditor. The remuneration of the auditor shall be fixed by the board of directors.

Books and Records

40. The directors shall see that all necessary books and records of the Corporation required by the by-laws of the Corporation or by any applicable statute or law are regularly and properly kept.

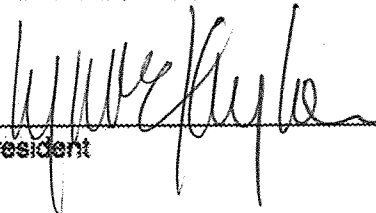
Rules and Regulations

- 41. The board of directors may prescribe such rules and regulations not inconsistent with these by-laws relating to the management and operation of the Corporation as they deem expedient.

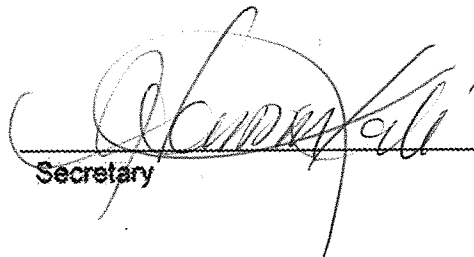
Interpretation

- 42. In these by-laws, and in all other by-laws of the Corporation hereafter passed, unless the context otherwise requires, words importing the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be, and vice versa, and reference to persons shall include firms and Corporations.

ENACTED as By-Law No. 1 of Bruce Botanical Food Gardens Inc. this 2ND day of MAY, 2012.

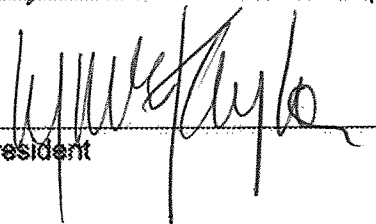


President




Secretary

CONFIRMED by the Members in accordance with the Corporations Act (Ontario) on the 2ND day of MAY, 2012.



President



Secretary

Always uphold the mission & values of the Bruce Botanical Food Gardens (BBFG)

BE SAFE Wear required identification. All items of clothing must be suitable for the work environment and make sure to follow safe work practices.

BE RESPECTFUL You are working with others as a team so be considerate of how your actions or contribution affects your colleagues and the community as a whole. Demonstrate integrity, respect and professionalism to all.

BE HEALTHY We are committed to a healthy and comfortable work environment for all its volunteers. There will be no smoking, or the use of alcohol or drugs, as these may have serious adverse effects on yours or another's health, safety, and job performance.

BE COMPASSIONATE Contribute to a positive working environment. Harassment, discrimination or other behaviours that compromise the dignity and self-worth of others cannot be tolerated.

BE COLLABORATIVE When you are unsure, ask for help. Asking questions avoids many problems down the road and so questions are encouraged. Those who are asked should be responsive and helpful.

BE CONSIDERATE When you leave or disengage from your position, in whole or in part, we ask that you do so in a way that minimizes disruption. This means you should tell people you are leaving and take the proper steps to ensure that others can pick up where you leave off.

BE HONEST Act with honesty and integrity when dealing with money, property and other organizational assets on behalf of the BBFG.

BE DISCREET Maintain confidentiality and respect the privacy of others. If you receive any personal information about another person in the course of providing volunteer services, you will be expected to receive it in confidence, and will not disclose it, except with consent.

BE PROFESSIONAL Fulfill responsibilities in a timely fashion and participate in any orientation/training. Within a reasonable time, check your emails or phone messages and respond, even to say that you do not have the time to help right away. We do appreciate any help you can give.

A copy of a detailed BBFG Volunteer Policy is available to you at any time.

Bruce Botanical Food Gardens BBFG)

Volunteer Policy

These are our detailed policies regarding volunteers at the Bruce Botanical Food Gardens (BBFG). These policies are written to provide overall guidance and direction to staff and volunteers engaged in volunteer involvement and management efforts. These policies do not constitute, either implicitly or explicitly, a binding contractual or personnel agreement. BBFG reserves the exclusive right to change any of these policies at any time and to expect adherence to the changed policy. Changes to or exceptions from these policies may only be granted by the Board, and must be obtained in advance and in writing.

Definition of 'Volunteer'

A "volunteer" is anyone who, without compensation or expectation of compensation beyond reimbursement, performs a task at the direction of and on behalf of BBFG. A "volunteer" must be officially accepted and enrolled prior to performance of the task.

Why do we collect your personal information?

We may use your personal information to ensure that we are able to provide you with an enriching volunteer experience, to match your skills with our volunteer needs, for scheduling, to be able to comply with your requests (for example, if you prefer to be contacted at a business or residential telephone and advise us of your preference, we will use this information to contact you at that number); and for other purposes that may be reasonable in the context of your volunteer relationship with the BBFG.

Volunteers Under 18

If you are under 18, please let at least one of your parents know you are going to volunteer with the BBFG. If a volunteer is under the age of 14 they should fill out a volunteer application along with their parent and be accompanied by a parent/guardian or family member for any volunteer tasks.

Service

The BBFG accepts the service of all volunteers with the understanding that such service is at their sole discretion. Volunteers agree that the BBFG may at any time, for whatever reason, decide to terminate the volunteer's relationship with the BBFG.

The volunteer may at any time, for whatever reason, decide to sever the volunteer's relationship with the BBFG. Notice of such a decision should be communicated as soon as possible to the volunteer's supervisor.

Screening/Reference Checks

For some tasks, volunteers must submit samples of work and professional references. If such is required, it will be outlined in the task description.

