



REALTORS[®]
ASSOCIATION
of Hamilton-Burlington

~ Since 1921 ~

GOVERNANCE POLICY & PRACTICES MANUAL

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INTRODUCTION

To enable the REALTORS® Association of Hamilton-Burlington to accomplish our goals successfully, the organization requires a robust system of governance with an effective board of directors at its head. Governance refers to the processes and structures used to direct and manage our organization's operations and activities. It defines the division of power and establishes mechanisms to achieve accountability among stakeholders, the board of directors, and management.

It is important in a well-run organization that the structures and process by which the Association is controlled through its board, and the guiding principles to be followed in carrying out the business of the Association, are properly established and well understood by individuals in our organization and its stakeholders.

The purpose of the Governance Policy & Practices Manual is to bring together a clear statement of these structures, processes and principles, in one single point of reference.

Within this manual, board accountability, function, composition, committees and performance systems are outlined. Following these sections, processes regarding CEO Management and Stakeholder Management are covered. Relevant policies and bylaws are also attached to ensure that the board has all of the necessary documentation and information to govern to the best of its ability.

RAHB's Mission, Vision, Value Statement

Mission

Empowering RAHB REALTORS® to Succeed

Vision

Promoting REALTOR® services as the consumer choice.

Values Statement

- RAHB enhances the quality of life in our communities through the following principles:
- Protecting the right of real estate ownership and its value.
- Impacting and enhancing the economy and environment in our communities.
- Governance guided by transparency and accountability.
- Promoting professionalism.
- Serving members.
- Leading in collaboration and partnering.

Board of Director – Timeline/Schedule

On the following page is the Schedule of Events/Meetings, which is a summary highlighting the various tasks that members of the Board of Directors will be responsible for carrying out throughout the calendar year. This list provides a general overview and the list is not exhaustive. Dates are approximations and are subject to change. Specific dates and more information will be provided to Directors for each calendar year.

Schedule of Events/Meetings

Quarter 1

Date	MEETING / CONFERENCE	ATTENDEE / RESPONSIBILITY
Quarter 1	CEO Succession Plan Review	ALL Directors
Quarter 1	CEO Annual Assessment Written Progress Report	CEO
Quarter 1 <i>(Following Board Meeting)</i>	Assessment of Board President and Committee Chair <i>(verbal or written)</i>	ALL Directors

January 2	Banff Western Connection	-
January	Governance Committee Meeting	Governance Committee
Early January	Leadership Summit	President/President-Elect/CEO
Early January	Video News Conference	President/President-Elect
End of January	President's Appreciation and Awards Gala	ALL Directors
End of January	Inman Conference	Optional

End of February	Board of Directors (Audit sign off)	ALL Directors
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End February/Early March	OREA Conference	ALL Directors, CEO, Corporate Services Manager
Mid-March	NAR AEI Conference	CEO
End of March	CREA AGM / Leadership Conference	ALL Directors, CEO, Manager, Executive Office
End of March	AGM / REALTORS® Connections Conference & Trade Show	ALL Directors, CEO, staff

Quarter 2

Quarter 2	CEO Annual Assessment Written Progress Report	CEO
Quarter 2 <i>(Following Board Meeting)</i>	Assessment of Board President and Committee Chair <i>(verbal or written)</i>	ALL Directors

Early April	Board of Directors Meeting	ALL Directors
Mid-May	Board of Directors Meeting	ALL Directors

Early June	AEN Conference	CEO, Management staff
June	RECO AGM	
June (3 rd week)	CoreLogic User Group Meetings	Staff
End of June	RAHB Golf Tournament	
End of June	Board of Directors Meeting	ALL Directors

Quarter 3

DATE	MEETING / CONFERENCE	ATTENDEE/RESPONSIBILITY
Quarter 3	CEO Annual Assessment Written Progress Report	CEO
Quarter 3 <i>(Following Board Meeting)</i>	Assessment of Board President and Committee Chair <i>(verbal or written)</i>	ALL Directors
End of July	Atlantic Connection, PEI	President, Chair-Elect, CEO
Early August 2-5	Inman Conference	Optional
Mid-August	Board of Directors	ALL Directors
End of September	Board of Directors	ALL Directors

Quarter 4

Quarter 4	CEO Annual Assessment Written Progress Report	CEO
Quarter 4 <i>(Following Board Meeting)</i>	Assessment of Board President and Committee Chair <i>(verbal or written)</i>	ALL Directors
Quarter 4	Stakeholder Review	ALL Directors
Quarter 4	Review of RAHB Member Fee	RAHB Finance Committee
Late September	RAHB Strategic Planning Session	All
October	Management Meeting	CEO and ALL Directors
October	Annual Surplus/Deficit Review	RAHB Finance Committee
Quarter 4	Audit Service Plan / Year-end Audit	Audit Committee
Mid-October	CREA PAC Days	GR Chair; staff; (president optional)
October/November	Board of Directors Survey	ALL Directors
Early November	Board of Directors Meeting	ALL Directors
Early November	NAR Conference	President., Pres-Elect, CEO
TBA	Charity Auction	
End of November	Board of Directors (CEO Review)	ALL Directors
End of November	Annual Election Meeting - RBG	ALL Directors
TBA	Toronto Real Estate Forum	RCC Chair, Chair Elect, Past Chair
End of November	OREA PAC	GR Chair; staff (president optional)
Early December	Director (Re)Orientation	ALL Directors
Mid-December	Board of Directors Meeting	ALL Directors
	Board of Directors (Strategic Plan approval)	ALL Directors

BOARD ACCOUNTABILITY

The Board Accountability section of the REALTORS® Association of Hamilton-Burlington (RAHB) Governance Manual outlines the expectations, duties and practices to ensure good governance by the Board of Directors (BOD) both as an entity and individually. Strategic Leadership Practices, Fiduciary Stewardship Practices, Risk and Resource Management Practices and Monitoring Practices are outlined to enable the Board to govern in an effective manner.

1.1 Full Board of Directors Expectations *Date Approved/Last Revised: September 2017*

It is expected that the full BOD will implement and apply the principles, policies and practices as outlined in the RAHB Governance Manual and the RAHB Bylaws. These are in place to ensure that the BOD follow the expectation of the membership to exhibit and apply good governance.

The work of a member of the BOD for RAHB will bring them in close contact with many of RAHB's Members, Customers, Stakeholders, Customer Prospects, Vendors, and RAHB Confidential information. Restrictions of a BOD's personal use of this information is reasonable and necessary to protect RAHB's legitimate business interests, relationships, and confidential information.

General Provisions

As a Member of the BOD, you must faithfully perform the duties assigned to you and will not engage in any other business activity that might interfere with the performance of your duties for RAHB or cause a conflict of interest. You agree to abide by all of RAHB's policies and procedures, which may be amended from time-to-time.

Specific MLS® Provisions

As a general provision, Members of the BOD shall be aware of and shall comply with, observe and be bound by all confidentially, competition and solicitation provisions contained within all MLS® Rules and Regulations. Specifically, Members of the Board must comply with:

1. Restrictions, copyright notices or other limitations of access to the Association's MLS® System and the MLS® Data contained therein and use thereof as may be adopted by the board of directors of the Association from time to time.
2. No Member shall directly or indirectly solicit another Member's Client for the purpose of offering to provide the same type of real estate services.
3. The information contained on the Association's MLS® System is confidential and shall not be distributed to unauthorized persons or used in any unauthorized manner.

1.2 Individual Board Director Expectations *Date Approved/Last Revised: September 2017*

It is reasonable for the Board to expect that its directors will do their best to contribute to the accountability of the board as a whole through careful attention to the following individual director behaviours and actions:

1. Director Relationship with Membership

- 1.1 Demonstrate an understanding of the memberships' expectations of the organization, board and directors

2. Director Contribution to Board Composition

- 2.1 Contribute skill, knowledge and experience to board discussions rather than representing a specific constituent perspective

3. Director Relationship with CEO

- 3.1 Contribute to setting expectations and monitoring the performance of the CEO

4. Director Accountability

- 4.1 Demonstrate diligence and prudence in exercising duties as a director
- 4.2 Be prepared for meetings
- 4.3 Participate fully in meetings

5. Director Function

- 5.1 Make a significant contribution to the board's primary role of decision making
- 5.2 Understand the key measures and metrics for assessing operational success
- 5.3 Monitor the key measures and metrics of the organization

6. Director Fiduciary Stewardship

- 6.1 Demonstrate an understanding of the organization's bylaws
- 6.2 Demonstrate an understanding of the key financial aspects of the organization

7. Director Asset and Resource Management

- 7.1 Demonstrate an understanding of the principal risks of the organization
- 7.2 Present clear and concise perspectives about challenges faced in achieving the organization's mission and priorities
- 7.3 Present clear and concise perspectives about leveraging the organization's assets in achieving the organization's mission and priorities

8. Director Strategic Leadership

- 8.1 Think and dialogue at a governance level rather than at an operational level
- 8.2 Understand the organization's operational and environmental contexts
- 8.3 Demonstrate awareness of emerging trends affecting the organization
- 8.4 Set a personal example by championing the organization's mission/vision/goals
- 8.5 Identify actions to capitalize on opportunities that will achieve organization's strategic priorities
- 8.6 Think and plan strategically; effectively balance short-term priorities with longer-term objectives
- 8.7 Apply a strategic approach to decision making by consideration facts, perspectives, objectives and criteria in discussions
- 8.8 Contribute individual skills, knowledge and experience to board discussions; provide valuable input
- 8.9 Seek others' perspectives in discussion and decision-making
- 8.10 Ask challenging and relevant questions in a manner that encourages robust dialogue
- 8.11 Work effectively with fellow directors; do the best to build consensus and manage conflict constructively

9. Director Support Systems

- 9.1 Participate fully in agreed board processes
- 9.2 Comply with agreed board structures, policies and protocols

1.3 RAHB Director Duties and Practices *Date Approved/Last Revised: 06/12/2014*

The RAHB Director Duties and Practices consist of the following three components which are grounded in the principles and policies of the BOD:

1. Individual Board Performance Expectations Practice
2. Code of Conduct Practice
3. Conflict of Interest Practice

Individual Director Performance Standards

Right People

1. Acts honestly and in good faith with a view to the best interests of the organization versus representing a specific constituent perspective
2. Devotes the time, energy and level of commitment necessary to be a valued member of the board
3. Attends and actively participates in the Board's main activities (AGM, board meetings, committee meetings, education/orientation sessions, assessments, stakeholder events, etc.)
4. Reads material ahead of time and comes prepared for meetings
5. Thinking strategically in assessing situations and determining solutions
6. Listens well and respects those with differing opinions
7. Effectively communicates ideas and perspectives
8. Contributes his/her unique skills, knowledge, experience to the issues
9. Thinks independently and expresses dissenting perspective in a constructive, respectful manner
10. Contributes a high level of governance knowledge and competency in discussions

Clear and Supportive Structures

1. Understands and abides by the agreed board structures, policies and processes
2. Understands and abides by the articulated directors' duties (code of conduct, conflict of interest, confidentiality)
3. Supports and respects the role of the CEO to lead the operations
4. Supports and respects the role of staff in supporting the CEO
5. Supports and respects the role of the board President as per the President Role description
6. Keeps dialogue within the scope of their role and responsibility as a director, contributing at a governance not operational/management level
7. Uses their knowledge of the organization's key guiding governance documents (bylaws, policies, procedures) to bring clarity in board discussions
8. Contributes on a board committee(s)
9. Supports the work of committees in board discussions, avoiding rehashing committee work in board meetings
10. Supports and respects the role of committee chair as per the committee chair role description

Reliable and Enabling Processes

1. Seeks to find/use/reference evidence when charged with making decisions
2. Provides valuable perspectives which speak to achieving the organization's mission, vision, values and key strategic priorities
3. Provides valuable perspectives which speak to the board's performance monitoring indicators
4. Provides valuable perspectives which speak to the risk management of the organization
5. Provides valuable perspectives which speak to the financial accountability of the organization
6. Provides valuable input when delegating work to the board's committees
7. Provides valuable input when delegating work to the CEO
8. Contributes to setting, monitoring and evaluating the performance of the CEO
9. Contributes to achieving agreed annual board goals
10. Participates in board and individual director performance assessments

Healthy and Sustainable Culture

1. Sets a personal example of championing the organization's mission, vision, values and goals
2. Develops and maintains respectful relationships throughout the board, organization and community
3. Puts the primary client at the centre of board discussions and decisions
4. Provides valuable perspectives which speak to the continuous improvement of the organization
5. Provides valuable perspectives which speak to organizational quality and safety
6. Reaches to achieve high standards and best practice throughout the organization and board
7. Works effectively with fellow directors to build consensus whenever possible
8. Upholds and supports board decisions with a positive attitude in all public forums, situations and circumstances
9. Engages in generative, strategic conversations about issues that are longer-term in nature
10. Open to constructive feedback and continuous self-improvement

1.4 Directors' Duties of Non-Competition, Confidentiality and Conflict of Interest *Date Approved/Last Revised: 06/12/2014*

Principle

RAHB (the Corporation) is committed to ensuring that, in all aspects of its affairs, it maintains the highest standards of Directors trust and integrity.

1.4.1 RAHB Code of Conduct Practice *(Revised: Sept 2021)*

Principle

RAHB (the Corporation) is committed to ensuring that, in all aspects of its affairs, it maintains the highest standards of Director trust and integrity. To this extent, RAHB Directors are expected to understand and abide by standards of conduct that reinforce members' confidence and trust in the Board and the public's expectations for ethical and professional conduct.

Policy

RAHB Directors, including ex-officio Directors and RAHB members that sit on RAHB Board Committees, Standing Committees, Working Groups and Task Forces, shall abide by the following requirements:

1. Directors Duties
2. Director Performance Expectations
3. Respectful Conduct
4. Non-competition
5. Confidentiality
6. Return of Confidential Information and RAHB Property
7. Media Contact and Public Discussion
8. Parliamentary procedure
9. Authority of the Board President

Similar expectations will be applied to RAHB operational committees, working groups and task forces and will be documented in operational policies.

Directors' Duties

1. **Fiduciary Duty:** All Directors of RAHB stand in a fiduciary relationship to the Corporation. As fiduciaries, Directors must act honestly, in good faith, and solely in the best interests of the Corporation. All Directors are held to the same duties and standard of care. These duties and standards apply to all Directors, including ex-officio Directors and RAHB members on RAHB Committees

2. **Duty of Loyalty:** Directors will be held to strict standards of honesty, integrity and loyalty. A Director shall not put personal interests ahead of the best interests of the Corporation. Directors must avoid situations where their personal interests will conflict with their duties to RAHB. Directors must also avoid situations where their duties to RAHB may conflict with duties owed elsewhere.
3. **Duty of Care:** Directors will exercise reasonable care when making decisions for the organization. This Duty of Care includes as a minimum: Being well informed about RAHB's finances and core activities; Acting cautiously; Anticipating the consequences of decisions and actions before they are undertaken; Foreseeing and taking reasonable steps to manage any anticipated consequences.
4. **Duty of Obedience – Board Solidarity:** Directors acknowledge that properly authorized Board of Director decisions and actions must be supported by all Directors. The BOD speaks with one voice. Those Directors who have abstained or voted against a motion must adhere to and support the decision of the will of the majority of the Directors or shall resign.

Director Performance Expectations

Directors shall review and strive to meet the expectations outlined in RAHB's Full Board and Individual Director Performance Expectations described in policy 5.1 and 5.2.

Respectful Conduct

It is recognized that Directors bring to the Board of Directors diverse backgrounds, skills and experience. Directors will not always agree with one another on all issues. All debate shall take place in an atmosphere of mutual respect and courtesy. Disrespectful, threatening or abusive behaviour towards other Directors, the CEO, staff or RAHB members will not be tolerated and will result in disciplinary action as deemed appropriate by the Board.

Non-Competition

Directors must not use confidential information that is available to them as a member of the BOD and not publicly available for personal or commercial advantage. Directors are expected to operate within the spirit and specific provisions outlined in RAHB Bylaw Article 6.

Confidentiality

It is recognized that the role of a Director may include representing RAHB in the community. However, such representation must be respectful and consistent with the Director's duty of confidentiality. In addition, the Board President is the only official spokesperson for the Board of Directors. Every Director, Officer and employee of the Corporation shall respect the confidentiality of information about RAHB whether that information is received in a meeting of the Board of Directors, or of a Committee, or is otherwise provided to or obtained by the Director. During your term as a member of the Board of Directors and for a period of five (5) years following the end of your term you shall not directly or indirectly divulge or make use of any Confidential Information outside of your role as a member of the Board of Directors (so long as the information remains confidential) without the prior written consent of RAHB. A Director is in breach of his or her duties with respect to confidentiality when information is used or disclosed for other than the purpose of the Corporation.

Return of Confidential Information and RAHB Property

Upon completion of service or removal as a Director, all Confidential Information should be returned within three (3) calendar days. To the extent that a Director maintains Confidential Information in electronic form on any computers or other electronic devices owned by that Director, it is agreed to irretrievably delete all such information and to confirm the fact of deletion in writing within three (3) calendar days following completion of service or removal as a Director.

Media Contact and Public Discussion

News media contact and responses and public discussion of the Corporation’s affairs either in person or through social media should only be made through the Association’s authorized spokespersons. Any Director who is questioned by news reporters or other media representatives should refer such individuals to the appropriate representatives of the Corporation.

- Only the President of the Board of Directors or a designate may speak on behalf of the Board of Directors and RAHB.
- The Chief Executive Officer, or their designate, may speak on behalf of RAHB.
- No Director shall speak or make representations on behalf of the BOD or RAHB unless authorized by the President or specified in policy or regulations of the Association. When so authorized, the representation must be consistent with the accepted positions and policies of the Board of Directors.

Parliamentary Procedure

While RAHB wishes to create an environment and culture that enables less formal discussion and exchange amongst Directors, when this less formal ‘style’ interferes with the Boards’ ability to uphold its accountability as strategic decision-makers and stewards of Members’ interests, RAHB Directors will abide by the parliamentary procedures outlined in Robert’s Rules of Order. The President, as Board Chair has the authority to determine when formal procedure is required and the role to uphold the rules of order to ensure the efficient and effective facilitation of Board business. Failure to abide by the President’s upholding of Robert’s Rules will not be tolerated and will result in disciplinary action as deemed appropriate by the Board.

Authority of the Board President

The authority of the Board President in managing the Board meeting process must be respected by all Directors.

RAHB’s Whistleblower Policy (1.9)

This Code of Conduct policy and practice shall work in conjunction with RAHB’s Whistleblower Policy 1.9.

Acknowledgement and agreement to abide by RAHB’s the Code of Conduct policy.

I acknowledge that I have read and understand the provisions of RAHB’s Code of Conduct Policy attached.

I agree to comply fully with the terms and conditions of the Code of Conduct Policy.

I acknowledge and agree that any breach to the terms and conditions described in the Code of Conduct Policy will be subject to disciplinary action as deemed appropriate by the Board, including where permitted by the Act and RAHB Bylaws, dismissal from the Board of Directors.

Dated this _____ day of _____, 20

1.4.2 Conflict of Interest Practice

Background

In some situations, personal, family, and/or business activities and interests of Board Directors may be perceived to be in conflict with those of RAHB. It is the Board Director's responsibility to identify and report any possible, or actual, conflict of interest to the BOD for evaluation regardless of whether or not the Board Director derives benefit.

Definition

A conflict of interest is a conflict between an individual's personal, family, and/or business interests, and their responsibility at RAHB. A Board Director has an obligation to disclose to the BOD conflict of interest, or beneficial interest, of themselves, their spouse/partner, child, or other person related by blood or marriage/common law, or of a conflict on any firm, partnership, corporation or other organization of any kind which may be affected by any dealings with RAHB. The BOD will determine if the conflict of interest disclosed brings the Board Director into a position of conflict of interest and will notify the Board Director accordingly.

This includes actual and perceived conflict. A conflict of interest may exist whether or not any advantage has been, or may have been given, to that person. A person is considered in conflict of interest until the BOD determines otherwise.

Any Board Director who is present at a meeting, including a Committee or other meeting, at which an issue, contract or proposed contract, in which they may have an interest, is the subject of consideration, will as soon as practicable after the commencement of the meeting disclose their conflict of interest and will not take part in the consideration or discussion of, or vote on any questions with respect to the issue, contract or proposed contract, or attempt in any way to influence the voting on any such issue.

Where the conflict of interest of any Board Director has not been disclosed by reason of their absence from the meeting, or by reason of such conflict of interest having been acquired after the meeting, they will disclose the conflict of interest at the next meeting they attend.

Acceptance of Favours

A Board Director will not demand, accept or agree to accept, directly or indirectly, gifts, discounts, loans, services, or benefits from a person, business, corporation, having dealings with RAHB.

Personal Influence

Whenever a Board Director knows or considers that they could derive a personal benefit through personal influence, the individual will disclose the situation to the BOD as soon as they become aware of such.

Financial Interest

If a Board Director directly or indirectly owns, is entitled to, or has an interest in any land, building, lease, mortgage, goods, service, or contract, which is offered for option, sale, lease, or assignment to RAHB, the person will disclose the situation to the BOD as soon as they become aware of such.

