Terms of Reference for the Board of Directors

As volunteer leaders, board members play an important role in the success of the organization. Boards have significant legal and ethical responsibilities to their constituents, staff, and communities. Strong, knowledgeable boards’ help organizations gain credibility, provide important access to the community, and serve as effective advocates.

The Board of Directors of the Canadian Fair Trade Network will work to provide leadership and support the growth and development of the Fair Trade movement in Canada.

Definition and Legal Responsibility

The Board of Directors is a duly constituted body governing the society on behalf of the membership. Board members have a collective responsibility to run the affairs of the organization in accordance with the Not for Profit Corporations Act (NFP) and the bylaws of Canadian Fair Trade Network Society. Federal legislation establishes the authority of the Board of Directors (BOD) as a collective entity and holds board members legally responsible to act in the best interest of the membership.

Commitment to the Membership

As a registered Canadian Non-profit, the Canadian Fair Trade Network will seek an active and engaged membership, which will be open to the public. Board members must be active members of the society. The Board will invite all members to the Annual General Meeting; vacancies and opportunities must be communicated to all members.

The Annual General Meeting

An Annual General Meeting (AGM) will be held each year to:

- Present the Annual Report
- Present the financials
- Engage the membership
- Elect new directors to the board
- Appoint new directors to the board
- Present the Strategic Plan
  - Undertake in Strategic planning for the year(s) ahead

Nominations and elections must be held every year in order to maintain the board of directors of the society. Appointments may also occur in off periods if a position has been left vacant. A Special General Meeting (SGM) however would need to be called for the election of a new director, if a position within the board is left vacant. Appointment of directors will be decided upon by the elected board members and those members will be sought for expertise, skill and knowledge to further the goals of the society.

**The Annual General Meeting will be held each January; the date and location will be decided by the directors based on the best interests of the organization and its stakeholders. The directors will seek consistency and work to plan the AGM for the same period each year.**
Functions:

The Board of Directors shall (operationally)
- Understand and fulfill the commitments of being a member of the board
- Commit to a one or two year term
- Complete and maintain the requirements of the NFP Act, including filling the positions of officers: (further details on positions below)
  - President
  - Vice President
  - Secretary
  - Treasurer
- Appoint an Executive Director to see to the day-to-day operations of the society
- Take a regional lead and work to extend and expand the reach of the network
  - Acting as a hub for all stakeholders
- Take part in monthly conference calls
- Take a lead on communication platforms, actively sharing and building dialogue
- Attend the Annual General Meeting
  - Participate remotely if circumstances won’t allow for attendance

The Board of Directors shall (strategically)
- Ensure the Vision and Mission statements reflect the current values and circumstances of the movement and Network.
- Develop plans for the future development of the Network and movement
  - Actively engage with the strategic plan of the organization
    - To be presented annually at the AGM
- Build and maintain relationships with the advisory council and other strategic partners

The Board of Directors shall (administratively)
- Ensure current Terms of References are maintained and met by all board members
- Ensure board member turnover is completed and adequate time is allotted for transition
- Ensure the completion of an Annual report
- Ensure the planning and execution of the Annual General Meeting
- Maintain a membership base for a non-profit society
  - As a mechanism to connect with individuals
  - To ensure the society is kept in order and good standing with the Not-for-profit (NFP) Act

Stipulations to appointment or election
Directors must not have direct interest in the commercial selling or certifying of Fair Trade products
- Profit must not exceed a maximum of $5,000 annually
- All sales must be made transparent to the board. Relevant financial details from the prior twelve months and expectations for the upcoming twelve months must be disclosed to the board (at the AGM) and will subsequently be made available to any society member upon request.
- The chair, the executive and remaining board members hold the right to question or dismiss a director if the director in question violates this stipulation. The decision to
remove must be agreed upon by a majority of board members, before any such action can be taken.

**Board turnover**
The board will work to ensure regional seats remained filled at all times, by:
- Staying connected to the wider movement;
- Publically promoting nomination and election periods when open; and
- Promoting vacancies when they occur

**Board member departure:**
- Upon the departure of any director it is expected that the director in question work with remaining and incoming board member(s) to ensure transition and knowledge transfer

**Code of conduct – Maintaining ethics**
The board shall:
- Uphold and oversee all fiduciary concerns of the organization
- Maintain ethics and adhere to proper process to ensure all activities of the organization are carried out and a clear and transparent manner
- Deal with any and all issues of mismanagement at board, member and staff levels in a prompt, effective, transparent and fair manner, while being in compliance with the bylaws and associated articles of the organization

**Officers:**

**President**
- Is the chief executive officer of the society and supervises the other officers in the execution of their duties.
- Presides at all meetings of the society and of the directors.

**Vice President**
- Carries out the duties of the president during the president's absence.
- Ensures nominations for the Officers of the Board of Directors are presented to the Annual Meeting
- Monitors and initiates appropriate changes and updates to the Constitution, by-laws and terms of reference

**Secretary**
- Conducts the correspondence of the society
- Issues notices of meetings of the society and directors
- Keeps minutes of all meetings of the society and directors
- Oversees all records and documents of the society except those required to be kept by the treasurer
  - Electronic records - To be kept on Drop box and on the CFTN website where applicable
  - Paper records - To be housed at the Network office where applicable
- Has custody of the common seal of the society
- Maintains the register of members
Treasurer
- Keeps the financial records, including books of account, necessary to comply with the NFP Act
- Renders financial statements to the directors at each board meeting and to members and others when required
- Seeks auditor for financial statements when needed and presents them to the board at the AGM for approval
- Alerts board and staff of risk or financial mismanagement

Signing Authority
- Signing authority and banking business or any part of it shall be transacted by an officer or officers of the Corporation and/or other persons as the board of directors may by resolution from time to time designate, direct or authorize. (See bylaw 6 – Pg. 2 of CFTN Bylaws)
- All financial decisions will be handled by the Executive Director and Treasurer of the board, though final decision and approval will lie with the entire board.