Representing the BBFG

Volunteers are asked to not contact organizations or individuals on behalf of the BBFG unless they are given express written directions to do so by a Supervisor. Prior to any action or statement which might significantly affect or obligate the BBFG, volunteers should seek prior consultation and approval from appropriate staff. These actions may include, but are not limited to, public statements to the press, coalition or lobbying efforts with other organizations, or any agreements involving contractual or other financial obligations. Volunteers are authorized to act as representatives of the BBFG as specifically indicated within their job descriptions and only to the extent of such written specifications.

Ownership and Intellectual Property

All intellectual property produced by volunteers for the BBFG, including graphics materials, web page designs, narratives, research, compilations, instructional texts, etc., becomes the property of the BBFG upon submission.

Confidentiality

Volunteers are responsible for maintaining the confidentiality of all proprietary or privileged information to which they are exposed while serving as a volunteer, whether this information involves a single staff, volunteer, client, or other person or involves overall agency business. Volunteers must not use for their own purposes information obtained as a result of their role with the BBFG. This applies both during and after the period in which the individual is a BBFG volunteer.

Personal Gains

Volunteers must not use their status as a BBFG volunteer to obtain personal gain from those doing or seeking to do business with the BBFG. Additionally, volunteers should neither seek nor accept gifts, payments, services, fees, special valuable privileges, pleasure or vacation trips, accommodations or loans from any or from any organization or group that does, or is seeking to do business with the BBFG.

Accounting and Financial Reporting

Volunteers must comply with BBFG accounting, reporting and internal control procedures and are forbidden to forge, falsify or omit information which may mislead auditors or other internal or external reviewers of BBFG documents, financial or otherwise.

Respectful Conduct

Volunteers must treat with respect all clients, staff, and fellow volunteers with whom they interact while conducting BBFG business. Harassment, discrimination or other behaviours that compromise the dignity and self-worth of others cannot be tolerated, and will be addressed promptly and in confidence. BBFG expects all staff and volunteers to abide by Human Rights codes.

Alcohol and illegal or prescription drugs

All volunteers are expected to be fit for duty when reporting to work and remain fit for the duration of the day. This implies that employees must not be impaired by alcohol, illegal drugs, or prescription drugs. If a volunteer is required to take prescription drugs, these drugs should not inhibit their ability to proficiently perform their job functions.

Volunteers are not to have alcohol, illegal drugs, or related paraphernalia in their possession while in the work place.

Possession, use, or selling of alcohol, drugs, or drug paraphernalia on BBFG property or in organizational vehicles is prohibited.

Use of alcohol for social functions or any circumstances related to organizational business may be permitted when approved by the Board.

Smoking

There must be no use of tobacco products inside of the BBFG grounds. Volunteers who desire to smoke or use tobacco products must do so during rest or lunch breaks only and in the designated areas. Proper clean up and disposal of tobacco products is required.

Contacting Others

Occasionally, volunteers will need to contact other volunteers with regard to their activities with the BBFG. We expect all such communications among volunteers to follow general etiquette guidelines. Other than email addresses and/or phone numbers, the BBFG will not share contact information about a volunteer with another volunteer without the express consent of all parties involved. We encourage volunteers to use common sense when communicating with other volunteers -- or anyone.

Dismissal of a Volunteer

Volunteers who do not adhere to the rules and procedures of the BBFG or who fail to satisfactorily perform their volunteer assignment are subject to dismissal. No volunteer will be terminated until the volunteer has had an opportunity to discuss the reasons for possible dismissal with supervisory staff. Possible grounds for dismissal may include, but are not limited to, the following: gross misconduct or insubordination, theft of property or misuse of materials, harassment, abuse or mistreatment of clients, staff or other volunteers, failure to abide by agency policies and procedures, and failure to satisfactorily perform assigned duties.

These are minimum standards and by no means cover every contingency.

Any volunteer who is uncertain of the application of this policy should contact their supervisor.



Discrimination and Harassment Policy

Bruce Botanical Food Gardens (hereafter referred to as BBFG) is committed to providing an environment free of discrimination and harassment, where all individuals are treated with respect and dignity, can contribute fully and have equal opportunities.

The objectives of this Policy are to:

- Make sure that members, patrons and associates BBFG are aware that harassment and **discrimination** are unacceptable practices and are incompatible with the standards of this organization, as well as being a violation of the law
- Set out the types of behaviour that may be considered offensive and are prohibited by this policy.

Harassment and discrimination will not be tolerated, condoned or ignored at BBFG. If a claim of harassment or discrimination is proven, disciplinary measures will be applied, up to and including termination. BBFG is committed to a comprehensive strategy to address harassment and discrimination, including:

- providing training and education to make sure everyone knows their rights and responsibilities regularly monitoring organizational systems for barriers relating to Code grounds
- providing an effective and fair complaints procedure
- promoting appropriate standards of conduct at all times.

The following behaviour is prohibited:

Discrimination: means any form of unequal treatment, whether imposing extra burdens or denying benefits. It may be intentional or unintentional. It may involve direct actions that are discriminatory on their face, or it may involve rules, practices or procedures that appear neutral, but disadvantage certain groups of people. Discrimination may take obvious forms, or it may happen in very subtle ways. Even if there are many factors affecting a decision or action, if discrimination is one factor, that is a violation of this policy.