Recording a Conflict

All disclosures will be recorded in the Minutes of the BOD meetings.

Withdrawing

A Board Director who has a conflict of interest must withdraw from the discussions and the decision-making process related to the conflict.

1.5 Strategic Leadership Practices

1.5.1 Strategic Plan Practice *Date Approved/Last Revised: September 2017*

The BOD is responsible to ensure that there is always a viable strategic plan in place. The strategic plan will be developed using current good practice and may or may not be supported and facilitated by a third-party external consultant with expertise in strategic planning.

The strategic plan will consider all areas of the balanced CEO scorecard including:

- Members
- Stakeholders
- People/Human Resources
- Internal Systems
- Financial

Using the input from the senior management team and the BOD the strategic plan will consider context, opportunities and risks related to each area of the balanced CEO scorecard. From this strategic priorities and goals will be set by the BOD with targets and measurements. The strategic priorities and goals will be approved, implemented and monitored through the RAHB Dashboard.

1.5.2 Operating Plan and Budget Practice *Date Approved/Last Revised: September 2017*

After the strategic priorities and objectives have been set by the BOD, the CEO and senior management team will present an operational plan and budget that supports the priorities and objectives, through the Finance Committee.

Based on their planning and discoveries the strategic priorities and objectives may be recommended for adjustment due to discoveries related to resourcing or other developments affecting the feasibility of the strategic plan.

Once these developments have been reconciled and the BOD has reviewed the recommendations of the Finance Committee, the operational plan will be approved and integrated into the RAHB Dashboard for on-going monitoring as the “how” of meeting the strategic priorities and objectives.

1.5.3 Strategic Renewal Practice *Date Approved/Last Revised: September 2017*

Each year the BOD conducts a strategic renewal process to ensure that its strategic plan and priorities are still relevant.

September:

Management Meeting

CEO leads a dialogue to discuss operations’ view of next year’s strategic priorities as input to Board of Director’s Retreat

Board of Directors Survey

BOD conducts a survey for themselves related to strategic priorities, opportunities and challenges to prepare for the Board Strategic Planning session

Board of Directors’ Meeting

CEO presents “financial picture” (income/fixed expenses) as precursor to Board of Director’s Retreat

Strategic Planning session

Board refreshes its governance responsibilities, conducts its board evaluation and refreshes strategic priorities for coming year.

October / November

CEO prepares revised operating plan and operating budget

November Board Meeting

Motion to approve refreshed Strategic Priorities stemming from strategic planning session and adjusts RAHB Dashboard

December Board Meeting

Board reviews and approves new Strategic Plan/Operating Plan/Budget and updates for RAHB Dashboard

January Governance Committee Meeting

CEO tables draft CEO Scorecard for coming year for review and enhancement to ensure alignment with the renewed strategic priorities and goals

January Board Meeting

Governance Committee tables motion to approve new CEO Scorecard

1.6 Fiduciary Stewardship Practices

The Board of Directors is steward; overseeing the fiduciary interests of its members.

1.6.1 Financial Results Practice *Date Approved/Last Revised: September 2017*

The following outline the Financial Results process practice:

- On a monthly basis financial statements are prepared by the Corporate Services Department and reviewed by the CEO
- Then financial statements are forwarded to the Finance Committee for review and acceptance at their next meeting
- Meetings are scheduled at a minimum, quarterly
- The cheque registers are provided to the finance committee for information purposes only
- The finance agenda containing this information is uploaded to the Board of Directors portal before the meeting
- The Finance Committee then submits the financial report to the BOD to receive

1.6.2 Audit Function Practice *Date Approved/Last Revised: September 2017*

The RAHB-approved Auditors meet with the Audit, Finance & Risk Committee prior to year-end to present the Audit Service Plan for the annual year-end audit.

The Audit Service Plan consists of the following:

- a) Executive Summary
- b) Risk-based Audit Approach
- c) Audit Scope
- d) Fees
- e) Engagement Letter
- f) Standard Updates

The Auditor is to present the RAHB Annual Audited Financial Statements to the Audit, Finance & Risk Committee for review and forward to the BOD for approval.

Annually the Audit, Finance & Risk Committee recommends to the BOD the appointment of the auditors for the following year; subject to ratification at the Annual General Membership meeting and that the BOD be authorized to set the remuneration for services.

1.6.3 Corporate Bylaws Practice *Date Approved/Last Revised: September 2017*

The Corporate Bylaw practice is outlined in RAHB Article 13- Bylaw Amendments.

A Bylaw can be enacted, amended or repealed at any properly constituted meeting of the BOD provided that two thirds of the Directors present vote in favour of the action and that they are given five (5) days written notice before the meeting.

Any enactment, amendment or repeal of a Bylaw approved by the BOD is not enforceable until confirmed by at least two-thirds (2/3) of the Voting members at a duly called meeting of the membership.

Any consideration for a bylaw change will be vetted through the Governance and Bylaw Committee and discussed fully with the BOD and the membership prior to being brought forward to the membership for a vote.

1.7 Risk and Resource Management Practices

1.7.1 Organizational Standards Practice *Date Approved/Last Revised: September 2017*

Board Directors are ultimately accountable for assuring that the corporation meets the organizational compliance standards. It is their responsibility to assure compliant activities are in order, although they will most often delegate the compliance maintenance activities to the CEO for execution. Fully understanding these items and assuring their compliance is of utmost importance to the BOD.

In order to ensure that the organization operates in compliance at all times the BOD monitors the compliance of the organization through:

- Regular updates on the RAHB Dashboard which include and requires a complete list of all activities, checks and balances that occur to ensure the organization is complying with its legal, legislative and regulatory obligation
- BOD request for detail related to an operational standard they believe may be an issue of risk
- BOD request for an operational review of compliance practices related to an operational standard they believe may be an issue of risk

1.7.2 Principle Risks Practice *Date Approved/Last Revised: September 2017*

Principle risks are those items that have been identified by the BOD and Senior Management as requiring close attention as they are deemed to present significant risk to the organizations' success and sustainability. Identifying the principal risks is an iterative exercise between the BOD and Senior Management. Each has a view to what they believe are the most important risks that require close and regular attention. These risks should be considered and itemized in accordance with each "CEO scorecard" lens.

The intention is to keep these items front of mind and a part of regular monitoring through the Board of Directors/ Management Dashboard and BOD' dialogue.

Developments that have a significant impact on the organization are to be reported to the BOD as soon as possible. If an issue arrives between Board of Director meetings the President is to be immediately notified.

1.7.3 Third Party Risk and Asset Management Parties Practice

Date Approved/Last Revised: September 2017

When the BOD requires legal counsel, the acquisition of legal counsel will be as follows:

1. The organization will maintain a solicitor client relationship with one or more defined law firms, preferably with a firm whose head office is in the geographic area served by the Association.
2. When a decision of the BOD requires legal counsel on any matter, the President acting as the Board President or another Director as his or her designate can engage the services of the lawyer, or such person(s) as the Board may otherwise direct.
3. Discussion with the lawyer will be between the lawyer and the BOD as a whole, or otherwise as delegated by the BOD.
4. The President or President Elect, on their own authority, may seek legal counsel on any matter they deem requiring such consultation.
5. Other requests to obtain outside opinions or advice regarding matters before the BOD may be made through the Board President.
6. Requests for legal advice/counsel and any provided legal counsel will be documented in writing for the BOD.

1.8 Monitoring Practice Date Approved/Last Revised: September 2017

It will be the responsibility of the BOD to monitor and oversee the organization. This is done through a RAHB Dashboard and uses a balance CEO scorecard approach.

RAHB Dashboard & Balanced CEO scorecard

Good governance practice is seeing boards introduce more robust means of monitoring organizational performance. Often referred to as a “RAHB Dashboard”, the framework and supporting processes ensure that the BOD is setting, monitoring and measuring the most critical aspects of the organization and ensuring they do so at the “right” governance level. Effective RAHB Dashboards also incorporate the concepts of a “Balanced CEO scorecard” where goals and measures are viewed through the following (balanced) CEO scorecard lenses of:

- **Clients:** RAHB Members as consumers of services
- **Stakeholders:** RAHB Members as “investors” in the association plus other critical partners/relationships in assuring the Association is sustainable; e.g. CREA, OREA, RECO
- **People:** All Internal Human Resources
- **Internal Processes and Systems:** All processes, IS, IT and business practices
- **Financial:** Financial resources, requirements and commitments

Following are the five (5) critical aspects that the Board is responsible to monitor and make decisions on throughout the year; they make up the Components of the RAHB Dashboard.

1. **Compliance:** The items which must be achieved as set forth by law or regulation.
2. **Principal Risks:** The items that have been identified by the BOD and Senior Management as requiring close attention as they are deemed to present significant risk to the organizations’ success and sustainability.
3. **Strategic Priorities:** The items that have been identified by the BOD and Senior Management as “most important” for the organization in the coming year(s). These have been approved by the board in the latest Strategic Plan.
4. **CEO Performance:** The items that make up the expectations that have been placed upon the BOD’ sole employee for the coming year(s). These are the measurable “what” targets that the CEO will be evaluated upon; they align to the strategic priorities approved in the Strategic Plan.
5. **Board of Director Priorities:** The items that make up the Board of Director’s work plan. These are the targets and activities that the BOD has chosen to work on in order to improve their own performance and to meet their own “self-accountable unit” responsibilities in service to the organization’s strategic priorities.

For each item in the RAHB Dashboard a specific measurable outcome and timeframe needs to be articulated to ensure the board can monitor and influence progress and achievement. Once this is done the items of the RAHB Dashboard can be presented in an “overview” format with quick-glance indicators of the state of each item. Once set and agreed, discussions at Board of Director meetings typically only occurs for items that are not tracking on target.

1. Compliance: A complete list of all activities, checks and balances that occur to ensure that the organization is complying with its legal, legislative and regulatory obligations. Board Directors are ultimately accountable for assuring that these compliant activities are in order, although they will most often delegate the compliance maintenance activities to the CEO for execution. Fully understanding these items and assuring their compliance is of utmost importance to the BOD and the board RAHB Dashboard must acknowledge the status of these compliance activities. It is required to list all compliance requirements, timelines and assurances.

2. Principal Risks: A list of items that have been identified by the BOD and Senior Management as requiring close attention as they are deemed to present significant risk to the organizations' success and sustainability. Identifying the principal risks is an iterative exercise between the BOD and Senior Management. Each has a view to what they believe are the most important risks that require close and regular attention. These risks should be considered and itemized in accordance with each "CEO scorecard" lens. The intention is to keep these items front of mind and a part of regular monitoring and BOD' dialogue.

3. Strategic Priorities: The items that have been identified by the BOD and Senior Management as most important for the organization in the coming year(s). These have been identified during the strategic planning retreat/sessions and have been approved by the BOD. These priorities should be considered and itemized in accordance with each "scorecard" lens. The intention is to provide high level "what" direction to the CEO and his/her team. From this direction, the CEO will assemble the more detailed Strategic Plan which will identify "how" the strategic priorities will be advanced in the coming year(s). The CEOs operational plan and budget will also align to each of these strategic priorities.

Following are some examples of priorities related to each CEO scorecard area:

Priorities Related to Clients

- Focused services to meet identified client needs and expectations
- Communication and leading-edge technology to members and other boards
- Become recognized as best/sole provider of reliable data with integrity

Priorities Related to Key Stakeholders

- Promote branding of the value of REALTOR®
- Membership retention, recruitment, succession and leadership
- Build alliances and shared services

Priorities Related to our People

- Training and development of people to deliver high quality services
- Succession, recruitment and retention of key personnel

Priorities Related to Internal Processes and Systems

- Establish the new governance structure including the aligned organizational structure and identifying and calibrating key stakeholders
- Leverage innovative technology to meet stakeholder/member needs

Priorities Related to Financial Commitments

- Membership dues
- Non-membership revenue

4. CEO Performance: The CEO is the BOD' sole employee and he/she is charged with full responsibility to set and execute operational priorities and projects that will meet the strategic priorities set by the board. The BOD is responsible for giving clear direction, monitoring and providing annual feedback to the CEO about his/her performance against agreed goals.

The BOD should therefore monitor performance on the following areas:

- CEO's role in assuring the organization complies with legal, legislative and regulatory obligations
- CEO's role in mitigating the principal risks identified by the BOD and deemed to be a significant threat to the organization's success and sustainability
- CEO's role in achieving the strategic priorities set forth by the BOD
- CEO's role in establishing, maintaining and advancing key stakeholder relationships
- CEO's role in assuring good governance and operational alignment to governance practices

Clear and agreed expectations for the above are critical for a meaningful performance management system and for assuring the CEO can be successful on behalf of the Board.

5. Board of Directors Priorities: As a "self-accountable unit" of the organization, the BOD must establish goals for itself and invest focused, regular time and resources to ensure it can fulfill its governance responsibilities. The BOD "work plan" will outline the developmental activities and initiatives that the BOD will pursue throughout the year to increase its confidence, capacity and systems of governance. The BOD Work Plan must outline the steps, resources and initiatives the BOD will take to achieve their goals.

1.9 RAHB Whistleblower Policy

Principle

RAHB is open and committed to hearing concerns or complaints about its' practices and demonstrating to its' members, employees, volunteers and directors that it values transparency and accountability practices. RAHB's elected Board of Directors is charged with ensuring the organization is meeting these standards.

Policy

The Board shall be open to and have in place a confidential process for receiving reports of good-faith concerns or complaints about the legality or propriety of RAHB's bylaws, codes of conduct, policies, actions or plans. The practice will enable the reporting of violations or suspected violations by members, employees, volunteers and directors. The practice will ensure that no negative or adverse action is taken against any reporter.

A Whistleblower Policy acknowledgement form shall be distributed to the Board and volunteers for signature and collected annually (included in Code of Conduct).

Practice

Confidentiality

All communications under this policy shall be treated in a confidential manner, except to the extent necessary:

1. To conduct a complete and fair investigation, or
2. For review of RAHB's operations by the Board, Audit Committee, independent accountants and/or legal counsel.

Retaliation

Negative or adverse action is not to be taken against any member, staff, volunteer, director for making a good-faith report of a possible violation of RAHB's bylaws, codes of conduct, policies or applicable laws, even if the report is mistaken, or against the Board, Audit Committee, independent public accountants, and/or legal counsel who assist in the investigation of a reported violation. Retaliation in any form shall not be tolerated.

Any act of alleged retaliation should be reported immediately and shall be promptly investigated. A Board member who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including removal from the Board. This policy is intended to encourage and enable individuals to raise serious concerns within RAHB prior to seeking resolution outside the organization.

Process for Communicating and Receiving Concerns or Complaints

Any member, staff, volunteer or director may communicate suspected violations of RAHB's bylaws, codes of conduct, policies, applicable laws or other wrongdoing or alleged retaliation by contacting the CEO. If the alleged wrongdoing involves the CEO, then the President should be contacted. If the alleged wrongdoing involves both the President and CEO then the President-Elect should be contacted. In the event that the wrongdoing involves the CEO, President and President-Elect, any other Board member may be contacted.

It is not necessary that a reporter of the violation give their name or position in any notification. While the reporter of the violation need not identify himself/herself, for an effective investigation to be conducted the reporter should provide RAHB with as much detailed information as possible concerning the alleged violation, including the substance of the incident, where and when the incident occurred, and the names and titles of the individuals involved. If any concrete evidence is available, e.g. documentation, it should be obtained and maintained in strict confidence.

Illustrative Types of Concerns

The following is a non-exhaustive list of the kinds of incidents and improprieties that should be reported:

1. Supplying false or misleading information on RAHB's financial, legal or other public documents.
2. Providing false information to or withholding material information from RAHB's Board, auditors, legal counsel or management.
3. Destroying, altering, mutilating, concealing, and covering up, falsifying, or making a false entry in any record that may be connected to an official matter or proceeding, in violation of federal or provincial law, regulations or RAHB policies.
4. Altering, destroying, or concealing a document or attempting to do so, with the intent to impair the document's availability for use in an official matter or proceeding or otherwise obstructing, influencing, or impeding any official matter or proceeding, in violation of federal or provincial law, regulations or RAHB policies.
5. Paying for services or goods that are not rendered or delivered.
6. Using remarks or actions of a sexual nature that are not welcome and are likely to be viewed as personally offensive, including sexual flirtations, unwelcome physical or verbal advances, sexual propositions, verbal abuse of a sexual nature, the display of sexually suggestive objects, cartoons, or pictures, and physical contact of a sexual or particularly personal nature.
7. Using epithets, slurs, negative stereotyping, and/or threatening, intimidating or hostile acts that relate to race, color, religion, gender, sexual orientation, national origin, age, disability or other legally protected status.
8. Discriminating against an individual due to a person's race, colour, religion, gender, sexual orientation, national origin, age, physical or mental impairment, veteran status or other legally-protected status.
9. Written, verbal &/or non-verbal actions that would be perceived as bullying, intimidation or harassment.
10. Circulating or posting written or graphic material that denigrates or shows hostility or aversion toward an individual or group because of race, color, religion, gender, sexual orientation, nationality, age, disability or other legally protected status.
11. Violating RAHB's Code of Conduct.
12. Non-compliance with RAHB's Member approved bylaws.
13. Non-compliance with RAHB's Board approved governing policies.
14. Violating Canadian Real Estate Associations code of conduct.
15. Violating any regulatory regulations set forward by the Real Estate Council of Ontario.
16. Facilitating or concealing any of the above or similar actions.

Access and Questions

A Copy of RAHB's Whistleblower notification form will be posted on RAHB's website. **Do we have an actual form?**

Upon the completion and submission of the notification form the appropriate person, CEO, President or President-Elect, will contact the reporter by telephone. Any issues that are of legal or potential legal nature should be referred to RAHB's Legal Counsel immediately.

2. BOARD FUNCTION

The Board Function section of the REALTORS® Association of Hamilton-Burlington (RAHB) Governance Manual outlines the necessary functions of an effective governing Board of Directors (BOD) such as goal setting, decision-making and meetings. Communication, Training and Education, Orientation, Compensation, Liability and Insurance practices are also outlined.

2.1 Board of Directors Goals and Work Plan Practice

In addition to being responsible for the organization as a whole, the board is a self-responsible and accountable unit of the organization. As such, it requires the board to have its own goals and measures of performance.

Step One: Set Big Goals

As part of the Board's annual monitoring and planning it should establish and review its own priorities to determine how it can best contribute to the organization's mission achievement. The Board's attention and efforts should align directly with the strategic directions/priorities of the organization and enhance governance capacity. The board's "big goals" must be clearly articulated, understood and agreed to by all board members and should drive monitoring and decision-making through the coming year(s). They should mirror the balanced CEO scorecard framework.

Step Two: Determine Tasks/Activities

To achieve the big goals more specific tasks and activities should be identified. These tasks will become the focus of board work and contribution over the coming period.

Step Three: Setting Priorities

In setting the priorities to achieve the board goals the board should consider, as a minimum, the following:

- Contextual pressures and expectations of key stakeholder(s)
- Board capacity
- Management capacity
- Existing body of board work already done/being done in support of the goals
- Realistic and reasonable timing and staging of activities
- Business cycles and demands

Given these contextual realities, the board must determine which tasks/activities will take first priority.

Step Four: Timing

Based on a full appreciation of the operational and board workload the CEO and senior leadership can propose a realistic timing to support the board in carrying out its agreed priority activities over the coming period.

Step Five: Assigning the Work

Once the priority activities are set the board must then determine how the work will be dispersed. Consideration should be given to:

- The board as a whole
- A standing committee
- A working group
- An individual board member

It is important to remember that any member working on behalf of the BOD, final decisions regarding any recommendations remains the responsibility of the BOD.

Step Six: Work Plan Schedule

Once steps 1-5 are completed a flow chart should be created and monitored by the board on a monthly basis to determine progress and/or shifts in priority. Ideally, this work plan would be integrated into the RAHB Dashboard along with the strategic priorities, CEO performance, principle risks and compliance deliverables.

Appendix 2 – Sample Work Plan

Board		Due Date	Status	Resp.	Target	Notes
5.1	Board Workplan					
5.1.1	Supporting Strategic Priorities					
5.1.1.1	Define (client goals)	insert date	ON TRACK	insert person/team	insert measure	insert comment regarding progress
5.1.1.2	Define (people goals)	insert date	ON TRACK	insert person/team	insert measure	insert comment regarding progress
5.1.1.3	Define (stakeholder goals)	insert date	ON TRACK	insert person/team	insert measure	insert comment regarding progress
5.1.1.4	Define (internal systems & process goals)	insert date	ON TRACK	insert person/team	insert measure	insert comment regarding progress
5.1.1.5	Define (financial goals)	insert date	ON TRACK	insert person/team	insert measure	insert comment regarding progress
5.2.1	Enhancing Governance Capacity & Capability					
5.2.1.1	Enhancing Board Accountability	insert date	ON TRACK	insert person/team	insert measure	insert comment regarding progress
5.2.1.2	Enhancing Board Functioning (Monitoring & DM)	insert date	ON TRACK	insert person/team	insert measure	insert comment regarding progress
5.2.1.3	Enhancing Board Support Systems (P,P,P,P)	insert date	ON TRACK	insert person/team	insert measure	insert comment regarding progress

2.2 Decision Making Practice

It is the responsibility of the BOD to make decisions on behalf of the organization in service to the membership on a regular basis. To do this clear decision criteria need to be established for each decision being considered.