Description of Additional Positions

Director-at-Large
Participates in board meetings, discusses objectives, offers critical feedback to members and is a voting member of the board

Executive Director (Appointed by Board)
Serves as the primary spokesperson for the Canadian Fair Trade Network and translates vision, approach and evaluation into action and operations; is a non-voting member of the board.

Ex-Officio Board Members
Ex-officio members of the board are individuals who are neither elected nor appointed to directorships but are given a seat at Board meetings. An ex-officio is a member of the board in every sense except s/he does not have voting privileges. An ex-officio usually represents a special expertise/insight in a consulting capacity. The Executive Director is an example of an “ex-officio” member of the Board of Directors.
- Time as an ex-officio director does not count as time against term or consecutive term stipulations

Board makeup and structure
- The board must constitute a minimum of 6 and a maximum 12 directors at all times
- The board will constitute nine working members who are actively engaged in the movement
  o Elected by the members
- The board will constitute up to an additional three positions for strategic skill postings
  o Appointed by the elected board members
  o The board can also choose to bring on additional elected directors instead of appointments
- The positions of officers must be taken up by elected (not appointed) directors; they must run for these positions and be voted in by the membership.
Stakeholder seats and representation
The Canadian Fair Trade Network works to connect, coordinate and communicate on a national level; regional representation is of key importance.

One stakeholder seat will be held for each:
- British Columbia/Yukon Territory
- Alberta/Northwest Territories
- Saskatchewan
- Manitoba/Nunavut Territory
- Ontario
- Quebec
- The Atlantic Provinces

To be elected, directors must run for a regional seat. A minimum of one seat will be held for each region. In the event that a director of a select region cannot be found, the seat will be left vacant until it can be filled. All elected directors must specify the region in which they intend to run for. Any region can have up to three regional seats.

The board shall determine to bring on additional elected directors or appoint directors based on skill and strategic importance; appointed positions are limited to three.

Length of service:
The inaugural board of directors will be comprised of directors who have a mix of one and two year terms.
- Half of the directors will have one year terms and the other half will have two year terms.
- This will create a board with staggered terms so that elections are held each year, and ensure that the organization is never faced with a completely new board.

All subsequent terms for directors will be two years.
- All terms come with the obligation for an additional two months of service as an ex-officio board member immediately post-term. This is meant as a transition period; a director in this period is no longer a director of the society and does not have voting privilege - effectively becoming an ex-officio director
- Directors are limited to a maximum of six consecutive years (three consecutive terms).
- After one term in absence a person may run again for a position on the board

List of first or founding directors
1. Kaan Williams (BC) – (UBC)(FTV)
2. Kelly James (AB) - (U of C)
3. Nancy Allan (SK) – (Fair Trade Saskatoon)
4. Zack Gross (MB) - (FTM)
5. Lia Walsh (ON (North/East) - (FTOE)(U of O)
6. Bruce Morton (ON – (West) - (FT Barrie)
7. Nadia Berger (ON – (South) - (FTT)
8. Eric St Pierre (QC) - (AQDCE)
**Meetings:**

Regular meetings shall be held monthly via conference calls

- Agenda is to be set in advance and is informed by the board members. At all meetings:
  - The agenda will be presented for approval
  - The minutes will be presented for approval
  - A date for the next meeting will be established
- All documentation will be distributed five business days in advance
  - All directors will take part in these calls and review the agenda and all documentation prior to the meeting
- Minutes will be taken and posted to the Canadian Fair Trade Network website as public upon the acceptance of those minutes at the start of the next meeting

**Quorum:**

- At all duly called meetings the participation of half of the sitting directors plus one will constitute a quorum.

**Decision Making**

The board of directors will work toward consensus through discussion; voting will dictate final decisions where a majority decision will carry the floor.

**Advisory council**

The Advisory Council is appointed by and operates at the discretion of the board of directors. It is open to anyone interested in advising and supporting the growth and development of the network. There are no benefits or privileges accorded to members of the Advisory Council.

Current council members include:

- Megan Cambell – Engineers Without Borders Canada
- Michael Zelmer – Fairtrade Canada
- Mark Abbott – Engineers Without Borders Canada
- Karimah Hudda – Fairtrade International (former)
- Lorna Young – Techworks Consulting
Acknowledgement
We, the undersigned, have read, understood and acknowledge our role and responsibilities as described in this “Terms of Reference” document.

Officers:

President, Date Signed

Vice-President, Date Signed

Treasurer, Date Signed

Secretary, Date Signed

Directors at Large (Elected)

Director at Large (elect), Date Signed

Director at Large (elect), Date Signed

Director at Large (elect), Date Signed

Director at Large (elect), Date Signed

Director at Large (elect), Date Signed

Director at Large (elect), Date Signed
### Directors at Large (appointed)

<table>
<thead>
<tr>
<th>Director at Large (appoint)</th>
<th>Date Signed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Directors at Large (appointed)**

<table>
<thead>
<tr>
<th>Director at Large (appoint)</th>
<th>Date Signed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>