Harassment: means a course of comments or actions that are known, or ought reasonably to be known, to be unwelcome. It can involve words or actions that are known or should be known to be offensive, embarrassing, humiliating, demeaning or unwelcome, based on a ground of discrimination identified by this policy. Harassment can occur based on any of the grounds of discrimination.

Examples of harassment include:

- Epithets, remarks, jokes or innuendos related to a person's race, gender identity, gender expression, sex, disability, sexual orientation, creed, age, or any other ground
- Posting or circulating offensive pictures, graffiti or materials, whether in print form or via e-mail or other electronic means
- Singling out a person for humiliating or demeaning "teasing" or jokes because they are a member of a Code-protected group
- Comments ridiculing a person because of characteristics that are related to a ground of discrimination. For example, this could include comments about a person's dress, speech or other practices that may be related to their sex, race, gender identity or creed.

Bruce Botanical Food Gardens Strategic Actions

February, 2019



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Bruce Botanical Food Gardens

Introduction

The Bruce Botanical Food Gardens (BBFG), founded in 2012, is a non-profit organization displaying a diverse collection of sustainable, organic food plants of the rare, endangered and heirloom varieties. As a public learning centre and food-based tourist attraction, the BBFG offers a variety of educational programming and events for all ages based on issues surrounding food security and sustainable food production. The unique varieties of food harvested from the garden provide people with fresh, healthy, organic food options.



The BBFG is located in Ripley, Ontario in the Township of Huron-Kinloss, within the County of Bruce. The Township of Huron-Kinloss has provided strong leadership for innovative projects and enthusiastically supported the vision presented to them for the development of BBFG. The Township has provided land and other resources to the initiative.

The gardens are located close to a settled residential/senior's development, and recreational fields. The site is also close to the village trail system and is within walking distance to the downtown of Ripley.



Volunteers are the backbone of the organization. They come from within Ripley and they come from other communities within the area. Without these volunteers who help with everything from planting to harvesting to offering their expertise to building projects, BBFG could not operate. Children's projects have brought great joy to the Gardens with their wonder and excitement at seeing the seeds they planted and nurtured grow into edible produce.

BBFG is operated under the direction of a Board of Directors. The Board provides leadership and oversight to the operations of BBFG.

Developing Strategic Actions

In the Fall of 2018, the Board of Directors decided to initiate a process to identify strategic actions to help guide BBFG over the next several years. Dr. Wayne Caldwell provided assistance with the process and a workshop was held on December 1, 2018. Approximately 20 people participated. Participants helped develop a vision statement, they identified existing activities of BBFG and they

identified new actions to be considered. Participants then evaluated the merits of existing actions and potential new ones. The day concluded with a rating of each of the actions using a process whereby each participant had 10 votes to identify preferred activities. In total 19 actions were identified (existing and new). These in turn were reduced to 13 actions that were further flushed out by the Board.

The following presents the results from this process.



Key words used by workshop participants in helping to develop this vision statement.

Vision - The following vision statement was developed with the input of BBFG supporters who participated in the development of these strategic actions:

The Bruce Botanical Food Gardens will be a financially sustainable, accessible, educational destination with programs focused on addressing the issues of food insecurity and healthy food preparation, built on principles of organic and sustainable food production.



Resources Supporting the Bruce Botanical Food Gardens

There are many factors that contribute to the success of BBFG. While driven by leadership and volunteers, these resources and attributes can be summarized under the following headings: Human Resources, Finances, Environment, and Collaborations with other groups. These resources are summarized below.

<p><u>Human Resources</u> Garden Co-ordinator Summer Student Volunteers Township church groups Township service clubs Volunteer recognition</p>	<p><u>Finances</u> Harvest Dinner Donations Workshops Tours Grants</p>
<p><u>Environment</u> Land (.5 – 5 acres) Water (recycling)</p>	<p><u>Collaborations (other groups)</u> Township – Council Horticultural Society PRWIN Lions Club Legion School Community Living Mennonite community Other</p>

Current Activities

Since 2012, BBFG has developed and delivered a number of programs and activities. These activities focus on growing, protecting and showcasing heirloom and rare varieties of plants, combined with an important educational and community mandate. At the December, 2018 workshop the following were identified as the substantive things that BBFG currently does:

- seed saving
- living marketplace
- tours and workshops; agritourism
- grant funding/ fundraising/ Harvest Dinner / Promotion - calendar
- education/hands on
- varieties of plants - Showcase
- community gathering place (accessible)
- environment people/animals (organic)

Potential Activities

Part of the purpose of this project was to evaluate current activities and to identify additional activities that might be equally or more relevant given the overall mandate of BBFG. Participants at the December 2018 workshop were asked to identify potential activities and foci that could be undertaken. These activities are listed below:

- Marketing (targeted) - Youth!
- New targeted programs
 - youth
 - seniors
 - mental health
 - disabilities
- Events at the Garden
- Shade structure – rest area
- Herb harvesting and drying / Processing
- Develop recipes
 - Cookbook
 - Utilize mud oven
- Build community connection – volunteer recruitment
- Build financial capacity
 - staff
 - capital projects
- Increase organic resources/methods
 - compost
 - contained
- Increase size
 - - food forest
 - community garden plots
- Supply Food Bank



Developing an Action Plan

The “Current” and “Potential” activities were evaluated and ranked by the workshop participants. Participants were asked to consider the potential impact of an existing or new activity (i.e. how impactful is it in terms of helping to achieve BBFG’s mandate) and they were asked to consider the effort or feasibility of making it happen (i.e. does BBFG have or can it secure the resources to make it happen). Based on this perceived benefit and anticipated effort to make a specific action

happen, participants were then asked to vote for their preferred activities (each participant had 10 votes).