When a decision is required from the board, the information going to the board can be done in several ways, again, depending on the urgency, complexity, confidentiality and resources required:

- Mail
- Fax
- E-mail
- Conference call
- Formal meeting

The success of the decision-making process is highly dependent on how well the issue is presented, clarity of the decision-making criteria, quality of the rationale in support of the decision and caliber of the recommendation statement.

Decision Making Assumptions

- The decision-making process allows the BOD to focus on STRATEGIC issues
- The BOD has the ability to consider several options
- The BOD has the capacity to interpret information that is presented
- The information is objective, credible and relevant to the decision at hand
- The BOD has the ability to follow up on its decisions

Generic Process of Decision-Making

The dialogue on an issue is initiated in one of two ways:

- a) The BOD wishes to consider a question and thus mandates management to present relevant information that will enlighten the board.
- b) The Management engages the Board to provide direction or approve certain initiatives.

Some Guiding Questions for Decision Making

Prior to considering an issue, the Board President with the CEO and/or Committee Chair should ensure the following:

- Is the issue a real strategic issue?
- Does the BOD need to discuss the issue at this moment? What is the urgency?
- Are there precedents? What are they?
- Is there adequate information and documentation available to make an informed decision? Is that information:
 - Objective
 - Explicit
 - Current
 - Brief
 - Accompanied by decision-making criteria
- What are the consequences or implications on (i.e. the degree of alignment with):
 - The mission, vision, values and ethics?
 - The strategic direction and plan?
 - The financial plan?
 - The technological plan?
 - The “people” policies and objectives?
 - The stakeholders?
 - The legal dimension?
 - The organization’s reputation?
- Are current evaluation processes effective in providing good monitoring and feedback?
- Why is it necessary?
- What are the consequences of doing nothing?

Recurring Decisions

These are routine decisions that are brought to the BOD on a regular basis, be it monthly, quarterly or annually, or every two or three years

Some examples of recurring decisions are:

- Operating Plan and Budget
- Strategic Direction and Plan
- CEO Evaluation
- Governance
- Policy

With recurring decisions, Board Directors normally have a greater familiarity with the issues and their implications. There is less of a learning curve required and information is more easily assimilated and treated.

Non-Recurring Decisions

- These are extraordinary issues that need to be dealt with by the BOD
- An example would be; the organization is facing a major financial crisis that requires entering into debt
- While non-recurring, these decisions are often crucial for the future of the organization
- Board Directors may be less familiar with the problems, the technical explanations and the implications of their decisions, thus the level of confidence surrounding the decision is reduced
- This will require more information and attention to process to ensure the confidence of the BOD in its decision-making

2.3 Board Meeting

BOD meetings provide the unique condition for Directors to be face-to-face as they discharge their duties. As such, BOD meetings should be designed and run in such a manner as to make the most effective use of the limited time and every Director's perspective and capacity as governor.

While there are many things that people CAN DO when they get together, the core purpose of BOD meeting together includes:

1. Monitoring the compliance, risk and performance of the organization
2. Making decisions related to strategy and resourcing for the organization
3. Enabling the CEO to lead operations
4. Enhancing the BOD' capability/capacity to govern effectively

Because the BOD is not a full-time resource, in practice the BOD delegates much of the responsibility for these activities to:

- The CEO, as their sole employee and operational leader
- BOD Committees, as workhorses of the board, preparing board work

As such, BOD meetings depend on the CEO and BOD Committees being clear about what has been delegated to them and clear about what the Board expects of them as they bring items forward to the Board. This is why effective, disciplined delegation is critical for effective BOD and BOD meeting functioning. The majority of BOD meeting time should be spent on setting and responding to delegated work. Accordingly, much of the agenda is set around these delegations and reports.

Setting the Agenda & Preparing the Board Package

The agenda is co-designed by the CEO and the President of the BOD. The meeting agenda should be established well in advance of the meeting itself. Board Directors should be given sufficient time to review the agenda and support material prior to the meeting. It is a base expectation that Directors will come to meetings having read all agenda material before the meeting. Thus, the better prepared and aligned the BOD package, the more likely the BOD meeting will run effectively. Well prepared CEO and Committee reports will enable the BOD to be prepared, informed and able to execute their monitoring and decision-making responsibilities with confidence. Ideally, if directors have questions related to any of the board package reports they should address the question with the report author prior to the BOD meeting to ensure that valuable board meeting time is not consumed by individual Board Directors queries.

Board Meeting Agenda Framework

1. Call to order
2. Approval of agenda
3. Approval of previous meeting minutes
4. CEO Monitoring Report (Ideally using BOD dashboard framework whereby only items that are off-plan are reported on; barring that the following should be covered)
 - Compliance Report: state of organizational compliance; notification of BOD requirements in compliance
 - Risk Report: state of risk monitoring/mitigation against pre-identified risks; notification of new risks and proposed monitoring/mitigation
 - Performance Report (Ideally using balanced CEO scorecard framework) state of progress towards board approved strategic priorities and goals; notification of off-target items
5. CEO – Delegated Work Report(s)
 - Report/recommendations stemming from the Board's delegation of work to the CEO in previous meeting (if any)
6. Board of Directors Committees– Delegated Work Report(s)
 - Report/recommendations stemming from the BOD delegation of work to the Committee in previous meeting (if any)

7. Board of Directors Education & Development
 - Introduction of new information, knowledge, skills that can help the Board to better understand the organization or its role in governance (source of educational/development content should be informed by results of an annual board assessment and board approved work plan).
8. Next Meeting
9. Meeting Assessment
10. Adjourn

Board Meeting - Motions Register

The Board secretary maintains a motion register and is available on the Board of Directors Portal.

2.4 Board of Directors Communication System *Date Approved/Last Revised: _____*

First Principles of a Board of Directors Communication System

1. **Intent:** The intent of the information is clearly articulated and supports the ability of the board to make effective decisions. The articulated purpose of communicating the information
2. **Criteria Based Content:** The content of the information is based on specific criteria that permits the Board of Directors to make specific decisions. The information to be communicated
3. **Inclusive and Transparent:** The system is inclusive and transparent ensuring that the specific information required from stakeholders is considered. The process: the means by which the information will be communicated
4. **Integrated:** The system is integrated with other organizational communication systems

The Communication Intent

Before the BOD or one of its committees even considers an item, there needs to be clarity around why an issue is being raised, and what the expectations from the BOD are. The intent needs to be clearly articulated BEFORE any discussion is initiated.

This will be one of three things:

1. Information only – requires no action
2. Input – supply more data on which management and/or Board committee can then act
3. Decision – approve or reject a recommendation and/or motion

The board determines the criteria needed to make an objective, informed decision BEFORE asking a board committee or management to research the pertinent data. In this way the necessary information is presented instead of going back and forth several times before being resolved.

Each decision requires specific criteria. The initial question is always the same:

“What criteria have to be met in order for us to confidently approve a recommendation?”

The second question is:

“What background information do we have to know regarding each criteria?”

An approach and model for decision making is presented in *Section 2.5*

Board of Directors Delegation and Reporting

When the BOD requires work to be done by the CEO or a BOD committee how the work is delegated and reported back is critical.

Delegation and Reporting Templates

Often prior to a decision being made, the background work will need to be undertaken by one of the Board of Director committees or the CEO and their team.

It is important that this be done in a way that ensures the decision criteria are met. To ensure this a delegation template is followed.

Board Delegation of Work Template *(To be discussed, agree, documented by the whole Board before delegating any work)*

Date: *(date of decision to delegate work)*

Responsible Body: *(who is being asked to prepare work for the Board?)*

- CEO
- Board Committee – name
- Board Task Force/Special Working Group – name

Topic: *(what is the subject of the work being delegated by the Board?)*

Related Accountability: *(how is this work related to the Board's Role/Accountability?)*

Board Application of the Resulting Report: *(how will the Board use the report that will be brought back to the Board?)*

(Select one of the items below):

Information: This item requires no action or discussion on behalf of the Board. Its' purpose is to keep the Board up-to-date on items of relevance to the healthy functioning of the organization and is related to the Board's Governance Accountability. *(Note: this type of report does not necessarily have to be brought to a board meeting as there is no discussion required)*

Input Required: This item requires discussion at the Board level. The purpose of the discussion is to provide input back to the Committee / CEO. This input will allow the Committee / CEO to continue / complete their work, on behalf of the Board.

Decision: This item is being recommended to the Board for their final decision. The item has been completed in accordance with the Board's original delegation, expectations and known decision criteria. The item includes sufficient background information, data and analysis to support the recommendation.

Statement of Delegation: (A clear description of the task(s) that is being delegated by the Board to the responsible body. This should be as detailed as possible before assigning work to any responsible body. As a minimum, it should answer the following items:

1. What is the responsible body to do, specifically?
2. When does the Board expect to review/see the finished product?
3. How, if at all, does the board intend to monitor the progress of the delegated work before a report is brought back for consideration?
4. What is the expected resource utilization/constraints?
5. If recommendations are coming back to the board for a decision, what criteria will the Board use to evaluate the options/make the final decision?
6. What, if any, next steps will be taken after the board reviews/approves the report?

RAHB Directors' In-Camera Session

Principle

Improved decision-making can occur when Board Directors have a standing opportunity to freely discuss governance, leadership and organizational issues that may be deemed too sensitive, confidential, or contentious if non-directors are present. As RAHB continues to evolve its governance standards and practices the Board has agreed that this standing opportunity can improve their ability to work together better in serving the association and members' interest.

Policy

The Board Directors shall have the opportunity for an in-camera session as a standing agenda item at all Board Meetings. At its discretion the Board may choose to not go in-camera if there are no topics requiring such action. Unless required for the effective conduct of another item that is part of the regular meeting agenda, the in-camera session will be made available at the end of the Board meeting.

Practice

Participation

1. Only sitting Board directors will participate in the in-camera session.
2. Exclusively at the directors' request and approval, the CEO may participate in some or all the session.
3. As a rule, the CEO should be invited to participate during in-camera sessions unless the topic of discussion is related directly to the Board's obligations for CEO performance management.
4. Exclusively at the directors' request and approval, subject matter experts and advisors may participate in some or all the session.
5. The Board, via the Chair, will provide any directional outcome to the CEO related to operations following the in-camera session.

Meeting Format

- A Directors' In-Camera Session will be scheduled as part of every Board meeting.
- The session will be scheduled at the end of the Board meeting just prior to the adjournment of the meeting.
- The in-camera session may be moved or added to the beginning of a Board meeting if the Board requires an in-camera discussion in order to deal with an item included on the regular agenda.
- 30 minutes will be allotted for the standing in-camera session. Only the time required to deal with session subject matter will be used. Extended time may be added upon Board approval.
- Regular Board Meeting work will not be discussed during this session. The session is not intended to replace nor duplicate Board meeting agenda and work.
- Directors may request items to be added to the in-camera session by notifying the Board Chair at least 7 days prior to the meeting.
- The Board Chair will determine the appropriateness of the item requested, based on this policy.
- An in-camera session may be requested by any Director during a regular meeting in order to deal with issues that require such a session in order to deal with an urgent and related item. Approval to move in-camera will require a majority of Directors to vote in favour of the request prior to going in-camera.
- The Board Chair will chair the in-camera session, verbally outline the agenda at the beginning of the session and facilitate the conversations.
- No formal agenda will be prepared or circulated ahead of time.
- Material required for review during the in-camera session will be distributed during the session and collected at the end of the session to maintain utmost confidentiality.
- All conversations will be held in strictest confidence. A breach of confidentiality will be a breach of the Code of Conduct policy and will result in disciplinary action.
- Any item identified during a in-camera session that belongs on the regular Board Meeting agenda will be added to the regular meeting, or if required, a subsequent regular meeting agenda.
- No minutes of in-camera discussions will be taken or kept unless advised by RAHB legal counsel so as to protect the corporation from future legal liability.
- Actions/decisions required as a result of discussion that occur in-camera will be formally addressed and minuted as part of the regular board meeting.

In-camera Subject Matter

The in-camera sessions will enable Directors to address the following particularly sensitive &/or confidential matters that fall within the jurisdiction of the board:

1. Litigation
2. Contract negotiations
3. RAHB member conduct and discipline
4. RAHB Director conduct and discipline
5. RAHB CEO performance, evaluation, compensation, conduct, succession
6. Whistle-blower issues raised in accordance with the Whistle-blower policy
7. Board, Chair, Director and Committee performance and evaluations.

Any other item shall be addressed as part of the regular board meeting.

2.5 Board of Directors Training and Education

Intention

BOD training and education of the BOD as a whole, and/or individual Board Directors, supports the governance principles of board function and accountability. In addition to being responsible for the organization as a whole, the BOD is a self-responsible and accountable unit of the organization focused on:

- Auditing and satisfying its compliance requirements
- Measuring and monitoring its own performance

The BOD primary function is decision-making and monitoring in service to the organization

Considerations and Rationale

The need for BOD training and education is indicated when the BOD identifies a lack of knowledge or skills related to its practices in carrying out its board function and accountability in the areas of:

- Strategic Leadership
- Risk and Asset Management
- Fiduciary Stewardship
- Performance Systems

This will be specifically identified when the BOD sets its own goals and work plan in service to the strategic priorities of the organization. Where a deficiency in board knowledge or skill impedes meeting the board goal, a development goal for the BOD will be articulated.

When the training and development need is identified the BOD through a recommendation of the Governance Committee will determine whether the training and development is best served by whole board education or through an individual board member receiving the development.

If an individual board member is chosen to receive the development then the intention is to bring that learning back to the BOD in service to the board goal which supports the organization's strategic priorities.

A protocol will be put in place which considers the following criteria:

- Length of tenure remaining for the individual board member to maximize investment
- Position board member holds related to the specific training (i.e. Governance Committee Chair taking governance training)
- Methodology to transfer the learning to the rest of the board (i.e. Board training session)
- Interest of the individual member in the development topic

2.6 Governance Practice

Date Approved/Last Revised: _____

It will be the responsibility of the BOD through the Governance Committee to ensure the work plans and goals of the BOD address on-going improvement in good governance practices.

The BOD will ensure that financial resources and board time are allocated to their on-going education and understanding of good governance.

Through the BOD work plan as outlined in the RAHB Dashboard the BOD will monitor its progress towards its good governance objectives.

The BOD will engage and educate its membership on good governance practices and encourage adoption of the same by the organization on behalf of the membership.

2.6.1 Governance Renewal Practice

Date Approved/Last Revised: _____

Based on the most recent full board assessment, the BOD will determine what areas the BOD need to review, renew and improve going forward.

Based on these governance improvement goals the BOD will delegate to the Governance Committee the responsibility to develop a work plan to address the goals which will then be approved by the BOD.

The work plan will become part of the RAHB Dashboard for monitoring throughout the year.

2.7 Board of Directors Orientation Practice

Date Approved/Last Revised: _____

Directors have a duty to be knowledgeable about not only the affairs of the Corporation, but also about the Board's governance process and their rights, duties and obligations as Directors. Attendance at orientation sessions will be considered as part of the Board Director's performance expectations.

RAHB will provide supports that allow the BOD to maximize their contribution in the best interests of the Corporation through a robust orientation.

The Importance of Board Orientation

For years the orientation of a BOD was a cursory, expected and undervalued event in most organizations. In recent years the importance of creating an effective governance team has come to the forefront.

- Board accountability for corporate leadership and decision-making, is being demanded by shareholders and/or stakeholders
- Regular evaluation of board performance is becoming a given
- Boards are accountable for deliverables as much as any other area of an organization

Thus, it is critical that boards have the up-to-date information, knowledge and understanding required to carry out their role and responsibilities.

- It is critical that clear, objective decision-making criteria and processes are in place for each key area of accountability

Many individuals asked to sit on a board have previous board experience. With this experience come assumptions and beliefs about how a board operates and how decisions are made.

- Each organization has a unique culture and process for decision-making
- Board Directors are responsible to integrate into the specific role and responsibilities determined by the organization's governance model
- Once principles, policies and practices are established, Board Directors are required to follow these guidelines in their operations

Therefore, a powerful BOD orientation and on-going development and training is critical to the success of world class organizations today.

By articulating the skills and attributes more precisely the organization can hope to achieve:

- A more thorough and shared understanding of the skill requirements of the BOD
- A more robust means for determining the capacity, capability and fit of Board Directors
- A significantly improved means of supporting the recruiting and nominations process
- Improved stakeholder confidence in the BOD capabilities
- A high performance, sustainable governance BOD

Purpose of Board of Directors Orientation

A BOD is a team of individuals. Their function, as in any team, requires effective task completion and positive working relationships. This means it is established for both new and existing Board Directors.

Today, leading edge boards have developed an orientation process that continually:

- Updates and reinforces BOD governance standards
- Reinforces BOD operational responsibilities and accountabilities
- Develops team effectiveness

Effective Orientation Content

An effective process ensures that at a minimum, the following content relating to the organization is articulated and understood:

- Strategic framework
- Core commitments
- Core business
- Strategic priorities
- First principles of governance
- Specific board annual deliverables
- Roles and responsibilities for strategic leadership, risk management and fiduciary responsibility
- Roles and responsibilities of key senior operational leaders
- Corporation by-laws and related government acts
- Directors' liabilities
- Biographies, skills and experience of board members and key senior operational leaders
- Board committee and organizational structures
- Accountability framework, organizational principles and policies
- Decision-making criteria and processes
- Monitoring criteria and processes
- Individual and BOD standards of behaviour and accountabilities, based on the core commitments of the organization

Effective Orientation Process

The process of effective orientation has several components to ensure effective task completion and positive working relationships amongst directors. Orientation is in advance of Strategic Planning to provide a strong foundation for BOD to be successful which includes a full review of the Governance Manual, Bylaws, Roberts Rules and Chair training.

Note: Leadership 101 is required for all candidates who run for BOD Election.

Strategic Retreats

As important as maximizing effectiveness through technology, more than ever the need for relationship development and management is key to a well-functioning team.

Direct, personal dialogue and conversation has yet to be replaced as the most effective way to “think big” and develop a high functioning team.

In Board of Director Meeting Sessions

As the BOD governs RAHB, from time-to-time new best practices for governing and leading will emerge. Orientation sessions to learn about and understand these new practices can form part of the regular BOD meeting agenda. This is especially important to do prior to introducing a new practice within the functioning of the BOD.

Conclusion

Board orientation is a critical component of a healthy vibrant world-class organization. It is a continuous process of quality improvement in board governance.

2.8 Board Director Compensation and Expense Practice

The Board of Directors and Chief Executive Officer will attend key stakeholder conferences and conventions, based on the actions determined as part of their stakeholder relationship management strategy and plan, to:

1. Promote the image of the REALTORS® Association of Hamilton-Burlington;
2. Provide their expertise in the area of real estate problems when required
3. Keep up-to-date on current real estate issues

The following practices are a guide and can be adjusted by the Board of Directors as required.

If a Director or any other authorized person attending on the Associations behalf, fails to attend the conference other than for personal family and health reasons, and if the air transportation or any expenses related to the conference have been paid for by the Association, the Director or any other authorized person, shall reimburse the Association in full for all related expenses. Personal family and health reasons are subject to the approval of the President. Further, in the event a Directors air transportation is other than economy class, the Director will be fully responsible for the additional airfare over and above economy class airfare.

Voting Delegates – CREA and OREA

The official voting delegates for the Association to CREA and OREA, based on the number of votes allocated to the Association are:

- President
- President-Elect
- Immediate Past President
- An alternate will be appointed, if required

Board of Directors

All Directors are entitled to attend the OREA & CREA Conference, and the Association will pay for:

- Registration fee
- Accommodation
- Travel Expenses
- Per Diem per day
- Other expenses (see expense policy)

The Voting Delegates shall attend the CREA Fall Assembly, if required, and the Association will pay for:

- Registration fee
- Accommodations
- Travel Expenses
- Per diem
- Other Expenses (see expense policy)

President / President-Elect

The President, President-Elect may attend any international conference(s), such as Inman, NAR, etc., total annual cost not to exceed \$5,000 Canadian. If the cost is greater than \$5,000 approval from the Board of Directors is required.

This policy is in an additional to the director development policy

Registration Fees

The Association shall prepare and submit all Registration Forms and prepay all Registration Fees.

Accommodation

The Association shall arrange, book, and prepay all accommodation. Where an attendee wishes to make their own arrangements, reimbursement for accommodation shall be at the rate as arranged for by the Association. Hotel charges for room, internet, local telephone connection charges, and room tax only are debited to an Association master account and will not appear on any bill to you the attendee. The attendee will provide a personal credit card imprint, when checking in, in order to facilitate personal charges of the attendee.

Travel

The Association shall arrange, book and prepay all economy airfare travel. Where an Attendee wishes to make his or her own arrangements, reimbursement for airfare travel shall be the amount equivalent to that as arranged by the Association. Directors are responsible for printing their own boarding pass and paying any additional fees for pre-booking seats.