These preferred activities were then categorized, reviewed and confirmed by the Board. They were evaluated against the Vision Statement to help ensure that they were consistent and supportive of this vision. In addition, responsibility for individual actions and relative timing was confirmed.

The overall purpose of the action plan is to provide the Board and staff with a template against which they may continue with existing activities, initiate new ones and gauge progress over time. The Action Plan should be viewed as flexible – circumstances, resources and opportunities change and the Board should be willing to adjust as needed. The results are presented in the following table.



Action Plan: Bruce Botanical Food Gardens

	Actions/ Activities	Responsibility	Timing
Fundraising, Volunteer Recruitment and Capacity	Recruit volunteers and facilitate their involvement. This includes volunteer training and guides for their involvement. The involvement of volunteers is key to the BBFG mandate.	Board and staff (garden manager)	On-going
	Grant funding/ fundraising/ Harvest Dinner / Promotion – calendar. BBFG will continue to emphasize the importance of fundraising. This is a key aspect of financial sustainability.	Board	On-going
	Build financial capacity (staff, capital projects). BBFG recognizes that on-going financial support for staff and capital projects (structures and enhancements) is essential. Individuals, community groups, foundations, the Municipality, the Province and Federal governments are all potential partners/ supporters. Volunteer development is also important in the development of financial capacity.	Board	Short-term and On-going
	Develop recipes (Cookbook, Utilize mud oven). Promote and profile the plants grown at BBFG (recognizing the related potential for fundraising).	Volunteer led	Short-term (on-going)
	Events at the Garden. Use the Garden as a hub for events and activities. This will help raise the profile of BBFG.	Partnership – Board and Garden Manager	Short-term and On-going
Capital Projects	Shade structure – rest area. The Garden is an important meeting area. It largely depends on volunteers. Space needs to be provided that helps to enhance the space as welcoming – a place where people want to be.	Garden Manager	Short-term
	Evaluate opportunities for increasing the size of BBFG. During the development of this strategy two opportunities were identified. These include the potential for a “food forest” and the potential for “community garden plots.” Both ideas may have merit, but need to be considered further.	Board	Long-term
Growing & sharing	Living marketplace. BBFG is a space where people come together to share in the growing, harvesting and processing of rare, endangered and heirloom varieties of plants from Canada and around the world. As part of this there is the opportunity for sharing food and education connected to the food sector and the BBFG mandate. BBFG will continue with and enhance this work.	Garden Manager	On-going

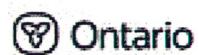
Seed Pres'vn	Seed saving. BBFG actively engages in the collection, growing, demonstration, storage and preservation of heritage varieties of seeds (from Ontario and elsewhere). This occurs from season-season through propagation.	Garden Manager	On-going
Education & Demonstrations	Education/hands on. Education and experiential learning is a major mandate of BBFG. BBFG will continue to look for opportunities to enhance this initiative.	Board	On-going
	Tours and workshops; agri-tourism. BBFG will continue to offer tours and workshops that profile BBFG and which help to contribute to knowledge of plants, related gardening, healthy eating and the storage/processing of food products and seeds.	Garden Manager and Volunteers	On-going
	Varieties of plants - Showcase. BBFG will continue to showcase rare, endangered and heirloom varieties of plants from Canada and around the world.	Garden Manager	On-going (requires long-term strategy)
	New targeted programs (youth, seniors, mental health, disabilities). BBFG recognizes that there are special needs within society. Many seniors for example, are avid gardeners and keen to participate in BBFG and related programs. Likewise there are numerous health benefits in participating in activities associated with BBFG.	Board	Short-term (planning and grant writing) Medium term (strategy required)
Food Production	Supply Food Bank – BBFG can contribute fresh food to the Food Bank. There is a related opportunity to contribute education and hands on experience in the processing and storage of fresh foods (canning, drying, etc.).	Volunteers (with Garden Manager)	Medium term
	Herb harvesting and drying / Processing. BBFG engages in the growing of herbs and vegetables. These need to be harvested, and prepared for storage (through drying).	Volunteers (with Garden Manager)	On-going

Timing: Short-term – next year; Intermediate Term – 1-3 years; Long-term – 3-5 years
Ongoing (continues, with no foreseeable end date)




**Directors' Liability: A Discussion Paper on
Legal Liability, Risk Management and the Role
Of Directors in Non-Profit Organizations**

Funding for this resource is provided by the Government of Ontario,
Ministry of Citizenship – Voluntarism Initiatives



According to the 2000 NSGVP, about 41 percent of Canadian volunteers serve on boards and committees. Despite their deep commitment to countless causes and organizations many board members may be unaware of the legal ramifications of their volunteer work. Personal liability has become an area of increased concern for board members of not-for-profit organizations. This important resource informs board members about their legal duties and obligations, and offers them a practical 'prevention checklist' to help minimize personal liability.

Financial support for the development of this resource was provided by the Government of Ontario through the Ontario Screening Initiative.  Ontario

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1. Introduction

According to the 2000 National Survey of Giving, Volunteering and Participating, over 40 percent of Canadian volunteers hold positions on boards and committees.¹ Despite their deep commitment to the effective governance of voluntary organizations, many board members are unaware of the legal ramifications of their volunteer work. As our society becomes more litigation-oriented, the public expects non-profit organizations to be more accountable and businesslike in managing their affairs. Volunteer board members are right to be concerned about their personal liability.

Directors' Liability A Discussion Paper on Legal Liability, Risk Management and the Role of Directors in Non-Profit Organizations informs board members about their legal responsibilities and provides practical suggestions for managing risks and minimizing personal liability. Although this discussion paper contains legal information, it does not provide legal advice. Neither its authors nor Volunteer Canada are in a position to determine whether organizations or individuals have fulfilled their legal duties or satisfied the applicable standard of care in every circumstance. Individuals and organizations seeking specific advice should consult with a lawyer.

This discussion paper is not intended to deter people from volunteering as board members with their favourite voluntary organization or charity. Risk and responsibility are facts of life, and every activity we undertake involves a certain amount of risk. The volunteer director needs to understand the risks involved in the position so that he or she can act reasonably and appropriately. The purpose of this paper is to raise awareness of the legal risks facing directors, and to offer directors and organizations some practical suggestions for minimizing these risks.

2. What is an organization?

Organizations come in a variety of types and sizes, under a variety of names. In this discussion paper, the generic term 'organization' is used. Some organizations are small with no staff and no office, some have a few staff, and some are large entities with many staff and volunteers.

An organization can be 'unincorporated,' and thus have no legal status, or it can be 'incorporated' as a corporation under federal or provincial statutes. This corporation can be for-profit (that is, organized to pursue commercial objectives), or it can be non-profit (that is, organized to fulfill benevolent or charitable purposes).

A non-profit organization can be referred to as:

- a club;
- an association;
- a society;
- a corporation;
- a league, or
- a committee (as in the Canadian Olympic Committee).

¹ Statistics Canada. *Caring Canadians, Involved Canadians: Highlights from the 2000 National Survey of Giving, Volunteering and Participating* (Ottawa: Minister of Industry, 2001), p. 41. To download the full report,

3. *What is a board?*

Some organizations are governed by administrative or 'hands-on' boards while others are led by policy-governing boards. Both boards may be called a board of directors, a board of governors or a board of trustees. The responsibility of an organization's board is to:

- provide leadership and direction to the organization; and
- govern the affairs of the organization on behalf of its shareholders (in the case of a for-profit corporation) or its members (in the case of a non-profit organization).

4. *What is a director?*

A director is an individual who is a member of a governing board of an organization. Directors of non-profit organizations are volunteers and are rarely paid for their services, while directors of for-profit corporations are usually compensated. As a rule, directors are elected or appointed to their positions on the board. They may also be officers, where an officer fulfills certain corporate roles and functions (such as those duties of a 'president,' 'treasurer' or 'secretary' of the organization). Officers can also be senior staff persons, and in rare circumstances, staff persons can also be directors.

Regardless of the name, size, or type of organization, the role of the director remains fairly constant. Directors and officers of non-profit organizations are responsible for governing the affairs of the organization on behalf of its members. Directors and officers have a relationship of 'trust' with the members of the organization, and it is from this trust relationship that certain important legal duties arise.

5. *Legal duties of directors*

The basic responsibility of directors is to represent the interest of the members in directing the affairs of the organization, and to do so within the law. This legal duty is described in statutes (such as the *Canada Corporations Act*, provincial business incorporation statutes and provincial societies or non-profit organization statutes) and has been expanded and interpreted in the common law.

In representing the members of the organization and acting as their 'trustee,' directors have three basic duties:

1. The duty of *diligence*: this is the duty to act reasonably, prudently, in good faith and with a view to the best interests of the organization and its members;
2. The duty of *loyalty*: this is the duty to place the interests of the organization first, and to not use one's position as a director to further private interests;
3. The duty of *obedience*: this is the duty to act within the scope of the governing policies of the organization and within the scope of other laws, rules and regulations that apply to the organization.

It is important to note that the duties of directors of non-profit organizations are essentially no different than the duties of directors of for-profit corporations. These duties extend broadly, and are owed to:

- the organization as a whole:

- the organization's members, participants, clients, staff and volunteers;
- other directors; and
- anyone else who may be affected by the decisions of the board and the activities of the organization, including the general public.

These three duties are discussed more fully below.

5.1 Duty of diligence

Diligent directors always act prudently and in the best interests of the organization. When performing their duties as directors, they are expected to exercise the same level of care that a reasonable person with similar abilities, skills and experience would exercise in similar circumstances. If a director has a special skill or area of expertise, such as an accountant or lawyer would have, he or she has a duty to achieve a standard of care that corresponds to his or her professional abilities.

Directors have a responsibility to act cautiously and to try to anticipate the consequences of their decisions and actions before they undertake them. They are honest and forthright in their dealings with members, with the public and with each other. Directors are also well-informed about the activities and finances of the organization. They have an obligation to foresee potential risks inherent in a situation and to take reasonable steps to manage those risks.

5.2 Duty of loyalty

Directors are required to put the interests of the organization first. These interests will always take precedence over any other interest, including a director's personal interests. As well, directors who are involved in more than one organization may find that they cannot be loyal to both.

Loyal directors will avoid putting themselves in a situation of a conflict of interest. When this is unavoidable, they will act properly in disclosing the conflict and ensure that they play no part in discussing, influencing or making decisions relating to that conflict.

Confidentiality is also an important aspect of the duty of loyalty. Directors have an obligation to keep organizational business private, and to not discuss certain matters with people outside the organization. Confidential matters may include:

- information about personnel; and
- information about clients served by the organization, the organization's finances or legal matters.