For alternate modes of travel, the Association shall pay the lesser of the actual cost incurred or a reasonable charge under the circumstances. In no case may this amount exceed the amounts allowed for personal auto or airfare.

Ground transportation to and from departing airport to a maximum of \$250 will be reimbursed by the Association.

Taxi costs for travel between the airport and the conference hotel will be reimbursed by the Association.

If an attendee opts to drive they will be reimbursed as follows:

- a) Mileage expenses consistent with OREA, and not to exceed average of economy fare.
- b) Parking costs at the hotel

Per Diem

Attendees shall receive a Per Diem of \$150 per day; \$75 for dinner, \$25 for lunch, \$25 for breakfast and \$25 for incidentals. Any meals paid for by the Association or by the event, will be deducted from the appropriate per diem. A minimum per diem applicable to 50% of the going rate will be applied for the Directors Strategic Planning Session.

No claim will be paid where a meal was provided at no charge that the individual chose not to utilize; unless there are dietary restrictions such as allergy or gluten that would prevent a Director from having the meal provided. If the breakfast provided is a continental breakfast only, the Directors may claim their per diem amount of \$25.

General Expenses

- a) All claims, including parking, must be submitted within 60 days of the conclusion of the event. All appropriate receipts are to be attached.
- b) At the discretion of the President, overnight accommodations may be provided if a director is attending an event on behalf of RAHB.
- c) Table Wine. Only the President, or in the absence of the President, the President-Elect, is authorized to purchase table wine for directors and/or guests at Board authorized functions or conferences.
- d) Hospitality Suite at the discretion of the Senior Officers

The mileage expense will be consistent with OREA and adjusted accordingly from time to time.

Required Meetings /Events

- a) One day per diem applicable when representing RAHB in excess of 4 hours including traveling; including but not limited to Director meetings, committee meetings, attendance at RAHB events such as tradeshow, golf tournament, excluding the Annual Appreciation Gala
- b) Mileage
- c) Parking

Non RAHB Social Events

- a) Mileage
- b) Parking
- c) Per Diem, if in excess of 4 hours

RAHB Director Personal Professional Development

If a board of director attends a conference in accordance with policy, it is their sole responsibility to arrange all matters pertaining to attending.

Reimbursement for Personal Professional Development is to be submitted on the approved form with receipts.

A report to the Board of Directors outlining the benefit to the Director shall be submitted.

Procedures

- a) Directors' expense reports and the CEO expense reports are to be approved by the Finance Chairman or in their absence any other Officer of the association. The President-Elect's expense reports are to be approved by the President. The President's expense reports are to be approved by the Finance Chairman or in their absence any other Officer of the association.
- b) Traveling internationally, expense reimbursement is made in the Canadian equivalent of the foreign currency based on last day of conference/meeting.
- c) Medical insurance will be purchased, if required, for out of country travel on behalf of RAHB, in accordance with RAHB approved conferences.
- d) Cancellation insurance will be purchased at the discretion of the CEO.

NOTE: All expenses must be submitted within 60 days of the event/meeting and within the current calendar year for reimbursement.

The Directors Conference/Special Meetings will be the responsibility of the Manager, Executive Office under the direction of the Chief Executive Officer.

OREA/CREA Candidates for Election

Fully paid and in good standing members of the REALTORS® Association of Hamilton-Burlington nominated and elected or not elected (as the case may be) for the position of director at the Canadian Real Estate Association or Ontario Real Estate Association are eligible to receive reimbursement from RAHB in an amount up to \$1,000 to cover out of pocket travel, conference registration, and accommodation expenses incurred by them and not reimbursed by any other party. Such reimbursement shall be subject to the standard RAHB policy for directors reimbursement of expenses and in the event the candidate member receives a reimbursement or other financial support related to the conference or election meeting for which CREA or OREA held elections, the original reimbursement by RAHB shall be refunded to RAHB by the member in an amount equal to the amount of CREA or OREA funding or the amount of the expenses covered by RAHB in the first instance, whichever is the lesser amount.

2.8.1 RAHB Director Professional Development Policy

Date Approved April 9, 2014; Updated July 2016, February 15, 2017, July 2019, October 2021

RAHB and its members benefit when its leadership is exposed to professional development opportunities that will enhance their knowledge, skills and decision-making ability.

Directors must fulfil the Leadership Development Requirements as outlined in Section 3.4 – Board of Directors Recruitment, Election and Succession, which may be amended from time to time.

In addition to the conferences outlined in the Section 2.8 - Board Director Compensation and Expense Practice, Directors are also given the flexibility for optional attendance at additional real estate related conference(s) per year selected from an approved list of conferences to include but not be limited to the following: National Association of REALTORS®, Western Connection Conference, Atlantic Connection Conference, Inman News Conference, Real Estate Forum, OREA & CREA PAC Days.

Continuing education courses related to leadership in organized real estate offered through the DeGroot School of Business, the Institute of Corporate Directors, or by a university or a community college.

The budget for attendance at additional professional development opportunities will be capped at \$3,000 per Director, per year, to be reviewed annually by the Governance & Bylaw Committee.

The budget will be used to cover the following costs:

- Registration fee
- Travel expense
- Hotel accommodation
- Meals allowance, when no meals are provided in the conference registration

Accordingly, such ongoing professional development will be focused on enhancing Directors' governance capabilities through the following tools, resources and requirements:

1. All professional development opportunities must be pre-approved by the Chair, submitted on the Director Professional Development Request Form. Any appeal of the Chair's decision can be made to the full Board of Directors. If a director attends a continuing education session and/or conference in accordance with this policy, it is their sole responsibility to make all necessary arrangements and payments.

The Chair's professional development shall be approved by the Board of Directors.

2. There will be no limit on the number of professional development opportunities a director may attend during their tenure on the Board of Directors, subject to costs not exceeding the budgeted amount allocated to each Director per year.
3. Directors attending any professional development opportunity must provide a written report within thirty (30) days of attending, submitted on the Conference Report template, in order to be reimbursed for expenses. All reports will be included on the Board of Directors portal for information only.
4. Director expense policy applies for any professional development expense claims.
5. Attendance at any professional development opportunity must not conflict with Directors ability to attend pre-scheduled RAHB meetings (i.e. Board of Directors meeting, strategic planning session and any general membership meeting).

2.9 Directors Liability and Insurance Practice *Date Approved/Last Revised: _____*

To ensure that Board Directors understand their liability as Directors, the BOD through the Governance Committee will inform them of their liabilities through an education session and/or through other communication vehicles as required.

Through the RAHB Dashboard in the compliance section, the individual directors can check to ensure that the directors' liability insurance policy is current and in place.

3. BOARD COMPOSITION

The Board Composition section of the Realtors® Association of Hamilton-Burlington (RAHB) Governance Manual outlines the composition of the Board of Directors (BOD), including roles and assessment, recruitment, elections, succession and skills inventory practice.

3.1 Board Composition Practice *Date Approved/Last Revised: _____*

The composition of a BOD is best served when the attention is given primarily to individual director's skills, competencies and experience as based in the Director Skills Matrix Profile versus to represent a specific constituency. This is current good practice.

3.2 Board President Practice *Date Approved/Last Revised: _____*

The Board President shall be the President for all Board of Director meetings. If the President is unable to chair a specific meeting, the responsibility falls to the President Elect. The duties of the President / President-Elect are outlined in RAHB Bylaw Article 6 – Board of Directors, Section 8 – Duties of President/President-Elect.

3.3 Board President Role

The Board President is the formal leader and representative of the BOD both internally to the organization and externally to stakeholders and is responsible to:

- Focus BOD activities on strategic priorities
- Ensure BOD goals are developed and implemented
- Facilitate/coordinate to ensure that board issues are brought to the board through an effective agenda
- Act as facilitator at board meetings and encourage director participation
- Act as spokesperson for the BOD with the media
- Work with the Governance Committee to ensure effective BOD governance within the BOD as a whole and its committees and their work plans
- Meet with each board member individually and informally to obtain feedback, at a minimum mid-year
- Facilitate relationships with the BOD and the membership
- Communicate with, and support the CEO between meetings
- Act as a resource to CEO as required

The assessment of the Board President can be conducted verbally or in writing after each meeting or at least each quarter to provide feedback to the Board President. At a minimum a BOD Meeting Assessment is to be completed at the end of each board meeting.

Role of President-Elect

The President-Elect's role is to provide support to the Board President in his/her duties as President. This position includes three specific responsibilities:

- The President-Elect is the official back-up for the President position, filling in for the President responsibilities (as per role description) when the President is unable to do so
- The President-Elect may be considered as a "President-in-training" position, as such, it is a good opportunity for the President-Elect to shadow and learn from the current President so as to refine their understanding of the President position and develop skills
- In both instances, it is important for the President and President-Elect to develop a strong and cooperative working relationship throughout the full term of both offices

Role of Past President

The Past President's role is to provide support to the Board President and President-Elect in her/her duties. This position includes the following responsibilities:

- Chairman of the Nomination Committee
- Acts as a signing officer for cheques and other documents
- Assume duties if President, President-Elect are not available
- Attend meetings of organized real estate as determined by the BOD; these may include CREA and OREA assemblies and Southern Ontario meetings

3.4 Board of Directors Recruitment, Election and Succession

Last Revised: Sept 2021, October 2021

Nominating Committee

To provide focus to the process of recruiting and promoting the best possible candidates by the membership the process of director nominations and election is delegated by the BOD to the Nominating Committee. This committee works closely with the Governance Committee to ensure clear process conforms to the BOD governance practices. Prior to any communication to membership, the Governance and Nominating Committee will meet to ensure alignment.

The terms of reference for this committee are outlined in Section 4 – Board Committees, Section 4.6. - Nomination Committee, Page 50.

Recruitment

To ensure the best candidates are encourage to run for election, and to ensure that the membership is aware of the skills and experience needed on the BOD, the following information needs to be shared with the membership and interested candidates:

- RAHB Directors Skills Matrix Profile
- Individual Board Member Expectations
- Code of Conduct Practice
- Conflict of Interest Practice

In addition, interested candidates need to be directed to the RAHB strategic plan and RAHB Governance Manual.

Automatic Disqualification – Prior Removal/Breach of Director's Code of Conduct

A former RAHB director who was removed from the Board of Directors because of a breach of RAHB's Bylaws for not being in compliance with the Code of Conduct – Directors, shall not be eligible or qualified to run for office. Any such director's nomination shall be automatically disqualified prior to the presentation of such director's nomination as a candidate to the Nomination Committee. The Chair of the Nomination Committee, upon the receipt of notice of any such director's nomination, shall inform any such director of their disqualification. Furthermore, the Chair of the Nomination Committee shall notify the Nomination Committee that there has been a disqualification but shall keep any such director's identity confidential. The automatic disqualification of a former RAHB director under these grounds shall be final, binding, and unappealable by any such director to the tribunal referenced in RAHB's Bylaws.

Candidate Leadership Development Requirements

Candidates must complete the OREA/ CREA Leadership 100 course prior to running for office. Successful candidates must complete Leadership 200, within thirty (30) days of being elected to office, and Leadership 300, if offered, must be completed prior to end of the first year of being elected to office.

A current or former RAHB director who has not completed all required courses during their first term of office will not be eligible to re-run for office.

Required Candidate Leadership Development courses for candidates, as well as current and former directors, may be amended from time to time.

Election

The practice and details for conducting the election of directors and officers is outlined in the RAHB Bylaws under Article 6, Section 7.

Succession

Because elections are held annually for the BOD the Nominating Committee needs to continuously encourage the membership to consider individuals they may wish to nominate as well as the specific director needs of the BOD at any point in time. This can be done through those communication vehicles identified through the membership communication strategy and plan.

Additional Reference Material

In order to ensure the best, most qualified candidates get elected it is important that the membership be aware of what to consider as they determine their candidates. The following is the content for a draft memo that can be used, modified to inform the membership.

“RAHB has made significant investments and taken great strides in improving our governance capacity. The quality of our governance has a direct impact on the success and sustainability of our association and ensures that we deliver the greatest value to our members. Recent enhancements to our governance structures, systems, policies and practices have ensured that we have the best governance practices in place. These best-practices can enable existing and future board members to understand the important role they play and ensure that they contribute meaningfully and “at the right level” as directors. As part of our annual governance renewal, we encourage members to run for vacant board positions. These new directors bring fresh perspectives and ideas to our board and can bring skills and experiences that can help the board fulfill its governance duties. For this reason, it is critically important that new directors understand the role they are being asked to play and demonstrate the readiness, willingness and ability to fulfill the governance accountabilities expected of them. Ensuring that the “best and most qualified” candidates are nominated and elected for directorship is a joint responsibility of the membership-at-large and the Nominating Committee (on behalf of the Board). The better informed the membership is about the roles, expectations and requirements of a director position, the better prepared they will be to volunteer or nominate high-calibre candidates. The more aware and disciplined the Nominating Committee is about what’s required and how to best inform, guide and support the process, the more likely the best-candidates will be elected. As RAHB goes into a new cycle of director nominations it is imperative that attention be given to ensuring we do the best to identify, encourage and support the highest calibre candidates possible and that our voting members understand why this is so important to their success. We are counting on this year’s Nominating Committee to once again, raise the bar on our governance capacity by doing their best to match the quality of our board policies and practices with the quality of our candidate pool.”

3.5 Director Skills Inventory Practice *Date Approved/Last Revised:*

Overview

Recruiting, electing and leveraging capable directors are critical to the ongoing success of the organization. Ensuring that there is alignment between the skill requirements of the board and the skill sets of its directors is key to effective board functioning. To do this, the organization must define the skills and attributes it feels are necessary for board members to possess. It must also introduce a robust process for ensuring that these skills and attributes more strongly influence the recruitment, nomination, election and development of future Board Directors.

Key Outcomes

By articulating the skills and attributes more precisely the organization can hope to achieve:

- A more thorough and shared understanding of the skill requirements
- A more robust means for determining the capacity, capability and fit of directors
- A significantly improved means of supporting the recruiting and nominations process
- Improved member confidence in board capabilities
- A high performance, sustainable governance board

Determining Director Criteria

In determining the director criteria, attention must be placed on ensuring that the criteria are:

1. **Objective:** not unduly influenced by personal feelings, interpretations, or prejudice; based on facts; unbiased
2. **Relevant:** have a bearing on or connection with the subject at issue, specifically board member accountability, responsibility and contribution in organization's unique context
3. **Rigorous:** requires close attention to standards and procedures
4. **Robust:** strong enough to withstand or overcome intellectual challenges

Proposed Criteria

After reviewing numerous examples and models of board director registration, orientation, education, evaluation, roles and responsibilities, and skills and attributes profiles assembled is the following "matrix" of criteria for understanding the director capability and fit.

1. Professional/work experience & expertise
2. Board experience & expertise
3. Director skills

It is important to note that no one dimension should be used exclusively to determine the capability and fit of an individual. The combination of elements must be considered and considered in relation to the unique context of the organization. In this way the application of the "matrix" must be both disciplined and somewhat organic in its implementation.

3.6 Building a Robust Director Succession Strategy

Professional experience & expertise

It is critical to understand the varied professional/work experience and expertise gained through an individual's lifetime of employment, volunteer association and applied effort. This experience and expertise will enhance board capacity by ensuring more diverse perspectives during board dialogue and decision making. In recruiting and electing Board Directors efforts should be made to assemble individuals that possess this diversity. When seeking to attract and assemble this information, two dimensions should be considered.

Functional Expertise (Consider the following proposed definitions)

Functional Expertise	As determined by familiarity with the following:
1. Finance & Accounting	Budgets; Audits; Financial statements; Financial reporting; GAAP
2. Human resources	Recruitment; Selection; Performance management; Compensation; Benefits; Labour agreements; People management
3. Law/Legislation/Regulation	Contracts; Insurance; Risk management; Corporations Act; Industry specific regulation
4. Leadership	Visioning; Strategy development; Organizational design/structure; Stakeholder relationships; Board governance
5. Management	Operational planning, Total Quality Management, Hiring, Employee performance management, Directing, Delegating, Scheduling, Project management
6. Marketing	Strategic marketing, Competitive analysis and strategy, Operational marketing, customer planning, Marketing mix, 4 P's, Sales, Sales management
7. Industry specific	Expertise of your specific industry
8. Production & operations	Resource management, Inventory control, Production management, Operations management, ISO/Six Sigma
9. Public relations	Media relations; Community relations; Stakeholder/shareholder relations; Crisis management; Disaster planning
10. Research & development	Future-oriented, long-term activities in science or technology applying scientific research without predetermined outcomes and with broad forecasts of commercial yield.
11. Technology	System architecture, Software development, Hardware development, Systems integration, Systems application, Systems repair and maintenance
12. General business acumen	A solid understanding of business fundamentals and how they impact organizational effectiveness

Board Experience and Expertise

Many good director candidates may not have prior board experience and for those that do, they often have very little formal training or education for the role. While simply having prior BOD experience can be helpful it is equally important to understand the context of that experience and the specific roles the individual has held. Over time, the BOD should strive, through its orientation and development, to raise the collective knowledge and expertise of all of its Board Directors.

Together, a better understanding of these two dimensions will help assess the level of board functioning an individual possesses and how that will affect their ability to quickly contribute to the RAHB BOD.

Board Roles (Consider the following categories of roles)

1. General Member
2. Chairperson
3. Committee Member: name of committee
4. Committee Chair: name of committee

Board Director Expertise (Consider the following proposed definitions)

Area	As determined by familiarity with the following:
Communication	Planning and conducting meetings; Group facilitation; Conflict resolution; Corporate reports and reporting; Public relations; Advocacy
Community involvement	Active volunteerism, mission-based organizations or associations, committees, workgroups
Evaluation	CEO assessment; Board assessment; Program evaluation; Impact assessment
Finance	Budgets; Audits; Financial statements; Financial reporting; GAAP
Governance	Policy development; Bylaws; Code of conduct; Committees; Conflict of interest
Legal/Legislative/ Regulatory	Contracts; Insurance; Risk management; Corporations Act; Industry specific regulation
Philosophy	Ethics; Leadership; Vision; Mission; Values; Public trust
Planning	Strategic planning; Business planning; Action planning; Priority setting; Decision making
Stakeholder engagement	Public consultation; Advocacy; Fundraising; Lobbying

Director Skills

Many skills acquired during professional experience and formal development, are highly relevant and necessary to be an effective board director. As Directors have evolved from “representative” to knowledge or decision-based boards more attention needs to be given to specific skills that enable directors to execute their roles and responsibilities. While many of these skills are also important to other, non-director performance, they are most critical to this unique role. From time to time a BOD will need to add specific director skill sets to the board to ensure optimal functioning.

Based on best practices of governors, the following skills should be considered when assembling a BOD:

Skill	As demonstrated the following actions/behaviours:
Accountability	Accepts and works diligently to fulfill the expressed expectations of the role or position held
Advocacy	Proactively persuades others of the importance of the issue/mission of the organization
Assessment & evaluation	Rigorously and objectively reviews the quality of effectiveness of board work in service to the mission and established board goals
Collaboration	Works in cooperation with others for the greater purpose of a common goal
Communication	Communicates effectively, demonstrating good oral, written, non-verbal and listening skills
Critical thinking	Applies cognitive skills or strategies to increase the probability of a desirable outcome; describes thinking that is purposeful, reasoned, and goal directed
Decision making	Seeks out and applies facts and perspectives; maps out the likely consequences of decisions, working out the importance of individual factors; exercises good judgment in choosing the best course of action to take
Dialogue	Engages in open, tough, focused and informal conversation; invites multiple viewpoints, see the pros and cons of each one, and tries honestly and candidly to construct new viewpoints
Emotional fortitude	Possesses the courage to confront tough issues and take decisive action; finds strength and conviction in what is right vs. what is popular
Facilitating meetings	Encourages participation by all members and keeps the group focused on its tasks, time frame and agreed protocols
Information management	Seeks out, distills, analyses and formulates clear perspectives from various and appropriate sources of information.
Long range planning	Formulates actionable plans that will enable the organization to attain a desired future state
Monitoring	Identifies and monitors the progress and outcomes of key performance criteria and goals
Problem solving	Clearly identifies and defines root problems; applies facts, perspectives and intuition in a deliberate way to devise potential solutions
Relationship management	Seeks out, builds and sustains mutually valuable and trusting relationships with key stakeholders
Responsibility	Understands, accepts and faithfully executes the tasks assigned to them by the organization
Risk management	Identifies the principal risks faced by the organization and formulates strategies to mitigate said risks
Self-development	Continuously seeks to improve one's own awareness, knowledge, skills and experience
Strategic leadership	Engages others to strive willingly and enthusiastically towards the achievement of the organization's mission; creates the conditions necessary to enable others to be leaderful in their own capacity
Values expressed	Holds high and lives out the core human values of: freedom, fairness, compassion, truth, tolerance and responsibility

4. BOARD COMMITTEES

The Board Committee section of the REALTORS® Association of Hamilton-Burlington (RAHB) Governance Manual outlines the structure and responsibilities of both industry mandated and Board of Directors (BOD) Standing committees.