A board acts as one entity. Loyal directors support the decisions of the board, even if they might not personally agree with the decisions and might not have voted to support the decisions in the board meeting.

5.3 Duty of obedience

Nearly all non-profit organizations are 'private tribunals' (that is, autonomous organizations that have the power to write rules, make decisions and take actions that affect their members and participants). Legally, private tribunals are recognized as having a contractual

relationship with their members. This relationship is defined in the organization's governing documents, which include:

- its constitution;
- bylaws;
- policies, and
- rules and regulations.

Directors have a duty to comply with the organization's governing documents, and to ensure that staff and committees of the organization do as well. Over time, organizations may move away from their legal purpose, and policies may become out of date and no longer reflect the practices of the organization. Obedient directors ensure that governing documents remain current and accurate, and oversee the process that is used to amend and update governing documents.

Directors also have a duty to obey external laws and rules that are imposed upon organizations. A wide range of laws and statutes apply to corporations and individuals: the obedient director ensures that the organization complies with these. In particular, an organization that is an employer has many statutory responsibilities to its employees. These responsibilities include:

- paying wages;
- providing paid time off for holidays;
- making deductions from wages and remitting these to the government;
- providing a safe workplace; and
- protecting employees from discrimination and harassment.

6. *Liability of directors*

A director who fails to fulfill his or her duties as outlined above may be liable. The term 'liability' refers to the responsibility of directors and organizations for the consequences of conduct that fails to meet a pre-determined legal standard. Usually, the term 'consequences' refers to damage or loss experienced by someone, and being responsible for such consequences means having to pay financial compensation.

Liability arises in the following three situations:

1. When a law (*statute*) is broken. The consequences of breaking a law are:
 - paying a fine;
 - having restrictions placed on one's rights or privileges; or
 - being imprisoned.
2. When a *contract* is breached or violated, where a contract is a legally enforceable promise between two or more parties. The consequences of breaching or violating a contract are:
 - correcting the breach through some form of performance or service; or
 - paying financial compensation.
3. When an act, or a failure to act, whether intentionally or unintentionally, causes injury or damage to another person (*tort*). The consequence of intentionally or unintentionally injuring or damaging another person is:
 - payment of a remedy in the form of financial compensation.

These three situations are discussed more fully below.

6.1 *Statute*

There are a variety of federal and provincial statutes that impose liability on directors in specific circumstances relating to managing the affairs of the organization. Thus, directors have specific statutory obligations relating to:

- the election and appointment of directors and officers;
- calling meetings of members;
- paying taxes to government and submitting employment-related remittances;
- keeping minutes of meetings of directors and members;
- reporting and disclosing prescribed information about the corporation to authorities;
- paying wages and salaries;
- maintaining a safe workplace; and
- activities of the organization that cause pollution or other environmental damage.

6.2 *Contract*

Directors are responsible for ensuring that the organization's contractual obligations are fulfilled. This includes contracts with employees and independent contractors.

6.3 *Tort*

Directors are responsible for ensuring that they, as well as the organization's volunteers and staff, do not behave negligently. Negligence refers to the duty that we all have to ensure the safety of those persons affected by our actions. Directors, volunteers and staff are at all times expected to act in a reasonably diligent and safety-conscious manner so that others affected by our actions (for example, fellow employees, volunteers, participants, clients, the public) will not face an unreasonable risk of harm.

The concept of negligence also applies to 'wrongful acts'—these are:

- errors;
- omissions; and
- actions or decisions that harm others, not through damaging their property or their physical person, but through interfering with their rights, opportunities or privileges.

Wrongful acts relate primarily to how directors govern the organization, manage its funds, supervise its staff and make decisions that affect members, clients and the public.

7. *Indemnification*

Clearly, volunteer directors take on a range of legal responsibilities and face many potential liabilities. Non-profit organizations recognize that this can be quite daunting. As a result, it is almost universal practice for these organizations to 'indemnify' their directors for liabilities that they might incur in carrying out their duties as directors. To 'indemnify' means to put someone back in the same financial position as they were in before. An indemnified director would be compensated for the following:

- legal fees:

- fines that were paid under a statute;
- a financial settlement that resulted from a lawsuit; or
- any other legal obligation that a director was required to fulfill.

Incorporated organizations are required by law to indemnify their directors for such losses. There is no such obligation imposed upon unincorporated groups, but most groups do offer indemnities because it is a good policy to do so. Just remember: the indemnification is only as good as the organization's financial ability to pay it. This is where insurance comes in (see *Directors' and officers' liability insurance* in section nine of this discussion paper).

8. *Avoiding liability through risk management*

There is risk inherent in everything we do. Volunteers, employees and directors of organizations must always be mindful of risks—this means examining situations cautiously and thinking ahead to the potential consequences of decisions and actions. Most people manage risks most of the time, and they do so instinctively. However, it is always a good idea to take steps ourselves, and to encourage others to think about risks and risk management more systematically.

The process of risk management is a simple three-part activity. It involves:

1. looking at a situation and asking what can go wrong and what harm could result;
2. identifying practical measures that can be taken to keep such harm from occurring; and
3. if harm does occur, identifying practical measures that can be taken to lessen the impacts of harm and pay for any resulting damage or losses.

The practical measures that can be taken to manage risks fall into four categories:

- assume the risk (decide that the risk is minor and do nothing);
- reduce the risk (find ways to change people's behaviour or the environment in which people work so that the degree of risk is reduced);
- eliminate the risk (choose *not* to do something); and
- transfer the risk (accept the risk but transfer the liability associated with it to someone else through a written contract).