4.1 Committee Structure Practice *Date Approved/Last Revised: _____*

The Committee structure is outlined in RAHB Bylaw, Article 7 - Committees and Task Forces

Terms of Reference

Where the Directors, appoint any or all of the Committees set out above, they shall appoint not less than three (3), and not more than nine (9) Members to each Committee, and shall designate one of the Members to be the Chairman.

The President of the Association shall be an ex-officio member of any Committee/Task Force appointed by the Directors, if applicable, except the Professional Standards, Discipline and Arbitration Committees, although the President of the Association shall not be included in the numerical limitations set out, nor shall the President have voting rights, nor shall the President be included to determine whether or not there is quorum.

A Committee may not meet to conduct any business unless a majority of the Committee Members present at the beginning of and throughout the meeting.

Questions arising at any Committee meeting shall be determined by a majority of votes and in the event of a tie vote, the Chairman shall be allowed to vote to break that tie.

Committee Chairs

All RAHB committee / task force chairs are required to take OREA Leadership 100 prior to assuming their role as Chair.

Each year a mandatory Governance training session will be held for all committee/task force chairs. In addition to a governance training session, with sufficient registration, the Association will host OREA Leadership 200.

Each year prior to the first meeting of all committee / task forces the outgoing committee / task force chair will provide an update on the yearly activities to the incoming chair.

Rules and Regulations

Any Committee may recommend, in writing to the Directors, any additions, deletions or amendments to Bylaw, Rules & Regulations, Policies, which it feels will be of benefit to the Association.

4.2 Audit, Finance & Risk Committee *Date Updated 11/30/2016*

Accountability

The Committee is appointed by the Board of Directors to assist the Board in fulfilling its responsibilities in the oversight of the financial plans, policies and practices as well as overseeing all material aspects of financial reporting, internal controls, risks, the internal audit function and the audit of the annual financial statements.

Responsibilities

Financial reporting

- Oversight of the selection of accounting policies used in preparing the financial statements, including consideration of all relevant alternatives
- Reviewing and discussing other financial information i.e. reviewing the annual report for consistency of financial information in the financial statements and other reports
- Maintaining effective communication policies, including disclosure of the committee's mandate
- Supervise the preparation of the Association's budget, approve the budget and recommend its approval to the Board of Directors
 - Overseeing RAHB's financial systems
 - Monitor the financial performance of the Association in relation to its budget;
 - Monitor compliance in relation to the financial objectives as may be set from time to time by the Board of Directors
- Review investments and transactions that could adversely affect the well being of the Association; ensure investments comply with the Organization's investment policies.

Audit activities

- Provide recommendations to the Board of Directors related to the approval of the audited financial statements
- Pre-approval of all audit and non-audit services to be performed by the auditor, including the approval of the auditor's engagement letter
 - Helping to ensure that the audit is conducted in an efficient and cost-effective manner
 - Recommending to the Board of Directors approval of RAHB's annual financial statements
 - Recommend to the Board of Directors for its recommendation to the membership the appointment of the external auditor, approving and overseeing the external auditor's activities, and approving the appropriate fee
- Review of the following:
 - reports from the external auditor concerning their independence
 - overall scope of the external audit, including areas of identified risk
 - discussion of the annual audited financial statements and related note disclosures with the auditor
 - results from the audit and determine if there were any areas of difficulty or disputes with management, any significant changes in the audit plan, any changes in accounting policies and any estimates that require significant judgment
 - the external auditors report on any internal control weaknesses and if appropriate, determine whether effective steps have been taken to overcome them

Risk management and internal controls

- Review and assess the Organization's financial risk management policies and processes
- Understand the risks of fraud and error in the Organization and review managements response to these risks;
- Monitor overall business risks the Association is, or within a reasonable degree of certainty may be, subject to, and update the Board as appropriate

Committee Composition

The Audit, Finance & Risk Committee will be appointed annually for a one-year term (April 1-March 31).

The committee shall consist of eight (8) Members and shall be comprised as follows: President, President-Elect, and two (2) additional directors; and four voting members not currently sitting on the Board of Directors. The Board of Directors should make every effort that 50% of the committee will carry forward each year. Preference will be given to volunteers with financial experience.

Support

CEO, Corporate Services Manager

Resources

Resources and support services will be provided by Corporate Services Department and such other resources as the Finance, Audit & Risk Committee deems appropriate from time to time.

For reference the Cost Recovery Policy and Annual Financial Surplus / Deficit Policy are found on the following page.

4.2.1 Cost Recovery Policy – MLS® Monthly Service Fee

Date Revised: December, 2020, November, 2021

The purpose of this policy is to ensure complete cost recovery of all service provider expenses associated with the delivery of the MLS® Monthly Service Fee.

Process

At the beginning of the 4th quarter (October) of each calendar year, the Audit, Finance and Risk (AFR) Committee will review the current MLS® Monthly Service Fee, along with the associated Service Provider expenses.

In determining the MLS® Monthly Service fee for the following calendar year, the AFR Committee may consider recommending to the Board of Directors (BoD) that the “Core Services” Reserve Fund be utilized to offset the associated Service Provider expenses.

Before the end of each calendar year, the AFR Committee will recommend to the BoD for approval the MLS® Monthly Service Fee amount, and if applicable, the utilization of the Core Services Reserve Fund to offset the amount charged to members for the following calendar year.

Service Provider Expenses

- Costs associated with providing the MLS® Monthly Service Fee (i.e. Third Parties – Corelogic, Clarity, Geowarehouse, BrokerBay)

Overhead Costs

- Are general operating expenses incurred on a regular basis (i.e. utilities, building repairs, HR Resources)
- Are subjective and fluctuate
- In the application of this policy, are not accounted for as an expense associated with the MLS® Monthly Service Fee
- Are largely covered by revenue collected from membership dues and fees

Can be acknowledged and offset as an expense associated with the MLS® Monthly Service Fee by utilizing the Operating Reserve Fund

4.2.2 Fiscal Year Operating Surplus/Deficit Policy

Date Revised: October 30, 2014, November 4, 2021

Purpose

The purpose of this policy is to establish a priority framework for the allocation of a fiscal year operating surplus or funding of a fiscal year operating deficit.

Procedure

At the beginning of the 4th quarter (October) of each calendar year, the Audit, Finance and Risk (AFR) Committee will review the projected surplus/deficit for the current fiscal year.

Before the end of each calendar year, following the guidelines outlined below, the AFR Committee will recommend to the Board of Directors (BoD) for approval how the projected current fiscal year surplus/deficit will be allocated/funded.

Guidelines

Surplus

Where a fiscal year surplus is projected, the AFR Committee will recommend to the BoD one or both of the following options:

- Allocate to an existing or future program and/or project
- Allocate to one or more Reserve Funds in accordance with the Reserve Fund Policy

If neither of the above options is possible/applicable, the AFR Committee will recommend to the BoD how the surplus funds will be credited to the membership in the current fiscal year.

Deficit

Where a fiscal year deficit is projected, the AFR Committee will recommend one, or any combination, of the following options:

- Draw from one or more Reserve Funds in accordance with the Reserve Fund Policy
- Impose a special membership assessment fee
- Increase membership dues/fees

4.2.3 RAHB Designated Investments and Reserve Fund Policy

Investments

The purpose of this policy is to secure the Association's mission, assure the stability of ongoing operations, and provide guidance on risk mitigation with respect to the investment of the Association's Reserve Funds and the General Operating Account Funds.

Process

The Investments Policy will be reviewed, and may be amended, on at least an annual basis to ensure it continues to meet the objectives of the Association. Any revision will take into consideration risks in capital markets and anticipated spending by the Association.

Responsibility

The Chief Executive Officer, with assistance from designated staff, is responsible for managing the investments in accordance with this policy. The Audit, Finance and Risk Committee and the Board of Directors are responsible for oversight of this policy.

Guidelines

These guidelines apply to the investment of Reserve Funds and General Operating Account Funds.

Investment Objectives

Safety of Funds

Preservation of principal is the foremost objective of this policy. Risk will be mitigated by:

- Limiting investments to the safest type of investments available
- Transacting with financial institutions that are insured by the CDIC
- Limiting exposure to the \$100,000 maximum coverage with each financial institution
- Investing only \$95,000 per GIC to ensure that interest growth is insured
- Laddering the term of each GIC investment by creating a rolling maturity cycle
- Depositing interest into the Association's general operating account
- Depositing General Operating Account Funds in only high-yield savings accounts

Liquidity

Investments will be sufficiently liquid to meet all planned and/or upcoming Reserve Fund expenditure obligations by:

- Investing in only in high-yield savings accounts and GICs
- Utilizing the 90-day Treasury Bill as a benchmark for comparison and analysis of the investment yield

Ineligible Investments

The Association shall not invest in the following investment class(es), including, but not limited to:

- Individual stocks
- Domestic or foreign equity mutual funds
- Mutual funds consisting of bonds or mortgages
- Options on equity, debt or commodities
- Floating rate securities or floating rate GICs
- Investments in a single institution in excess of the CDIC insurance limits

Reserves

The purpose of this policy is to assure the stability of the Association’s ongoing operations, and provide guidelines for the administration, oversight, utilization and replenishment of all Reserve Funds.

Responsibility

- The CEO is responsible for identifying the need for and recommending any addition/modification/discontinuation/utilization/replenishment of a Reserve Fund.
- The Audit, Finance and Risk (AFR) Committee is responsible for recommending any addition/modification/discontinuation/utilization/replenishment of a Reserve Fund to the Board of Directors (BoD).
- The BoD is responsible for approving any addition/modification/discontinuation/utilization/replenishment of a Reserve Fund.

Types – Purpose – Fund Balance

CONTINGENCY RESERVE FUND

Purpose

To meet the unanticipated needs of the Association
And unexpected emergencies

Fund Balance

Maintain a minimum of \$200,000 and a maximum
of \$300,000

OPERATING RESERVE FUND

Purpose

To maintain significant fluctuations in revenue
and/or expenses.

Fund Balance

Maintain a minimum of \$500,000 and a maximum
of \$600,000

BUILDING RESERVE FUND

Purpose

To fund expenditures associated with renovations
and maintenance of the property at 505 York Blvd.
in Hamilton.

Fund Balance

Maintain a minimum of \$400,000 and a maximum
of \$500,000

TECHNOLOGY RESERVE FUND

Purpose

To fund expenditures in technology for the
Benefit of the association.

Fund Balance

Maintain a minimum of \$300,000 and a maximum
Of \$500,000.

CORE SERVICES RESERVE FUND

Purpose

To offset the cost increase to members of providing core services and/or upon the introduction of new services being offered.

Fund Balance

Maintain a minimum of \$300,000 and a maximum of \$500,000

Recognizing that income fluctuates from year to year, the aggregate of the above Reserve Fund Balances reflects five to eight months of operating revenue (as of 2021).

Process for Addition/Modification/Discontinuation/Utilization of Funds

- The CEO will submit to either the Audit, Finance and Risk (AFR) Committee or the Board of Directors (BoD) a recommendation to add/modify/discontinue/utilize a Reserve Fund.
- Any recommendation to add/modify/discontinue/utilize a Reserve Fund will include an analysis and pertinent/applicable information such as, but not limited to, amount requested, Reserve Fund balance recommended, what the Reserve Fund will be used for, the purpose of the Reserve Fund, and plan for replenishment of the Reserve Fund.

Process for Replenishment of Funds

- The AFR Committee may recommend to the BoD for approval the full or partial replenishment of a Reserve Fund, provided that:
 - A review of the General Operating Account confirms there are sufficient funds available and/or
 - A review of the operating surplus, in accordance with the Fiscal Year Operating Surplus/Deficit Policy, determines that surplus funds will be available for allocation.

4.3 Governance and Bylaw Committee *Date Approved/Last Revised: 20219-09-05*

Accountability

The Governance Committee is accountable to the BOD

Responsibilities

To review, provide guidance and/or recommend to the Board, governance issues to include:

- Stakeholder Relationship Development
- Board Structure
- Committees of the Board
- Board Governing Principles
- Board Development and Orientation
- Board Evaluation and Accountability
- Bylaws and Board Policy
- CEO compensation
- General Membership Meeting issues

Criteria

A member of the Governance Committee should:

- Have an understanding of the organization
- Have an understanding of the industry
- Understands and are committed to the governance process
- Have knowledge, skills and competency of governance issues
- Be open minded and flexible
- Be available for expected time commitment of regularly scheduled meetings

Objectives

- Develop a work plan for the governing year
- Implement the plan, completing any identified “go-forward” issues from the previous year

Committee Composition

Board President, who shall act as Chair, two directors (it is recommended that one of those directors is the incoming President), and the CEO as a non-voting member.

Support

- Manager, Executive Office

Resources

Resources and support services will be provided by the office of the CEO, and such other resources as the Governance Committee deems appropriate from time to time.

4.4 MLS® Committee

Date Updated: July 4, 2019

Accountability

The MLS® Committee is accountable to the BOD.

Responsibilities

The MLS® Committee reviews and recommends new MLS® technology, reviews and rules over MLS® fine appeals, reviews and maintains MLS® Forms, reviews MLS® practices to ensure they are in compliance with federal and provincial law, and in compliance with applicable governing regulations. Members of the MLS® may, from time to time, be asked to volunteer on a sub-committee.

Criteria

A member of the MLS® Committee should:

- a) Be technology minded and know their way around the current MLS® system
- b) Be interested in enhancing and improving technology to assist the needs of fellow REALTORS ®
- c) Have a general knowledge of provincial regulatory rules, RAHB's Rules & Regulations, MLS® policies, the Privacy Act, and the Competition Act

Objectives

It shall be the duty of the MLS® Committee to investigate and make recommendations to the BOD regarding MLS® issues; including but not limited to the RAHB MLS® Rules and Regulations, and MLS® Policies.

Committee Composition

The MLS® Committee shall consist of a Chairman who shall be a Director.

Support

- IT Manager
- MLS® Supervisor

Resources

Resources and support services will be provided by the office of the CEO, and such other resources as the MLS® Committee deems appropriate from time to time.

4.5 Nomination Committee *Date Approved/Last Revised: 02/26/15*

Accountability

The Committee is accountable to the RAHB BOD. The Nominating Committee reports to Members through correspondence distributed prior to the Annual Election Meeting, and at the Annual Election Meeting.

Responsibilities

The Nominating Committee is established pursuant to the provisions of the RAHB Bylaws under Article 5, Section 7 - Nominations and Elections.

The committee is responsible for presenting a slate of directors to RAHB members to ensure that the Association is governed with excellence and vision.

The Committee has the authority within policy parameters established by the Board to:

- Encourage the submission of eligible member names to the Nominating Committee for its consideration as possible nominees for available Board positions
- Evaluate all received applications and additional nominations against a set of criteria established by the Board of Directors from time to time
- Nominate a full slate of candidates for election to the BOD
- Review nominating committee policies and procedures and make appropriate recommendations to the RAHB BOD and staff
- Ensure the integrity of the nominating procedure
- Recommend new committee members for future terms

Reference

Refer to Section 3.5 - Director Skills Inventory Practice, Page 40

Committee Composition

The RAHB Nominating Committee will consist of the following and will strive to reflect jurisdictional and member diversity representation:

- Chaired by the immediate past President of the RAHB BOD
- One (1) Director-at-Large
- Four (4) additional voting members of the Association

Any participant on the Nomination Committee shall be ineligible for nomination.

Support

- Staff provides support to the Committee through full professional and administrative services under the guidance of the CEO
- Manager, Executive Office

Resources

Resources and support services will be provided by the office of the CEO, and such other resources as the Nomination Committee deems appropriate from time to time.

4.6 Committee Chair Role and Assessment Practice

Date Approved/Last Revised: _____

The Committee Chair is the formal leader and representative of the BOD committee and is responsible to:

- Ensure committee terms of reference are established by the Governance Committee and reviewed for revision on an annual basis
- Ensure the terms of reference of the committee are carried out
- Orient new committee members
- Provide two-way communication between the BOD and their committee
- Communicate recommendations and motions of the committee to the BOD
- Act as prime liaison with the staff member that supports the committee
- Encourage committee member participation

The assessment of the Committee Chair can be conducted verbally or in writing after each meeting or at least each quarter to provide feedback.

At a minimum a Committee Meeting Assessment is to be completed at the end of each Committee meeting.

5. BOARD PERFORMANCE SYSTEMS

The Board Performance Systems section of the Realtors® Association of Hamilton-Burlington (RAHB) Governance Manual outlines the methods and assessments used to measure elements of performance among the Board, Directors, Board Meetings and Committees to ensure strong governance performance and effective functioning of the Board.

5.1 Full Board of Directors Assessment *Date Approved/Last Revised: _____*

Good Governance considers several elements of governance which require an annual review:

- Within the formal structure of most organizations, the BOD holds the final legal and fiduciary accountability for decisions made within the organization
- Boards are expected to be up to date on current good governance practices
- Membership is demanding more and more to know how well the BOD is carrying out its duties and how effectively they are leading the organization
- New legislation is pending demanding more of Board Directors
- The best board director candidates want to be assured a good governance model is in place and is adhered to
- Aligned understanding of the key governance principles
- Verify the structure of the board and its committees creates optimum dialogue and decision-making
- Ensure accountability framework for the board as a whole and its committees to ensure there is alignment of the board's contribution to the mission/purpose of the organization with effective fiduciary stewardship and legal compliance
- Decision-making is often based on a combination of opinions, perspectives and some facts which is highly affected by individuals' abilities to influence and "sway" a vote. In good governance practice this approach just doesn't cut it anymore. Membership wants to know the criteria and the full process used to make all major decisions
- Need to verify that the defined contribution expected of the board, as a whole, and individual Board Directors is clearly articulated and understood
- Verify that the board communication system ensures there is improved quality and effectiveness of discussions leading to good monitoring and decision-making at the board meetings
- Verify that the board orientation/reorientation is an on-going process of continuous board development, and team-building to create and retain a highly functioning team of decision-makers with a positive working relationship and effective task completion

The BOD needs to consider:

1. How do we demonstrate that we are living "good governance"?
2. What is our relationship and role with our members?
3. What is our role and relationship with the CEO?

4. What legal, regulatory and ethical standards do we have in place and choose to uphold?
5. How confident are we in our safeguards, reporting and resources?
6. How disciplined, transparent, objective, consistent and reliable are our auditing systems?
7. How can we work together better as a board?
8. What standards do we have for improvement as a board?
9. Are our meetings as effective as we would like?
10. Are we talking about the right stuff at our meetings?
11. Are we satisfied with our process for monitoring and decision-making?

A board assessment provides a baseline for measuring our effectiveness as a board.

Once a year and at a minimum every two years the current good governance practice is to conduct a third party administered assessment based on the articulated defined contribution of the board as a whole

An outside resource is used to:

- Provide an objective and confidential assessment
- Bring content expertise and experience
- Facilitated board assessment process and post dialogue will make best use of available time

A third party should demonstrate:

- Content expertise and experience in governance, strategy, leadership
- Contextual understanding of private/ public sector, not-for-profit and association governance
- Professional and senior level assessment facilitation and communication tools and techniques
- State of the art technology support
- Choice of several options

5.2 Individual Director Assessment

Date Approved/Last Revised: _____

The individual Board Directors need to ensure they are contributing effectively as a director. It will be the responsibility of the BOD through recommendation from the Governance Committee which process will be used by the BOD at any point in time.

Self-Assessment

The self-assessment requires each director to fill out their own self-assessment based on the Individual Board Director Expectations using a rating scale.

The results of their own self-assessment are then discussed with the President to determine areas of strength and areas for further development.

5.3 Board Meeting Assessment

There should be a Board Meeting Assessment conducted after each meeting.

5.4 Committee Meeting Assessment

Date Approved/Last Revised: _____

There should be a Committee Meeting Assessment conducted after each meeting.

6. CEO MANAGEMENT

The CEO Management section of the REALTORS® Association of Hamilton-Burlington (RAHB) Governance Manual outlines practices with the goal of building a foundation for an effective CEO of the RAHB. These practices include the delegation of authority to the CEO, the Performance Management system that will be used to measure effectiveness, succession Strategy and compensation.

6.1 Delegation of Authority to CEO Practice

Responsible delegation to the CEO for the day-to-day management of the corporation requires that the following minimum parameters or limitations be set, reviewed and when required updated annually by the BOD.

1. BOD approved strategic plan and operational priorities.
2. BOD approved operating and capital budget.
3. BOD approved CEO performance scorecard.
4. BOD approved authority limits for entering into contracts, commitments and appropriating company assets in the course of conducting company business.
5. BOD approved system and mechanisms (e.g. RAHB Dashboard) for monitoring the performance of the organization and the CEO.

Specific RAHB Delegations:

- For cheque signing 2 signatures are required: CEO, the President, President-Elect
- CEO expenditures up to \$10,000 without BOD approval
- CEO expenditures up to 4% beyond the approved operating budget within any given fiscal year and reporting the expenditure to the Finance Committee

CEO Conference Attendance

The CEO shall be entitled to attend annually the following conferences:

- OREA Conference
- CREA Conference
- CREA Fall Assembly, if required
- AE Institute
- CREA AEN
- NAR Conference
- Banff Western Connection
- Atlantic Connection

The Association will pay for:

- Registration fee
- Accommodation (maximum of 5 nights)
- Travel Expenses
- Other expenses (see expense policy)

Approval of CEO Expenses

The Chief Executive Officer's expense reports are to be approved by the Finance Chairman, or in their absence another Senior Officer.

6.2 CEO Contingency Transfer of Duties/Authority Plan

This policy contains two (2) sets of procedures to be followed in the event that the CEO is suddenly unable to fulfill their work obligations. In the event that the following occur:

A sudden incident/accident in which the CEO is unable to ever return to work:

1. The designated Staff member to set up Staff Meeting as soon as practicable.
2. President shall call a board of directors' meeting as soon as practicable to receive operational status report. The designated staff member shall serve as the "Acting Manager" while the search process is happening.

The Board of Directors shall immediately commence with Section 3, 3.3 CEO Succession Strategy / Practice as set out in the RAHB Governance Manual: Practices.

Operations Liason

1. The designated Senior Staff member(s) to call a Senior Staff Meeting to review where all projects are and prepare a report to the Directors indicating status of all projects.
2. All new projects should be put on hold where possible unless implementation plan is complete enough to go ahead. This will allow all staff to feel they can get on with their daily jobs without undue stress while they wait for their new CEO.
3. A notice should be sent out as soon as possible to all members to reassure the membership that it is business as usual (if required).
4. The designated Senior Staff member should have information on most calls coming in from members or the public or know where to find the answers.
5. The designated Senior Staff member can draw on other Board EO's for their help when required during this time.
6. The designated Senior Staff member can call on legal counsel when required during this time
7. The designated Senior Staff member can call on RECO for issues during this time.

Extended Absence of CEO

1. Designated Senior Staff member would call a Senior Staff meeting to review where all projects are and prepare a report for the Directors on what can be finished off and what should be put on hold until CEO can return to work
2. All new projects should be put on hold where possible unless implementation plan is complete enough to go ahead. This will allow all staff to feel they can get on with their daily jobs without undue stress.
3. Designated Senior Staff member would then prepare a report on all projects for the Board of Directors.
4. A bulletin should be sent out as soon as possible to all members to reassure the membership that that it is business as usual (if required).
5. Designated Senior Staff member should be aware of most calls coming in from members or the public or he/she knows where to find the answers.
6. Designated Senior Staff member can draw on other Board EO's for their help when required during this time.
7. Designated Senior Staff member can call on legal counsel when required during this time
8. Designated Senior Staff member can call on RECO for issues during this time.

Ultimate Accountability

The BOD is accountable for all aspects of the organization.

Organizational Sustainability

The BOD delegates the vast majority of organizational responsibility to the CEO and through him/her to staff. As such, the BOD is responsible for ensuring both the effectiveness and sustainability of the CEO position.

CEO as Sole Employee of the Board of Directors

The CEO is the sole employee of the BOD. As such, the BOD is responsible for the recruitment, selection, performance management, remuneration and succession of the CEO position holder.

Risk Mitigation

Given that the BOD delegates the vast majority of organizational responsibility to the CEO position and its holder, the three most significant risks that the BOD must mitigate in policy and practice include:

1. Rigour and quality of delegation
2. Capacity of the CEO position holder
3. Stability and sustainability of the position

1. Rigour and quality of delegation

The BOD can see that this risk is offset by:

- Ensuring there is a current and robust strategic and operational plan
- Ensuring there is a current and robust CEO scorecard that describes in detail both "what" is expected of the individual and "how" the individual is expected to perform behaviourally as he/she goes about delivering the quantifiable objectives.
- Ensuring there is a reliable mechanism for monitoring the performance of the organization and the CEO (e.g. RAHB Dashboard)

2. Capacity of the CEO position holder

3. Stability and sustainability of the CEO position

The BOD shall monitor via the approved management dashboard

- Confirming there is a development plan in place to enhance any capacity gaps identified in anyone occupying the position of CEO
- Confirming there is an emergency plan that identifies a qualified person(s) to occupy the position of CEO at all times
- Confirming there is a succession plan that describes the activities, sequence and responsibility of the BOD (and any support resources) to enable an efficient long-term replacement for the CEO position

6.3 CEO Performance Management System Practice

Date Approved/Last Revised: September 2017

Determining the CEO Position Requirements

The intent is to ensure all key areas of CEO responsibility have been considered and the most important requirements established, documented and agreed. The areas of consideration include:

- Corporate Strategic Direction
- Cultural Awareness and Fit
- CEO Contribution (Experience, Characteristics, Skills, Knowledge in Context)
- Measurements of Success

Corporate Strategic Direction

More than ever organizations operate in a global context and no organization can remain isolated from that global context. A deep awareness and appreciation for the environment external to the organization is a critical element.

6.3 CEO Performance Management System Practice (cont'd)

Consideration needs to be given to the following questions:

1. What emerging patterns and trends beyond our own industry could and should influence the future requirements for the CEO position?
2. What emerging patterns and trends within our market and industry could and should influence the future requirements for the CEO position?
3. What emerging patterns and trends within our stakeholder groups could and should influence the future requirements for the CEO position?

These questions will be reviewed each year and updated to include any new emerging patterns as the world as we know it can change rapidly. As a base the following are some emerging patterns and trends considered.

Emerging Patterns and Trends within Our Sector

Some considerations include:

- Technology
- Mergers
- Legislation
- Political priorities
- Competitive stance

The requirements for the CEO position need to consider these emerging patterns and trends to ensure the CEO has the ability to successfully address the challenges and opportunities facing the sector.

Emerging Patterns and Trends of Our Stakeholders

Some considerations include:

- Shifting demographics
- Geographic markets/influences
- Shifting local market conditions
- Shifting local/regional/provincial/federal politics
- Leadership priorities/needs
- Key stakeholders' expectations and strategies

RAHB CEO Job Description Template (updated April 2020)

TITLE AND REPORTING RELATIONSHIPS
<p>POSITION: CEO REPORTS TO: Board of Directors REPORTING TO THIS POSITION: Senior Managers - Five Direct Reports JOB FAMILY: Executive</p>
JOB SCOPE
<p>Reporting to the Board of Directors, the CEO is the sole employee of the Corporation and is the most senior executive officer of RAHB. Embracing the organization’s vision, mission and values, the CEO develops the right organizational structure to operationalize the strategies and sustainably deliver highly effective and efficient products and services to RAHB’s membership. The CEO maintains strategic relationships with key stakeholders, including the real estate community and government leaders/regulators. Utilizing a strong leadership and technical skill set, the CEO will expand and orient the organization within a shifting landscape by embracing critical thinking, systems transformation, and the need for continuous improvement - enabling the CEO to:</p> <ul style="list-style-type: none"> • Ensures that the organization complies with all its legislative and regulatory obligations. • Supports the Board in carrying out its strategic leadership, stewardship, monitoring, and decision-making accountabilities including risk mitigation. • Advance the organization assuring attention to, and results towards, role accountabilities in each of the following areas: <ul style="list-style-type: none"> ○ Corporate Governance and Policy Development; ○ Operations, Membership and Stakeholder Needs; ○ Human Resources and Talent Management; ○ Financial Stewardship. • Demonstrates the appropriate leadership competencies required to engage the workforce, achieve results and advance the organization • Outlines annual stretch targets that advance RAHB’s Strategic Priorities, for approval by the Board.
PRIMARY ACCOUNTABILITIES – the “what”
<p>Compliance Assuring that the organization complies with all of its legal, legislative and regulatory obligations.</p> <p>Monitors the environment for changes in compliance requirements and update the performance Dashboard accordingly</p> <p>Principal Risks Mitigates the principal risks identified by the Board and deemed to be a significant threat to the organization’s success and sustainability.</p> <p>Identify (refresh) the list of principal risks on the performance Dashboard as part of annual strategic planning</p> <p>Establish actions to monitor &/or mitigate risks identified</p> <p>Keep the board informed of changes in risk status</p>

PRIMARY ACCOUNTABILITIES – the “what” (cont’d)

Corporate Governance and Policy Development

Maintains positive relationship with the Board of Directors - establishing a foundation of best practice in governance to support Board priorities.

Obtains the Board’s direction, advice and guidance on changes to the environment to guide the CEO’s establishment, approval, and maintenance of the organization’s multi-year strategic plan.

Develops and introduces processes, policies and procedures to achieve the organization’s vision and mission within its core values.

Ensures proper oversight through the development and administration of a comprehensive performance metrics program (referred to as RAHB’s Dashboard) for measuring and documenting the organization’s legislative and regulatory compliance, mitigation of principle risks, and execution of Strategic Priorities.

Enables the Board to assess its own performance and the performance of the CEO, ensuring robust plans for improvement and succession are in place.

Operations, Membership and Stakeholder Needs

Promotes a spirit of Member Service Excellence.

Regularly engages with key stakeholders to maintain and advance the organization’s Strategic Priorities and operational work plan.

Identifies and leads initiatives to expand and grow the organization.

Develops and tracks appropriate operational metrics to ensure operational efficiency

Human Resources and Talent Management

Develops and refines a comprehensive human resources strategy to promote a positive, productive and engaged work culture.

Evaluates, manages and mentors staff to enable them to reach their highest potential.

Oversees the implementation of key organizational goals aligned with the HR strategy.

Develops and oversees a comprehensive program for staff development and succession planning.

Financial Stewardship

Develops annual operating and capital budgets - balancing the need for advancing the organization with fairness in membership fees.

Develops and administers appropriate fiscal controls and metrics ensuring the organization’s financial health.

Demonstrates that budgeted funds are used to maximize their effectiveness.

LEADERSHIP COMPETENCIES – the “how”

Leads Self

Self-Aware

Aware of their own values, principles, strengths and limitations.

Manages Themselves

Takes responsibility for their own performance and health.

Develops Themselves

Actively seeks opportunities and challenges for personal learning, character building and growth.

Demonstrated Character

Models qualities such as honesty, integrity, resilience, confidence, and humility.

Engages Others

Fosters Development of Others

Supports and challenges others to achieve professional and personal goals.

Contributes to the Creation of a Healthy Organization

Creates an engaging environment where others have meaningful opportunities to contribute.

Communicates Effectively

Listens well and encourages open exchange of information and ideas.

Builds Teams

Facilitates an environment of collaboration and cooperation to achieve results.

Achieves Results

Sets Direction

Identifies, establishes and communicates clear and meaningful expectations and outcomes.

Strategically Aligns Decisions with RAHB’s Vision, Mission, Values

Vision: Be the ultimate choice for REALTORS®

Mission: Empowering RAHB REALTORS® to Succeed

Values: Collaboration; Professionalism; Accountable Governance; Quality of Life; Private Property Ownership; Economic Vibrant Communities; A Fair and Efficient Real Estate Marketplace

Takes Action to Implement Decisions

Acts in a manner consistent with the organizational values to yield effective, efficient member-centric service.

Assesses and Evaluates

Measures and evaluates outcomes, comparing the results against established benchmarks and corrects the course as appropriate.

Develops Coalitions

Purposefully Builds Partnerships and Networks to Create Results

Creates connections, trust and shared meaning with individuals and groups

Demonstrates a Commitment to Members and Service

Facilitates collaboration, cooperation and coalitions amongst diverse groups and perspectives aimed at improving service

LEADERSHIP COMPETENCIES – the “how” (cont’d)

Mobilizes Knowledge

Employs methods to gather intelligence, encourages open exchange of information

Navigates Socio-Political Environments

Politically astute and can negotiate through conflict and mobilize support.

Systems Transformation

Demonstrates Systems / Critical Thinking

Thinks analytically and conceptually – questioning and challenging the status quo to identify issues, solve problems and design/implement effective processes across systems and stakeholders.

Encourages and Supports Innovation

Creates a climate of continuous improvement.

Orients Themselves Strategically to the Future

Scans the environment for ideas, best practices and emerging trends that will shape the future of the organization.

Champions and Orchestrates Change

Actively contributes to change processes that improve service delivery

TECHNICAL KNOWLEDGE/COMPETENCIES AND EDUCATION/EXPERIENCE

Knowledge, Skills and Abilities

Knowledge: familiar with policy development, strategic planning, financial analysis and resource management, contracts, negotiating, public relations, and operational efficiency

Skills and Abilities: high professional standards and integrity to encourage these values throughout the organization; discreet to maintain confidentiality; efficient time management skills; exceptional presentation skills to speak in front of large groups; detail oriented; flexible in work/life balance; interpersonal skills to build effective relationships; ability to manage, motivate, and transform teams

Education and Experience

The CEO will have a relevant university degree and professional designation and a minimum of 10 years of business experience in senior leadership roles.

STRETCH TARGETS addressing Strategic Priorities

- Annually, the CEO recommends to the Board 2 – 5 stretch goals that advance each of the strategic priorities of the association (as identified in the Board-approved Strategic Plan).
- Stretch targets must align with SMART criteria (where “A” stands for “attainable” with stretch).
- The CEO’s annual incentive program (also known as annual bonus) is based on achievement of these annual stretch targets.
- Pay out of annual bonus is made as long as the averaged performance rating achieved on the Primary Accountabilities and Leadership Competencies is “meets performance expectation” or higher

WORKING CONDITIONS Physical and Mental Demands and Working Conditions	
<ul style="list-style-type: none"> • Stress involved with hitting tight deadlines with the possibility of evening and weekend work • Out of town and overnight travel for work is common • Working conditions are consistent with an indoor office environment 	
EMPLOYEE ACKNOWLEDGEMENT:	DATE:
BOARD OF DIRECTORS APPROVAL:	DATE:

(BOD to establish with input from CEO and Operational Leaders)

CEO scorecard Area	Significant Risks	Significant Opportunities
Members		
Stakeholders		
People (HR)		
Internal Systems		
Financial		
Other		

6.4 CEO Succession Practice

The selection, retention and replacement preparedness for this critical position is one of the most important responsibilities of the Board of Directors.

As noted in the CEO Evaluation section having well understood and articulated (what and how) requirements for the CEO position are the focal point for considering the development and selection protocols for successors.

Driving Governance Accountability and Objective

The governance accountability driving the succession/development planning process is Asset and Risk Management.

The key governance objective is to simultaneously mitigate the principle risks of:

- a) Statistical failure rate of external successors
- b) Selection of under prepared internal candidates
- c) Loss of other valued internal candidates resulting from final successor selection

The intention held by the BOD, CEO and successor candidates is to ensure that the best possible internal candidate(s) are prepared for consideration of the CEO successor. A rigorous external search and selection protocol will further mitigate the risks in the event that viable internal candidates are not available for consideration.

Some Important Definitions:

Leadership

The term “leadership” refers to those individuals who are formal organizational leaders and decision makers.

Succession

“Succession” is the determination of the individual who replaces the existing CEO.

Distinguishing Succession Strategy and Planning

A “succession strategy” is the principled approach for determining succession while the “succession plan” is the operational process to implementing the strategy.

Distinguishing Succession Strategy and Replacement Strategy

A “replacement strategy” is a form of risk monitoring and management and resembles other board efforts to monitor the management of risk. The primary intent of a replacement strategy is to reduce the chance of catastrophe stemming from an immediate and unplanned loss of the CEO.

Leadership Development

The term “leadership development” refers to the formal process of identifying and developing the capacity of internal leaders such that they are better positioned to contribute in their current roles AND be better positions for succession consideration.

An Integrated Approach

The CEO succession strategy and planning needs to be linked to the over-all leadership development and succession planning for the organization as a whole and yet it is also by nature distinctly different. This formal position holds some specific requirements beyond that of others in the organization.

Accountabilities – Board of Directors

Full accountability requires the BOD to develop the following, in conjunction with the present CEO:

- A corporate CEO succession strategy
- An on-going succession planning process
- A leadership (successor) development strategy and plan

As part of this accountability, the BOD, through the Governance Committee, is responsible for the background work of the succession strategy and plan and is also responsible to ensure that the succession planning process for the CEO is fully integrated with the company-wide leadership development strategy, or to develop one if there is not one already in place.

Once the strategy and plan are in place the role of the BOD, through the Governance Committee is to:

- Monitor, in conjunction with the CEO, the leadership development of the identified internal successor candidates (if any)
- Review regularly, in conjunction with the CEO, the evolving CEO contribution/position requirements
- Review the succession/recruitment planning process
- Implement the recruitment process
- Select a new CEO when required

Accountabilities - CEO

Developing the people capacity of the organization is one of the CEO's largest responsibilities. Developing the leadership capabilities of internal resources is a preferred way of mitigating succession risks. Statistics point to the high failure rate of external successors when compared to successors developed and chosen from within the organization. A well designed and implemented leadership development strategy can also offset the risk of an unexpected loss of the presiding CEO.

Preparedness

There are important protocols and processes that when defined and agreed in advance can make the CEO succession transition a lower risk for the organization. Even with the challenges within small organizations in considering an internal candidate, a succession strategy and plan is still a requirement of the BOD asset and risk management accountability.

6.5 CEO Succession Strategy Practice

This written plan outlines the activities, sequence and responsibility of the BOD (and support resources) to enable the efficient long-term replacement of the CEO position holder.

The succession plan has been approved by the BOD on <insert date> and is to be executed as approved once triggered by one of the following events:

1. Current CEO gives written notice to the BOD of his/her resignation
2. Current CEO is incapacitated from performing the expectations of the position
3. Current CEO is terminated from the position by way of BOD decision

The succession plan is to be reviewed annually by the Governance Committee to ensure it remains relevant and contextually up-to-date. This review should be done as part of the annual strategic plan refresh.

Selection

Following are the key activities required to assist in the selection of the best candidate.

Selection Committee

The BOD has approved the delegation of the shortlist interviews, identification of the preferred candidate and contracting of the new CEO to the Selection Committee. The Selection Committee will seek full BOD endorsement of the preferred candidate prior to entering into the contracting phase of their work.

The Selection Committee will be comprised of the President of the Board (as Chair), President Elect, one (1) Board of Director member, and three (3) members at large. The Committee shall call upon three (3) advisors i.e. current CEO, RAHB Corporate Legal Counsel, and Consultant. The Committee will oversee the selection process and will draw upon other resources as required to fulfil their terms of reference.

All employment offers/contracts to be drafted by RAHB's Legal Counsel

- *Committee Terms of Reference*

Recruitment

Following are the key activities required to recruit viable candidates.

Position Requirements

The BOD will seek to attract candidates that best meet the BOD approved requirements for the CEO position as defined by the following:

1. Experience and Education
2. President/CEO Performance Components: (*per Board of Directors Policy President/CEO Evaluation*)
 - a. Accountabilities
 - b. Competencies
3. Organizational/behavioural "fit"
 - a. Vision, mission and values
 - b. Psychometric assessments or other behavioural tools
4. Situational/Contextual needs
 - a. Strategic Plan long-term considerations/requirements

- *See - CEO Position Requirements*

External Candidates

The BOD has approved the contracting of a professional recruitment firm to assist in the following functions:

1. Assemble a pool of candidates that meet the BOD approved criteria.
2. Narrow the pool of candidates to a short list of candidates to be interviewed by the BOD through the Selection Committee

In accordance with good procurement practices, the BOD will issue a request for proposal (RFP) to a minimum of three, reputable recruitment firms. The BOD will select the most appropriate proponent based on the BOD approved RFP evaluation criteria.

- *See List of Prequalified Recruitment Firms*
- *See RFP for Recruitment Firm*
- *See RFP Evaluation Criteria*

Internal Candidates

The BOD has approved accepting internal candidates (Management or BOD) for the CEO position.

Internal candidates will be directed into the recruitment firm's candidate search process and will be afforded the same recruiter support as other external candidates. Internal candidates will be automatically included in the recruiter's shortlist and will be interviewed by the Selection Committee. Internal candidates are encouraged to notify the President in writing of their decision to be considered as a candidate.

- See *Letter of Acceptance for Internal Candidates Bid Notice*

Shortlist Interviews

The Selection Committee will assemble an interview panel to conduct the short list interviews. The interview panel will be comprised of the Selection Committee members plus other non-board members as deemed appropriate by the Selection Committee (e.g. senior staff and external advisors).

Interviews will be conducted with all shortlist candidates using the BOD approved interview questions and candidate evaluation form.

Based on the interviews and evaluations, the Selection Committee will identify the preferred successor candidate and will enter into an offer for employment following full BOD endorsement.

Offer and Contract

The Selection Committee will use the BOD approved terms of employment as the basis for offering the position, negotiating employment terms and contracting with the preferred successor candidate. The Selection Committee will use external legal counsel to ensure that all employment and contractual requirements adhere to legal, regulatory and policy standards.