Every organization will face different risks and will plan and implement different measures to deal with these risks. The measures that are taken to manage risks are usually those that would be taken by any other prudent and reasonable person having the same skills, knowledge and experience as ourselves. This is why the practice of risk management is based in large part on common sense and is linked to the concept of 'standard of care.' These measures will tend to revolve around:

- training and educating staff and volunteers;
- enforcing reasonable rules;
- inspecting and maintaining facilities and equipment;
- screening and supervising staff and volunteers;
- properly documenting meetings and decisions; and
- meeting all statutory reporting requirements.

The final section of this discussion paper provides some practical measures that organizations, and individual directors, can take to manage the risks and liabilities faced by directors.

9. *Directors' and officers' liability insurance*

This section deals with insurance—a common risk management measure and one that is particularly important in minimizing directors' liability. Insurance is one of many techniques used to manage risks—it involves transferring the liability associated with a risk to another party by means of a written contract. In the case of insurance, the party that the risk is transferred to is the insurance company, and the written contract is the insurance policy. Transferring risks through written contracts is a very common business practice.

Directors' and officers' insurance is like general liability insurance, and covers costs that the directors and officers of an organization might become legally obligated to pay as a result of damages to another party. However, unlike a general liability insurance policy that covers losses arising from physical injury or property damage, directors' and officers' liability insurance covers only those losses arising from a director's own 'wrongful acts.'

In such an insurance policy, a wrongful act is defined as:

- an error;
- a misstatement;
- a misleading statement, act, omission; or
- other breach of duty by an insured person in his or her insured capacity.

The purpose of this insurance is to provide the financial backing for the indemnity that the organization provides to its directors. Directors' and officers' liability insurance is a fairly recent risk exposure for many non-profit organizations. The risk is not so much that a director will be found guilty of a wrongful act, but simply that there will be an allegation of a wrongful act. Although few claims against directors are substantiated and fewer of these result in large financial awards, the cost of defending any claim can be significant. This is where directors' and officers' insurance tends to prove its value.

Directors' and officers' insurance policies vary, and there is no standard level of coverage. Importantly, many of these policies *exclude* coverage for:

- directors acting outside the scope of their duties as they are described in this discussion paper, including any actions that are dishonest, fraudulent or criminal;
- breach of contract, including wrongful dismissal of employees;
- fines and penalties under a statute or regulation; and
- complaints under a human rights code, including a complaint of discrimination, harassment or sexual harassment.

Insurance is a complex subject, and directors' and officers' insurance is especially so. For more information on this subject, consult with a lawyer or an insurance representative.

10. *Incorporation*

In this discussion paper, organizations have been described as being either incorporated or not incorporated. Many associations, societies, community groups and sport clubs are not

incorporated and thus have no legal status. Yet the legal status of an organization can have a significant effect on the potential liability of directors, as described below.

The incorporation of an organization under a federal or provincial statute establishes the organization as a legal entity (almost an 'artificial person') that exists independently as separate and distinct from its members. This legal entity can:

- own property in its own name;
- acquire rights, obligations and responsibilities;
- enter into contracts and agreements; and
- sue and be sued as if it were a real person.

An unincorporated organization is not a separate legal entity and has no legal status apart from that of its members. While carrying out their duties on behalf of the members, directors can be held personally and jointly liable for the activities of the organization. For example, an unincorporated entity cannot enter into contracts of its own, so the directors or officers who execute the contract on behalf of the organization might be held to that contract in their personal capacities. Likewise, a third party cannot sue the organization (as it is not a legal entity) but can, and likely would, sue the directors collectively and individually.

An incorporated organization offers directors the protection of what is termed the 'corporate veil.' As a separate legal entity, the organization is one step removed from the directors and members. Lawsuits must be brought against the corporation, and directors of such corporations are, to a large extent, protected from liability for actions they took in their capacity as directors.

The minor costs and inconveniences of incorporation are far outweighed by the benefits that such incorporation provides to the members and directors. Incorporation can sometimes be the best, simplest and least expensive risk management measure for an organization to take.

Incorporation notwithstanding, it must be noted that directors of corporations may be held personally liable, in their capacities as directors, for unpaid wages, holiday pay, employee benefits and taxes. This is of concern to directors of organizations who have large numbers of employees, especially if the organization is experiencing financial difficulties and may be unable to meet payroll and tax obligations.

11. Protecting yourself as a director

There is no substitute for knowledgeable governance and thoughtful risk management, and the organization that manages its affairs in a conscientious and responsible manner will reduce its directors' liability risks considerably. Nonetheless, the following practical tips will be helpful to all directors.

Before accepting a directorship with an organization, you should:

- Think about your reasons for becoming a director. Be sure you have the time, interest and commitment to do the job well.
- Learn as much as you can about the organization. What is its mission? What activities does it undertake? How is it perceived in the community?
- Ask for a written job description for the position of director.
- Educate yourself about your legal duties as a director by reading a discussion paper such as this one.

- Look at the composition of the entire board, and satisfy yourself that it can govern effectively and provide competent direction to committees, staff and volunteers within the organization.
- Confirm that the organization indemnifies its directors (either through its bylaws, through policy or by means of a written contract) and that it carries directors' and officers' liability insurance. Ask about the scope of coverage and any exclusions to this insurance.

Once you have accepted a directorship, managing your personal liability risks is an ongoing process. The following guidelines will help you to take steps to manage these risks as they relate to issues such as policy, finances, meetings, personnel, and training.

11.1 Meetings

- Attend meetings, be prepared to discuss the items on the agenda and participate fully in decision-making.
- Provide your reports to the board in written form.
- Ensure that minutes reflect abstentions from votes, votes for and votes against motions.
- If you have any real or perceived conflict of interest, declare it when the issue first arises, and do not vote, participate in or influence the decision-making process. Have your disclosure recorded in the meeting minutes.
- Do not rush important decisions. Ensure that board members receive meeting materials in ample time to digest them. If important information is lacking, postpone the decision until this information can be obtained.
- Keep your own personal copies of key documentation and minutes of controversial meetings.

11.2 Finances

- Take an interest in finances by reviewing regular financial reports, and approving and monitoring the organization's annual budget.
- Use a professional, independent accountant to perform an annual audit of the organization's finances.
- Know who is authorized to sign cheques and for what amount.
- Do not be shy about asking questions and seeking clarification on financial matters from staff.
- With the assistance of your auditor, develop a list of statutory reporting requirements and assign a staff person or director to monitor that these requirements are being fulfilled.

11.3 Contracts

- Ensure that all contracts the organization enters into are carefully reviewed by staff or by counsel.
- When the organization partners with other entities on joint projects, or enters into agreements be sure that all terms and conditions are clearly expressed in a written contract, and that risks and liabilities are appropriately shared.

11.4 *Policy*

- Ask for a copy of the organization's policy manual. If the organization does not have a policy manual, develop a work plan for staff (or others, as appropriate) to prepare one.
- Be familiar with the content of the organization's constitution and bylaws. If they are out of date, or no longer adequately reflect the mandate and activities of the organization, then undertake to update them.
- On important matters and for decisions that have the potential to adversely affect someone, ensure that the organization's policies are adhered to as written. If the policy is unsuitable for dealing with the particular circumstance, then take steps to change the policy for the future.
- Commit staff and volunteer time and financial resources to developing risk management policies.

11.5 *Personnel*

- Ensure that all staff and volunteer positions have written job descriptions.
- Insist that the organization develop a clear personnel policy and ensure that staff evaluations are performed at least annually or as required by the policy.
- Be sure that suitable screening measures are in place for those staff and volunteer positions that involve interaction with children, youth, seniors or other vulnerable persons in positions of trust.

11.6 *Insurance*

- Ask for copies of the organization's insurance policies and become familiar with their scope of coverage.
- Consider asking the insurance broker to meet with the board and make a brief presentation on these policies.

11.7 *Training*

- Support professional development for staff and training for volunteers.
- Encourage the board to engage in training. Bring in a board development instructor or a facilitator to help the board improve its effectiveness.
- Offer board members training opportunities in association with board meetings or annual general meetings.
- Commit resources to the development and updating of board and staff orientation materials.
- Leave aside a short portion of every board meeting to allow the board to evaluate its effectiveness in conducting the meeting and making governance decisions.

11.8 *General*

- If the organization is unincorporated, consider incorporation. As a risk management measure it is well worth the expense and inconvenience.
- If you suspect that something is not right, go with your intuition and check it out! Be curious. Remember, as a director you will be held responsible for circumstances and

situations you *ought* to have known about, whether or not you actually did know about them.

- Do not speak negatively about the organization to the public. Publicly support the board's decisions, even if you might have voted against the majority of directors.
- If the organization needs to deal with a complex matter in which staff or directors lack expertise, consider the services of an outside professional (for example, a lawyer, financial advisor, human resources consultant, risk management specialist, or engineer).

12. Summary

There are tens of thousands of voluntary organizations and charities in Canada that undertake important work in every community in the country. Volunteer board members are to be applauded and supported for their willingness to take on the responsibilities associated with directorships and the corresponding risks.

This discussion paper is meant to inform directors of the legal dimensions of their voluntary contribution. It is Volunteer Canada's view that an informed director is a more confident and competent director.

The most widely available, most effective and least expensive risk management technique is common sense. Voluntary organizations can capitalize on this common sense by:

- recruiting capable board members and well-qualified staff;
- providing an orientation program for all new people;
- putting on paper clear job descriptions and sound policies;
- supporting professional development at all levels of the organization; and
- creating an organizational culture that emphasizes and rewards risk management thinking and behaviour.

Common sense arises from a mix of knowledge and experience. Most people become directors because they have abundant experience with an organization or the cause to which it is committed, or because they feel that they can bring professional and work-related experience to a rewarding voluntary position. This experience, coupled with the knowledge that can be gained from this discussion paper, will well equip directors to perform their duties effectively and capably.

13. Additional Resources

13.1 References

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13.2 *Electronic References*

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<http://www.cwilson.com/pubs/insurance/alb1/Index.htm>

<http://www.boarddevelopment.org> (a website on board development training, accountability and governance in the Canadian voluntary sector)

Ontario Ministry of the Attorney General website
<http://www.attorneygeneral.jus.gov.on.ca>

United Way of Canada / Centraide Canada website
<http://www.unitedway.ca>

Voluntary Sector Roundtable (VSR) website (the VSR website is hosted and maintained by United Way of Canada / Centraide Canada—see web listing above)
<http://www.vsr-trsb.net/main-e.html>

Volunteers and the Law: A guide for volunteers, organizations and boards. (a web document prepared by the People's Law School)
<http://www.publiclegaled.bc.ca/volunteers>