- See *CEO Employment Agreement (draft)*
- See *Draft Letter of Offer (draft)*

Transition Stewardship

The BOD will endeavour to quickly and confidently establish its new relationship with the successor CEO in accordance with RAHB's governance standards and practices. As a transition into the regular governance and monitoring, the BOD will implement the following guidance/oversight during the first year of employment:

1. Direction to CEO to provide a written 90-day plan to the BOD for its review and where appropriate enhancement; the 90-day plan should follow RAHB's balanced CEO scorecard and RAHB Dashboard framework
2. Addition of a CEO transition report to the regular BOD meetings; this report will be prepared by the CEO and will address progress on the 90- day plan and should focus on the "how" (behavioural) transition of the CEO and the impact on the organizations' key stakeholders and its human resources
3. Bi-weekly conference calls with President to gain informal insight to progress and challenges and to offer advice and guidance
4. The BOD will conduct a review of 90-day plan achievements and undertake an interim assessment of the CEO's performance at the first meeting following the 90-day plan completion. The review and assessment will be conducted by the President and President-Elect and will include input from the CEO's direct reports.
5. Where a manageable competency gap was identified in the recruitment/selection process, provide development/coaching support to the CEO

Implementation Schedule outlined on the following page.

Following is a summary of activities, resources and timeframes for the full implementation of the succession plan.

ACTIVITY	RESPONSIBILITY	SUPPORT RESOURCES	TIMING
Review & Update Succession Plan including establishing selection committee	Governance Committee	CEO	Annually
Trigger Succession Implementation: Acceptance of resignation; Approval of RFP (issued by CSM); delegation of authority to the selection committee including budget considerations	Board of Directors	Corporate Services Manager	upon receipt of resignation
Meeting/orientation of Selection Committee – Selection Committee manual	Selection Chair	CSM	Week 1-2
Review RFP and recommended to the Board -Recruitment Firm	Selection Committee	Corporate Services Manager	Week 2- 3
Approval of recruitment firm	Board of Directors	CSM	Week2-3
Meet with Recruitment Firm	Selection Committee	CSM	Week 3-4
Accept Candidates into Recruiter Process	Recruiter	Corporate Services Manager	Week 4-7
Orient Interview Panel Orient selection committee for interview process	Selection Committee plus advisors	Recruitment Firm/CSM	Week 7
Review and schedule interviews from Shortlist of Candidates	Selection Committee	Recruiter	Week 7
Conduct Interviews	Selection Committee	Recruiter	Week 8
Evaluate and Compare Interviews and identify preferred candidate	Selection Committee	Recruiter	Week 9
Board of Directors acceptance of selection committee recommendation including terms of employment, compensation package (including salary range)	Board of Directors	Employment Lawyer	Week10
Negotiate and Contract Completion as delegated by board of directors	President/Chair	Recruiter Employment Lawyer, CSM	Week 11
CEO Start Date	President or designate	Corporate Services Manager	Week 18-20
Transition Stewardship Start-up	President/Chair	Governance Committee	Week 20
Transition Stewardship	Board of Directors	CEO	Week 20-72

Selection Committee Package:

Selection Committee Terms of Reference

Schedule 1 - Selection Committee Candidate Requirement Guide

Schedule 2 - Confidentiality Agreement for Selection Committee

Schedule 3 - RFP for Recruitment Firms

Schedule 4 - RFP Evaluation Form

Schedule 5 - Letter of Acceptance for Internal Candidates Bid Notice

Selection Committee Terms of Reference

Selection Committee Membership

The Selection Committee will be comprised of the President/President of the Board (as President), President Elect, one (1) Board of Director member, and three (3) members at large. The Committee may call upon resources as required.

Membership of this committee will be established as part of RAHB's regular annual BOD committee appointment process.

Support

- Corporate Services Manager
- External Legal Counsel
- Recruitment Firm

Committee Membership Criteria

- Understands and is committed to the organizations' principles and plan for CEO succession, recruitment and selection
- Credibility and confidence of the BOD in their ability to execute the BOD approved plan and objectively consider potential candidates
- Understands the current organizational context, strategy and plan
- Availability for expected time commitment of meetings

Responsibilities of the Committee

- Review and understand the succession, recruitment and selection strategy and process
- Review the CEO position requirements and the current context of emerging trends and patterns affecting the requirements
- Implement the approved recruitment and selection process
- Objectively identify the best possible CEO candidate based on the selection criteria and process

Objectives

- The objective of the Selection Committee is to oversee the BOD approved succession process and to recruit and select the best possible CEO successor

Accountability

- The Selection Committee is accountable to the BOD

Schedule 1 - Selection Committee Candidate Requirement Guide CEO Position Requirements

Context for Position

REALTORS® Association of Hamilton Burlington (RAHB) is a local real estate association and is a member based organization that is part of organized real estate which operates at the local, the provincial (OREA) and the national level (CREA).

RAHB supports its members' providing a number of services and ensuring they meet the regulations and ethical standards set by the Real Estate Council of Ontario (RECO).

Experience

Preference to candidates who possess one or more of the following:

Educational preferences:

- Post-secondary degree

Employment experience preferences:

- Senior management position for 10+ years
- Chief executive, chief operating or executive director experience, Member-based association knowledge and/or experience Real Estate sector experience and/or knowledge Not-for-profit experience and/or knowledge

Performance Components

The CEO must demonstrate the ability to deliver the following accountabilities as defined by the CEO Performance Evaluation System

Accountabilities

Compliance

The CEO is responsible for assuring that the organization complies with all of its legal, legislative and regulatory obligations

Risk Mitigation

The CEO is responsible for mitigating the principal risks identified by the BOD and deemed to be a significant threat to the organization's success and sustainability

Governance

The CEO is responsible for supporting the BOD to successfully carry out their strategic leadership, stewardship, monitoring and decision-making accountabilities

Strategic Plan

The CEO is responsible for advancing the organization's Strategic Plan and priorities as approved by the BOD. The CEO will advance the plan and priorities in a "balanced" way assuring attention to and results in each of the following areas: Members, Stakeholders, People, Internal Systems and Processes and Financial

Competencies

The CEO must demonstrate exemplary leadership, management and communication abilities.

Management Skills to be Highlighted:

- Stress Management: Effectively manages pressures of life and work
- Time Management: Manages time effectively by prioritizing; planning; delegating (if applicable); and follow-through
- Change Management: Anticipates, accepts and leads change
- Problem Solving: Effectively solves problems; demonstrating good judgment
- Creativity/Innovation: Pursues and supports creativity and innovation
- Self-Development: Committed to continuous learning; develops self

Knowledge

- Business Acumen: Possesses advanced understanding of business fundamentals
- Industry Acumen: Possesses keen insight of industry fundamentals and demonstrates the ability to apply them to a wide spectrum of business situations
- Functional Expertise: Possesses and applies the professional and technical expertise required by the position
- Governance: Understands the general principles and protocols of good governance and applies them to operational and BOD situations

Organizational/Behavioural "Fit"

The CEO must demonstrate the ability to "fit" with the organization's unique context, established guiding principles and expressed policy commitments:

Situational/Contextual needs

Annually as part of the organization's strategic renewal, the BOD together with the CEO and the senior team identify the dominant situational/contextual needs that the organization is likely to face in the foreseeable future. These needs are influenced by changes in the ecology surrounding the organization and are often interpreted or expressed as dominant risks &/or opportunities for the organization.

The CEO must possess the strategic capacity to guide the organization through these known and accepted contextual needs.

Schedule 3 - RFP for Recruitment Firms

Executive Search for the Position of CEO

General Information and Mandate

The Association became incorporated January 26, 1921. In 1951 Hamilton instituted the first Photo Co-op System in Canada. RAHB moved to its current home at 505 York Blvd in 1992. The Karan Barker Scholarship Fund was introduced for members & RAHB staff's children and/or grandchildren in 2000. The first annual REALTORS® Without Borders Tradeshow was held in 2001. In 2004, RAHB transitioned to a high-powered MLS® System, replacing our prior system that was in place for years. Also, HOAP (Home Ownership Affordable Partnership) which is an affordable housing program for families in social housing was launched in 2004. During 2005 RAHB received 2 awards; the CPRS Hamilton Pinnacle Award for a rebranding communication initiative and also the 1st Annual OREA Volunteerism Award. RAHB launched member's only OpenHouses.ca for members to list open houses on the web in 2007. In 2009 RAHB was one of the founding partners in the Project Connect initiative. RAHB combined MLS® data with NAR and rolled out next generation of MLS® known as fusion in 2011.

RAHB invites proposals from established executive search firms to assist in identifying and selecting qualified candidates for the position of CEO. RAHB's BOD has a detailed succession strategy and plan in place for this critical position and is seeking assistance in the implementation of this plan. The primary objective of the recruitment and selection process is to identify candidates who possess the criteria we need to provide strategic and operational leadership.

Scope of the assignment - Required Proposal Content

In order to assist us in our review of your submission, please include in your response:

1. Firm Qualifications
 - Statement summarizing the benefits to RAHB of engaging the firm
 - Capability of the firm to serve clients of the scale and scope of RAHB
 - Industry experience
2. Service Team
 - Names of the core service team and relevant experience
3. Approach
 - Description of your approach
4. Additional Services or Firm Differentiators
 - Description of other services or firm differentiators of interest to the Association
5. Fees
 - Competitive fee quote to completion of the proposed executive search services
6. References
 - Provide contact information for at least two references that are current or former clients that have used the services of your firm for CEO search. References should be recent (e.g., within the past two years). Note that RAHB will be conducting reference checks during the week of <insert date>.

Proposal Submission:

Hard or electronic copies of the proposal should be submitted by <insert date> to:
<Insert name>, <Insert position>
REALTORS® Association of Hamilton Burlington
505 York Blvd, Hamilton, Ontario, L8R 3K4
<Insert email> <insert fax>

Consultant Selection Process and Proposal Evaluation

The RAHB BOD will determine the evaluation team. The BOD will delegate to an evaluation team of their choosing who will evaluate all proposals. Two or three finalists may be requested to make oral presentations to an evaluation team. The evaluation team will recommend one of the finalists for final contract award. It is anticipated that final appointment of the selection consultant will be made by <insert date>.

Proposals will be evaluated utilizing the criteria summarized below:

- Qualifications, background and prior experience of the firm in conducting similar CEO searches
- Content and technical approach and understanding of the scope of the project
- Overall project design and methodology
- Ability to work with RAHB BOD and BOD approved succession plan
- Cost as compared with level of effort to be expended

Confidentiality

By accepting to take part in this proposal process you agree to keep in confidence all information imparted to you in relation to the proposal process, not to disclose it to third parties and not to use it for any other purpose than for the proposal. RAHB will hold all information provided during the proposal process confidential, with the exception of queries made by proposing firms. RAHB reserves the right to share queries with all firms providing proposals.

Additional Information

Included with this RFP are:

- Position requirements for CEO
- Organizational Chart
- Annual Report

Schedule 4 - RFP Evaluation Form

Name of Proponent Organization:

- NAME

Name of Primary Contact for Proponent Organization:

- NAME

Other Team Members of the Proponent Proposed for the work:

- NAME
- NAME
- NAME

1.0	RFP Procedures	YES	NO	Comment/Questions for Interview
1.1	Received by due date			
1.2	Withdrawn at any time			
1.3	Response format met			
1.4	Complete & signed			
1.5	Confidentiality respected			
2.0	Firm Qualifications	YES	NO	
2.1	Actively engaged in CEO recruitment			
2.2	Actively engaged in similar sectors			
2.3	Prior experience with RAHB			
3.0	Response Format - Required Information	1. Poor 2. Acceptable 3. Exceptional		Comment/Questions for Interview
3.1	Firm qualifications			
3.2	Service team			
3.3	Approach			
3.4	Additional services			
3.5	Fees			
3.6	References			
3.7	Conflict of interest			

**Schedule 5 - Letter of Acknowledgement of Internal Candidate Application(s)
Internal Candidates**

The BOD has approved accepting internal candidates (Management or BOD) for the CEO position.

Internal candidates will be directed into the recruitment firm's candidate search process and will be afforded the same recruiter support as other external candidates. Internal candidates will be automatically included in the recruiter's shortlist and will be interviewed by the Selection Committee. Internal candidates are encouraged to notify the President in writing of their decision to be considered as a candidate.

(To be used if internal Candidate informs the BOD of interest to compete for the CEO Position, Internal Candidates)

Date

Dear <internal candidate>,

Thank you for expressing interest in the CEO position. The RAHB selection committee will be pleased to consider your qualifications as part of our rigorous selection process. To ensure fairness and transparency in our recruitment process you will be guided through each step by our recruitment firm (insert name). If you require any support to assemble your Curriculum Vitae (CV) and prepare for the interview please discuss the options available through the recruitment firm.

As a valued member of the RAHB team we appreciate that you have gained significant insight to the opportunities and challenges that lie ahead for our organization. As such the Selection Committee has agreed to interview all internal candidates. Your qualifications and interview will be carefully considered and compared to the shortlist of external candidates that are being assembled by our recruitment firm. You will appreciate the importance of this decision to the Board of Directors and for RAHB. The long-term success and sustainability of the organization is our primary goal and the role of CEO is a critical factor in ensuring this outcome.

We would like to thank you once again for your ongoing commitment to our great organization. No matter the outcome of the selection process we trust that you will find even greater ways to contribute to our ongoing success.

Respectfully,

Chair of Selection Committee

6.6 CEO ANNUAL REVIEW

Measuring Contribution

Once the CEO’s desired contribution has been defined, negotiated and approved, it becomes simpler to consistently and objectively direct, evaluate and reward the individual’s performance. Annually, the CEO’s performance must be reviewed against the articulated and agreed “what” and “how” targets.

The formal assessment should include a review of corporate (CEO scorecard) documents such as financial reports, audits, project updates, customer satisfaction statistics, stakeholder relationships, employee engagement survey results, etc. These documents should be made readily available to the Governance Committee by the CEO in a summary of his/her accomplishments.

The formal assessment should also include an objective perspective on the CEO’s “how” behaviors. This can be best accomplished through a multi-perspective (360°) survey which includes feedback from the CEO’s direct reports and BOD. In addition to providing a more reliable and objective perspective of the CEO’s effectiveness, the (360°) survey also provides good developmental direction to the CEO. The development directions or plans can then be built into the CEO’s subsequent year’s targets. These “how” targets also offer important direction to the next level of leadership and can form an integral part of talent/succession planning and development.

Weightings

The BOD through the Governance Committee must determine the weightings of the various “what” and “how” contributions in order to link the evaluation with compensation and other rewards. Weightings should consider and fairly represent the relative importance of the various measured components. The relative importance should align with the current context and reflect the organization’s strategic direction, mission, vision and foreseeable challenges. Weightings should be reviewed and renewed annually. Stretch targets should also be identified and if appropriate, can be linked to variable pay incentives.

Setting the weightings is best approached collaboratively with the BOD and the CEO to ensure that expectations and measures are reasonable and mutually understood.

A typical “what”/ “how” weighting for the CEO position would be as follows:

What (CEO scorecard)	90%	How (360°)	10%
Financial	60%	Attributes	50%
Customer	10%	Skills	20%
Internal	10%	Knowledge	20%
People	10%	Fit	10%
Stakeholders	10%		
Stretch targets	+10%		

Evaluation Meeting

The CEO will draft the annual performance evaluation documentation in accordance with the BOD expectations and document requirements, which are to be mutually understood in advance. The evaluation documentation will include both the past year’s “what” and “how” results. The draft evaluation will also include proposed performance objectives and a development plan for the coming year. The draft evaluation will be forwarded to the Governance Committee in preparation for a meeting to review, approve and/or amend the evaluation report with the CEO. Once the evaluation report is approved and accepted by the CEO, compensation revisions (salary and if agreed, variable) can be made in accordance with the pre-established policy. Lastly, the employment contract can be updated to reflect any changes to the expectations and nature of the relationship between the Board (on behalf of the organization) and the CEO.

See Appendix 10 - CEO Practices, Page 77

6.7 CEO Compensation Practice *Date Approved/Last Revised: July 31, 2016*

CEO compensation is the privy of the BOD only and is confidential, and will only be disclosed to necessary agencies as required by law.

The CEO of the REALTORS® Association of Hamilton Burlington, hereinafter 'RAHB,' is the principal representative of the RAHB, and thus responsible for its efficient and effective operation. It is therefore the desire of RAHB to provide a fair and reasonable total compensation for the CEO that is consistent with other similarly situated organizations.

Board Approval:

The amount which constitutes fair and reasonable total compensation (including salary and benefits – compensation composition below) for the CEO will be determined by the Governance and Bylaw Committee. This decision will be based on the candidate's qualifications and the availability of organizational funds for compensation, along with a thorough review of comparability data that documents compensation levels and benefits for similarly qualified individuals in comparable positions at similarly situated organizations.

These data may include the following:

1. Salary and benefit compensation studies by independent sources (Compensation Surveys);
2. Written job offers for functionally comparable positions at similar organizations; and
3. Documented telephone calls regarding functionally comparable positions at both non-profit and for-profit organizations

After determining appropriate total compensation for the CEO, the Governance and By-Law Committee submits their findings, along with supporting documentation, to the BOD for review and final approval.

Concurrent Documentation:

The BOD documents the decision-making process used to approve the compensation for the CEO. This information will not be included in the General Meeting Minutes. It will be kept confidential and maintained by the Chairman of the Board and the Secretary/Treasurer. No member of the staff will have access to this information.

Documentation will include:

1. A description of the total compensation and benefits, and the date it was approved;
2. The names of board members present during the discussion of compensation and benefits, and the results of the vote;
3. A description of the comparability data relied upon and how the data were obtained.

Annual Compensation Review:

The Governance Committee of the RAHB meets annually to evaluate the CEO's compensation based on their experience, performance, and industry. The committee will also consider their input on matters of performance and compensation. Upon determination of a need for salary adjustment, or following the completion of the annual review of the current compensation of the CEO, The Chairman of the Governance & Bylaw Committee will report verbally in camera at the Directors meeting to gain board approval.

Independence in Setting Compensation:

The Chair of the Board of Directors will operate independently and without undue influence from the CEO.

Compensation Composition:

Within the accountability to establish appropriate total compensation for the CEO, the Governance committee can also determine its composition. Included in consideration of total compensation are the following:

1. Base salary – established as an annual amount and paid periodically (monthly or bi-weekly) throughout the calendar year
2. Variable pay or compensation at risk (bonus) – monetary amounts established to be paid on the achievement of predetermined personal or organizational goals and objectives
3. Benefits – short or long-term benefits including personal or family life and disability insurance, dental / vision plans, pension plans, retirement savings plans, personal wellness payments
4. Vacation - annual provision for vacation days off in addition to statutory holidays
5. Provision of an automobile or an automobile allowance.
6. Professional Development and education expense for registration and attendance at courses / events related to the CEO's work and leadership of the RAHB.
7. Memberships - for the annual membership and/or association fees for professional associations or organizations, as approved by the Board of Directors
8. Provision of a cell phone and laptop computer or reimbursement for cell phone and computer expense – payment of monthly cell phone and computer charges including roaming amounts
9. Expense reimbursement – for all reasonable expenses incurred carrying out his job duties as Chief Executive Officer in accordance with the organization's expense reimbursement policy as may be amended from time to time by the Board of Directors - – including travel expense (airfare and hotels), meals and entertainment and reimbursement for mileage where an automobile allowance has not been provided.
10. Exceptions - Reimbursement for any expenses which are not covered by or are expressly excluded from the expense reimbursement policy may be approved on an exception basis by the Board of Directors.

CEO Practices

RAHB CEO “What” and “How” Contribution – Template move to end of doc with all appendix

WEIGHTING		OBJECTIVE
5%	Compliance	<p><u>Objective:</u> The CEO is responsible for assuring that the organization complies with all of its legal, legislative and regulatory obligations.</p> <p><u>Results:</u></p>
10%	Risk Mitigation	<p><u>Objective:</u> The CEO is responsible for mitigating the principal risks identified by the board and deemed to be a significant threat to the organization’s success and sustainability.</p> <p><u>Results:</u></p>
5%	Governance	<p><u>Objective:</u> The CEO is responsible for supporting the Board of Directors to successfully carry out their strategic leadership, stewardship, monitoring and decision-making accountabilities.</p> <p><u>Results:</u></p>
80%	Strategic Plan	<p><u>Objective:</u> The CEO is responsible for advancing the organization’s Strategic Plan and priorities as approved by the Board of Directors. The CEO will advance the plan and priorities in a “balanced” way assuring attention to and results in each of the following areas:</p>
/10%	Customer/ Member	<p><u>Objectives:</u></p> <p><u>Results:</u></p>

Weighting		Objective
/10%	People	Objectives: Results: Measurement:
/10%	Internal	Objectives: Results: Measurement:
/10%	Stakeholder	Objectives: Results: Measurement:
/60%	Financial	Objectives: Results:
/100%	Total What=90%	<i>Combine with "how" contribution (10%) to equals 100%</i>
/+10%	Stretch	Objectives Results:

CEO "How" Contribution

Weighting		Objective
/50%	Leadership Attributes	Objectives per development plan: Results: Measurement:
/20%	Life & Management Skills	Objectives per development plan: Results: Measurement:
/20%	Knowledge	Objectives per development plan: Results: Measurement:
/10%	Fit	Objectives per development plan: Results:
/100%	Total How = 10%	<i>Combine with "what" contribution (90%) to equal 100%</i>

CEO How Behaviours Selection

#	Category	Behaviour/Action
Leadership Characteristics		
1	Integrity	Words and actions are consistent
2	Awareness	Knows and understands own and others' perspectives of self and impact on others
3	Receptivity	Listens to, understands and is receptive to others
4	Belief	Possesses an inner trust/belief/faith
5	Humility	Holds a modest opinion of self
6	Intuition	Connects hunches/feelings/awareness to real context
7	Interdependence	Respects, lives and works in the interconnectedness of relationships and systems
8	Equilibrium	Balances competing demands and stresses
9	Followership	Creates a following by modeling leaderful behaviour and creating an environment where others can lead
10	Curiosity	Demonstrates a desire for discovery; asks meaningful questions to gain understanding
11	Resourcefulness	Is creative and proactive with the resources available
12	Adaptability	Adapts to meet the challenges and opportunities in the environment
13	Quality Consciousness	Consciously and consistently pursues excellence
Management Skills		
1	Results Driven	Identifies, pursues the important organizational goals
2	Customer Centered	Considers customers in decisions and actions
3	Relationship Management	Identifies, builds and manages mutually valuable and trusting stakeholder relationships
4	Decision Making	Understands and applies facts, perspectives, objectives and criteria for making effective decisions

Management Skills (cont'd)

5	Planning	Reflects on past, present, and future or potential scenarios to develop a readiness for the future; plans to achieve predetermined goals
6	Engaging Others	Supports and motivates individuals and teams in the pursuit of the organization's goals
7	Directing Others	Assigns clear and meaningful objectives and tasks to people
	Supporting	Permits, encourages and provides the organizational conditions for people to succeed in achieving the organization's mission
8	Stewardship	Ethically and legally manages corporate resources as though they were their own
9	Monitoring	Regularly monitors outcomes against organizational measures
10	Developing Others	Continually strives to build the people capability and capacity of the organization

Life Skills	
Communication	Communicates effectively, demonstrating good oral, written, nonverbal and listening skills
Stress Management	Effectively manages pressures of life and work
Time Management	Manages time effectively by prioritizing; planning; delegating (if applicable); and follow-through
Change Management	Anticipates, accepts and leads change
Problem Solving	Effectively solves problems; demonstrating good judgment
Creativity/Innovation	Pursues and supports creativity and innovation
Self-Development	Committed to continuous learning; develops self
Knowledge	
Business Acumen	Possesses general understanding of business fundamentals
Industry Acumen	Possesses keen insight of industry fundamentals and demonstrates the ability to apply them to a wide spectrum of business situations

Knowledge (cont'd)

Functional Expertise	Possesses and applies the professional and technical expertise required by the position
Governance	Understands the general principles and protocols of good governance and applies them to operational and board situations
Fit	
Share Purpose	Committed to the mission and vision of the organization
Living Values	Holds high and lives the organization's values
Dominant Shared Human Values	
Freedom	Encourages personal liberty and rights for others to act from their own will
Fairness	Good judgment with equity and just treatment of others
Love	Compassionate, expressing a deep awareness and empathy for others
Truth	Speaks what is so within a given context
Tolerance	Values the unique and diverse contribution of individuals and organizations
Responsibility	Honours obligations and takes accountability for actions

CEO Annual Assessment Process/Sequence Summary

Steps	Accountability	Time Line
Review of existing annual performance evaluation process and update for coming year	Governance Committee	Date
Review Corporate Strategic Direction and priorities	Governance Committee	Date
Review emerging patterns and trends	Governance Committee	Date
Review cultural awareness and fit and update	Governance Committee	Date
Review dimensions of CEO contribution and update	Governance Committee	Date
Review CEO measurements of success and update	Governance Committee	Date
CEO submits previous years' annual goals/objectives with self-evaluation and related documentation	CEO	Date
Meet to review all draft reports and results	Governance Committee CEO	Date
Final report prepared	CEO	Date
Final summary report presented	CEO with Governance Committee	Date
Final report is signed off	Board of Directors and CEO	Date
Written progress reports	CEO	Quarterly

INDIVIDUAL DEVELOPMENT PLAN

Employee Name:

Current Job Title:

Development Period:

Key Strengths: (Continue to leverage)

- 1.
- 2.
- 3.
- 4.
- 5.

Development Focus Area (check applicable ones "X")			
Leadership Characteristic	<input type="checkbox"/> Curiosity <input type="checkbox"/> Resourcefulness <input type="checkbox"/> Adaptability <input type="checkbox"/> Quality Consciousness	<input type="checkbox"/> Integrity <input type="checkbox"/> Awareness <input type="checkbox"/> Inspirational <input type="checkbox"/> Receptivity	<input type="checkbox"/> Belief <input type="checkbox"/> Humility <input type="checkbox"/> Intuition <input type="checkbox"/> Equilibrium <input type="checkbox"/> Followership
Management & Life Skills	<input type="checkbox"/> Managing Relationships <input type="checkbox"/> Results Orientation <input type="checkbox"/> Decision Making <input type="checkbox"/> Planning <input type="checkbox"/> Engaging <input type="checkbox"/> Directing <input type="checkbox"/> Supporting	<input type="checkbox"/> Monitoring <input type="checkbox"/> Contributing <input type="checkbox"/> Stewarding <input type="checkbox"/> Organization Building <input type="checkbox"/> Communication <input type="checkbox"/> Interpersonal Relations <input type="checkbox"/> Time Management	<input type="checkbox"/> Stress Management <input type="checkbox"/> Change Management <input type="checkbox"/> Problem Solving <input type="checkbox"/> Creativity/Innovation <input type="checkbox"/> Personal Development
Knowledge	<input type="checkbox"/> Business Acumen <input type="checkbox"/> Sector Acumen	<input type="checkbox"/> Functional Expertise <input type="checkbox"/> Strategic Leadership	<input type="checkbox"/> Risk/Asset Management
Fit	<input type="checkbox"/> Shared Purpose	<input type="checkbox"/> Most Important	<input type="checkbox"/> Values Held

Key Development Themes:

- 1.
- 2.

Development Objectives (intended outcome of development)	Development Actions: (what will be done to achieve objective)	Time Frame
<i>Example: Establish and monitor key performance measures for self and direct reports</i>	<i>Example: Provide clear and regular direction, feedback and support to direct reports in their performance and development planning, objectives and actions)</i>	<i>Example: by end of Q2 or by Oct. 2012</i>
1.		
2.		
3.		
4.		
5.		

Objectives and Action Plans have been negotiated between the CEO and Board of Directors.

CEO:	<input type="checkbox"/> Reviewed	Date:
Board of Directors:	<input type="checkbox"/> Approved	Date:

7. STAKEHOLDER RELATIONSHIP MANAGEMENT

The Stakeholder Relationship Management section of the REALTORS® Association of Hamilton-Burlington (RAHB) Governance Manual aims to provide Stakeholder Relationship Management Strategies, Conventions Practices and Governance Disclosure practices that enable the RAHB Board of Directors (BOD) to have effective and focused relationships with key stakeholders.

7.1 Stakeholder Relationship Management Strategy Practice

Date Approved/Last Revised: _____

Basic Principles of Relationship Management

- People develop relationships with people, not organizations
- Relationships are long-term commitments, not transactions
- Relationships require a genuine interest in people
- People expect and are willing to engage in a fair exchange of value
- Value is measured by more than economic exchanges, for value may also include:
 - Feedback (about your experience, messaging, perceptions)
 - Information (about other stakeholders, trends)
 - Ideas (about what/how/when to provide help)
 - Introductions (to influencers, other stakeholders, partners)
 - Referrals (internal and external)
 - Testimonials (good news stories, experiences, advocacy)

As part of its stakeholder engagement obligations the RAHB BOD adopted a more disciplined and focused relationship management strategy for its key stakeholders. To do this, the RAHB BOD begin its strategic relationship management process with the following steps:

Step #1 – Calibrate the key relationships

Step #2 – Identify the most critical relationships

Step #3 – Determine the intention or objective for the relationship

Step #4 – Determine actions that will support the intention

Step #5 – Execute actions, monitor outcomes & adjust strategies as required

The key stakeholders will be reviewed and updated during the first quarter of each year.

Step #1 – Calibrate the most critical relationships

Senior Management will provide completed templates using Appendix A and Appendix B to the BOD to assess stakeholder relationships (*note: to change beginning of Q4*).

Step #2 – Identify the most critical relationships

The BOD will agree upon the few most critical stakeholder relationships that require attention over the next 12-18 months.

Step #3 – Objectives

The BOD, along with Senior Management, will define the intention or objective for each critical relationship.

Step #4 – Actions

The BOD, along with Senior Management, will determine and coordinate specific actions that will advance critical relationships.

The BOD and Senior Management will use a planning template.

Simultaneous to the BOD and Senior Management review:

- Senior Management will assemble the list of the preferred individual contact for each of the identified relationships
- Senior Management will assemble a brief summary of the operational status and high level strategy for each of the identified relationships

Action Required!

The RAHB BOD will then meet to review the summary of the objectives and actions. The objective of this session will be as follows:

1. Determine and agree on the MAIN objective(s) for each stakeholder
2. Determine and agree on the MAIN action(s) for each stakeholder
3. Identify which agreed actions are A) operational responsibilities; B) governance responsibilities

7.2 Governance Disclosure Practice *Last Revised: Sept 2021*

Principle

RAHB is committed to upholding high standards of not-for-profit and association governance. This commitment includes having clear and thorough documentation about why and how RAHB governs the way it does. The best articulation of these standards can be found in RAHB's Bylaws, Rules & Regulations and Board Governance Manual. The decisions of the Board of Directors and rationale for decisions, in accordance with these documents and the law is recorded in the minutes of Board Meetings. The responsible stewardship of members' interests and resources includes providing members with reasonable access to the evidence of this responsible stewardship, and thus to these fundamental documents. RAHB believes that transparency with its members is a keystone to building member confidence and trust.

Policy

RAHB shall have in place a process to make available its governing documents to its members. These documents shall include:

1. Member approved bylaws, rules & regulations
2. Board approved governance policies
3. Board approved minutes of Board Meetings

Additionally, RAHB will ensure timely and more fulsome communications to all Members when Board decisions will or are likely to have significant impact on Members.

Practice

RAHB shall have the most current version of the required governing documents posted on the members' only access portion of the website.

1. Bylaws, rules & regulations shall be posted once they are approved by Membership and registered with the government's registry office.
2. Governance policies will be consolidated from the Board's Governance Manual and posted/refreshed whenever there is a Board approved change and after the Board approved meeting minutes have been received.
3. Minutes of Board Meetings will be posted after they have been approved by the Board.

Any inquires related to RAHB's governance documents shall be handled by the CEO who may elevate the inquiry to the Governance Committee if required.

As required and under the direction of the CEO, RAHB Staff will prepare and distribute additional communications to Members that describe more fully, the decisions and rational for decisions that have direct impact on Members and/or Members ability to run their business and serve their clients.

Appendices

SOCIAL MEDIA POLICY*Date Approved/Last Revised: June 26, 2013***1. Introduction**

Everyone who participates in social media on behalf of RAHB must understand and follow RAHB's Social Media Policy and Guidelines established in this document (the "Policy"). The Policy is expected to evolve as social media evolves. The Policy may not cover every situation involving the use of social media and any questions concerning its application or situations where the Policy appears to be silent or unclear shall be referred to the Communications Department. The Communications Department is responsible for monitoring and administering the Policy. The Guidelines do not replace and are considered complimentary to RAHB's E-mail, Voice Mail, and Internet Use Policy and therefore RAHB's E-mail, Voice Mail, and Internet Use Policy shall apply to social media use at RAHB.

2. What is "social media"?

Social media is a broad term that encompasses any number of interactive online communication channels, which include websites, weblogs (blogs), social networks and discussion boards (collectively, "social networks") and includes, but is not limited to, sites such as LinkedIn, Facebook, YouTube and Twitter.

3. What is "using social media"?

In this Policy, "using social media", or similar terms, includes posting or uploading content to all types of social networks.

4. Application of the Policy*4.1 Who does the Policy apply to?*

The Policy applies to all elected leaders, employees, contractors and volunteers of RAHB (collectively, "Users").

4.2 What does the Policy apply to?

In general, the Policy governs social media use by all Users who create or contribute material to any social media sites whether maintained by RAHB or third parties. In particular the Guidelines apply to:

- (a) Users using social media using RAHB technology systems;
- (b) Users using social media on behalf of RAHB whether or not they are using any RAHB technology systems; and
- (c) Users' personal use of social media whether or not they are using any RAHB technology systems, to the extent that such use directly or indirectly mentions or implicates RAHB.

5. Why does RAHB have the Policy?

The Policy has been adopted as part of RAHB's strategy to manage risks to RAHB associated with social media use while leveraging social media's benefits for RAHB and its members. These risks include:

5.1 Reputational Risk

Social media is a powerful but also very public tool. These two attributes present both opportunities and risks for RAHB. Used in a consistent, controlled and strategic manner, social media can effectively advance RAHB's strategic plan and agenda with a reach not formerly possible on behalf of RAHB and its members. However, the public and wide reaching nature of social media also mean that postings emanating from or associated with RAHB will be attributed to RAHB by a very wide audience despite any disclaimers to the contrary. If this associates RAHB with an unpopular cause it presents reputational risk to RAHB and its members.

5.2 Legal Risk

Social media postings can be the source of legal risk including but not limited to, actions for defamation, breaches of privacy law, breaches of contract provisions related to proprietary or confidential information of third parties and infringement of third party intellectual property rights.

6. RAHB's Reserved Rights

6.1 *Monitoring use*

Given the importance of social media and its attendant risks and consistent with RAHB's E-mail, Voice Mail, and Internet Use Policy, RAHB reserves the right to monitor websites and blogs and, accordingly, persons engaging in social media, whether or not they are using RAHB's technology systems, should not expect their comments to be private.

6.2 *What are the consequences for failing to follow the Guidelines?*

Failure to follow the letter and spirit of this Policy, may range from suspension of an individual's privileges to use or access RAHB's technology systems and, in the case of employees, disciplinary action up to and including termination.

7. RAHB's Social Media Policy

The following sets out RAHB's social media policy:

- 7.1 Users shall follow the Policy when using social media.
- 7.2 RAHB's technology systems are not to be used for personal, non-RAHB related social media activities, unless otherwise authorized by RAHB management.
- 7.3 Users shall familiarize themselves with the terms and policies of third party internet sites before using such sites.
- 7.4 Except as specifically provided in the Policy, only the CEO and President are the persons authorized to make public statements concerning RAHB and its business on behalf of RAHB whether on social media or elsewhere.
- 7.5 Notwithstanding section 7.4, Users who are authorized by RAHB management to be members of RAHB's Social Media Team ("Authorized Team Members") may speak on behalf of RAHB using social media in accordance with the Policy.
- 7.6 Only Authorized Team Members, with the prior approval of RAHB management, may set up official presences on behalf of RAHB on social networks.
- 7.7 Information that is or could reasonably be construed as personal, confidential and/or proprietary shall not be shared or posted on any social network. Such information would include, but not necessarily be limited to, any information that constitutes personal information under applicable privacy legislation or that is confidential and proprietary about RAHB or any member or person with whom RAHB has any relationship or dealings shall not be shared or posted on any social network. It is the responsibility of the User to determine whether any information qualifies as such personal information, proprietary or confidential information.
- 7.8 Users are strictly prohibited from posting content that is obscene, profane, adult-oriented, pornographic, culturally inappropriate, harassing or threatening or that might reasonably be interpreted by a third party to fall into any of these categories of unacceptable posts.

8. RAHB's Social Media Guidelines

The following guidelines are intended to expand upon the policies noted in section 7.

8.1 *RAHB's Social Media Mandate*

RAHB has adopted the following social media mandate:

"To enable RAHB to develop informed relationships with its audiences through a leading social media presence which contributes to RAHB being recognized as the primary "voice" and resource on real estate in the Hamilton-Burlington area."

8.2 *Support the Mandate*

Users should always keep the mandate “top of mind”. This means Users should commit to continuous learning about social media, always be thinking about how social media can benefit RAHB and should share their lessons learned - positive or negative - with the social media team.

8.3 *Conflict with work duties*

Unless specifically assigned to engage in social media activities as part of their work duties, social media activities should not interfere with a User’s regular work commitments.

8.4 *Be responsible*

Engaging in social media on behalf of RAHB is not a right but a privilege. Users will be held responsible and accountable for their postings. Accordingly, Users are expected to exercise common sense. Basic rule of thumb: “Don’t say or do anything online that you wouldn’t say or do when face to face with a stranger”.

8.5 *When in doubt*

If a User is unsure or uncomfortable with something they are about to post, and unless the Policy settles the question, User shall consult the Communications Department.

8.6 *Social media response*

Social media postings of others that refer to RAHB in a negative manner should not be responded to without first consulting with the Communications Department.

8.7 *Responding to Politicians, Government Officials or the Media*

All enquiries from elected persons, government officials or the media shall be referred to the Communications Department for delegation to the appropriate RAHB staff person for response.

8.8 *Support RAHB’s Position*

In order to serve members’ interests, RAHB works with elected officials from various political parties and elected representatives for various jurisdictions who support issues important to REALTORS®. Therefore, when representing RAHB, Users shall refrain from expressing personal political views, including personal views of identifiable officials, elected or otherwise.

8.9 *Posting pictures of members or staff*

No picture of a member, RAHB employee, or anyone with a business or professional relationship with RAHB shall be published unless the consent of the subject of the picture is first obtained. This is especially important for pictures taken in social settings. Because it may send an unintended and unwanted message to viewers, photos showing people drinking or in exotic locales are not to be published.

8.10 *Intellectual property of others*

(a) *Copyright*

Caution must be exercised before publishing text, pictures, video or other content that was not created by RAHB. Unless specifically licensed otherwise, all such created content is protected by copyright and the prior written permission of the owner of the copyright (usually the author) must be obtained before any of it is published.

(b) *Linking vs. republishing*

Whenever possible, link to content elsewhere on the Web instead of republishing it.

9. Social Media Best Practices

The following best practices are offered as a useful guide for social media Users (hereinafter referred to as “you”) and are intended to build on the other content in the Policy.

9.1 *Be respectful*

Communicate clearly and courteously. Be respectful to RAHB, employees, members, stakeholders and members of the public. Before hitting send or submit, take a moment to reflect on how what you have written will be perceived by its audience. If someone posts something with which you disagree, do not escalate the conversation to an argument.

9.2 *Be honest*

Respect the intellectual property of others and post only what you have the rights to post. Do research to find others blogging, authoring or tweeting about your topic. Always cite your source and always try to link back to the original URL. Evaluate the accuracy and truthfulness of your comment before posting. Be accurate, truthful and without factual error. Provide hyperlinks to all sources that can support your comment. Acknowledge and correct mistakes promptly if you have made an error. Identify any copyrighted or borrowed material with citation and links.

9.3 *Be discreet*

Online postings can have a lengthy half-life – assume that anything you say will be around for a long time as social media content creates written business records that may be retained for business, legal, and regulatory purposes. Be careful to protect your privacy and be thoughtful about how you present yourself online. Don’t tell secrets: the nature of your position may provide access to confidential or proprietary information. Remember to respect and maintain the confidentiality entrusted to you. Do not divulge or discuss proprietary information, internal documents and personal details about other people or other confidential material.

9.4 *Be helpful*

Make your posts meaningful – think of how they could benefit others. Add value whenever possible. Respond to questions if you know the answer, don’t respond if you do not. Don’t post self-promoting material or “sales pitches.” If you see misrepresentations made about RAHB, or any content which violates this Policy you should inform the Communications Department.

9.5 *Declare your Internet presence to RAHB*

Prior to commenting on RAHB’s behalf on non-RAHB social media channels, please consult with the Communications Department.

9.6 *Identify yourself*

Identify yourself by name as the writer of any content and as an employee of RAHB, including title in all business-related social media posts. Users shall not use any pseudonyms, fake names, or otherwise use social media anonymously.

RAHB SERVICE PHILOSOPHY *Date Approved/Last Revised: June 26, 2013*

Mission Statement

Empowering REALTORS® to Succeed

Service Philosophy

The REALTORS® Association of Hamilton-Burlington (RAHB) is a member-centred organization, committed to providing quality services, products and programs which contribute to our members' success as REALTORS®.

Our members – REALTORS®- are our number one priority. Our members rely on the services provided by RAHB to help them deliver professional service to their clients and customers.

To serve our members, RAHB will:

- Monitor new technology, products and services to identify those which would enhance our service to our members and our members' service to their clients and customers
- Monitor and manage existing services and programs to ensure they are up-to-date and relevant
- Offer high quality services and programs in the most cost-effective and efficient way
- Keep open the lines of communications with our members and be responsive to their needs and concerns

To deliver these services with excellence, RAHB will:

- Regularly monitor services, products and programs offered by other comparable real estate associations to ensure RAHB members receive the best services, products and programs available
- Think of the member first and seek constructive input from members
- Deliver service with a professional attitude in a courteous, thoughtful and proactive manner
- Build value and trust by listening, understanding and meeting or exceeding members' needs
- Deliver on promises and address mistakes
- Be transparent in our communications with members

To measure our effectiveness in living up to these commitments, RAHB will:

- Regularly review logs of MLS® help desk calls to ensure issues are dealt with promptly and issues are resolved
- Conduct a general "Membership Satisfaction" survey every two years and mini surveys as required to determine our successes