



**PRINCESS PATRICIA'S CANADIAN LIGHT  
INFANTRY FOUNDATION  
BOARD OF TRUSTEES  
OPERATING MANUAL  
(POLICY AND PROCEDURES)**

© PPCLI Foundation

4520 Crowchild Trail S.W.

Calgary, AB T2T 5J4

[www.ppclifoundation.ca](http://www.ppclifoundation.ca)

Business/Charitable Registration No. 84205 7804 RR0001

Change 24 August 2012

# Table of Contents

<i>Preface</i> .....	5
<b>CHAPTER 1 – GOVERNANCE</b> .....	<b>6</b>
GOVERNANCE .....	6
GUIDING POLICIES .....	6
REGIMENTAL GOVERNANCE POLICY.....	6
PUTTING POLICY INTO ACTION .....	6
STAKEHOLDERS .....	6
CODE OF CONDUCT AND CONFLICT OF INTEREST GUIDELINES .....	7
<b>CHAPTER 2 – DUTIES AND RESPONSIBILITIES</b> .....	<b>8</b>
INTRODUCTION .....	8
GENERAL DUTIES OF TRUSTEES.....	8
TRUSTEES, MEMBERS AND HONORARY APPOINTMENTS .....	9
STRUCTURE OF THE FOUNDATION .....	9
<i>PPCLI Foundation Structure</i> .....	9
DUTIES OF OFFICERS .....	10
<i>President</i> .....	10
<i>Vice-Presidents</i> .....	10
<i>Vice-President Fundraising</i> .....	10
<i>Vice-President Sponsorship and Major Gifts</i> .....	11
<i>Vice-President Grants and Benefits</i> .....	11
<i>Vice-President Marketing and Communications</i> .....	12
<i>Secretary</i> .....	12
<i>Treasurer</i> .....	13
<i>Office Manager</i> .....	14
<b>CHAPTER 3 – COMMITTEES</b> .....	<b>15</b>
COMMITTEES GENERAL.....	15
FUNDRAISING COMMITTEE .....	15
SPONSORSHIP AND MAJOR GIFTS COMMITTEE (SMGC) .....	16
GRANTS AND BENEFITS COMMITTEE.....	16
NOMINATING COMMITTEE .....	17
MARKETING & COMMUNICATIONS COMMITTEE .....	17
AUDIT & FINANCE COMMITTEE .....	18
<b>CHAPTER 4 – MEETINGS</b> .....	<b>30</b>
INTRODUCTION .....	30
CHAIRMANSHIP .....	30
AGENDA .....	30
ANNUAL GENERAL MEETINGS .....	31
MINUTES .....	31

<b>CHAPTER 5 –POLICIES AND PROCEDURES .....</b>	<b>32</b>
INTRODUCTION .....	32
STRUCTURE, MANAGEMENT AND INVESTMENT OF FUNDS .....	32
FUND STRUCTURE.....	32
MANAGEMENT OF FOUNDATION FUNDS .....	32
GENERAL OPERATING ACCOUNT .....	32
INVESTMENT FUND(S) .....	32
BANKING .....	33
EXPENDITURES .....	33
INVESTMENT OF FOUNDATION FUNDS .....	33
EMPLOYMENT.....	34
CONTRACTS.....	34
EXPENSES.....	34
BUSINESS PLANNING .....	34
CODE OF CONDUCT AND CONFLICT OF INTEREST .....	35
CONFIDENTIALITY.....	35
CODE OF CONDUCT.....	35
CONFLICT OF INTEREST POLICY .....	36
PRINCIPLES FOR DEALING WITH A CONFLICT OF INTEREST .....	36
DISPOSITION OF DISPUTES AND COMPLAINTS INVOLVING TRUSTEES .....	37
RISK MANAGEMENT .....	37
INTRODUCTION .....	37
RISK MANAGEMENT.....	37
RISK MANAGEMENT ARCHITECTURE.....	37
RESPONSIBILITIES.....	38
INTERNAL CONTROL .....	39
CONTROL ENVIRONMENT .....	39
RISK ASSESSMENT.....	40
CONTROL ACTIVITIES .....	40
INFORMATION AND COMMUNICATION .....	40
MONITORING .....	40
<b>INTERNAL CONTROL MODEL (A BOARD PERSPECTIVE).....</b>	<b>41</b>
ANNEX A - FOUNDATION INVESTMENT POLICY .....	42
<i>General</i> .....	42
<i>Scope of Policy</i> .....	42
<i>Investment Objectives</i> .....	42
<i>Investment Powers</i> .....	42
<i>Investment Guidelines</i> .....	43
<i>Liability</i> .....	43
<b>CHAPTER 6 – FUNDRAISING .....</b>	<b>44</b>
INTRODUCTION .....	44
PRINCIPLES OF FOUNDATION FUNDRAISING .....	44

SCOPE OF FUNDRAISING.....	44
TYPES OF CAMPAIGNS .....	44
FUNDRAISING TEAMS .....	45
USE OF CONSULTANTS.....	45
RESPONSIBILITY .....	45
<b>CHAPTER 7 – BENEFIT ALLOCATION .....</b>	<b>46</b>
OVERVIEW .....	46
SCOPE .....	46
CONSTRAINTS .....	46
RESPONSIBILITIES.....	46
PRIORITIES .....	47
RECIPIENTS.....	47
INDIVIDUAL RECIPIENTS – PRINCIPLES .....	47
SUPPORT TO GROUP RECIPIENTS .....	47
OTHER CHARITABLE ORGANIZATIONS .....	48
BENEFITS ALLOCATION DECISIONS WITH REGARD TO INDIVIDUAL REQUESTS FOR ASSISTANCE .....	48
APPROVAL AUTHORITY .....	48
PRIVACY AND RECORD-KEEPING.....	48
EVALUATION.....	49
PROCESS.....	49
PROCESS FOR GROUPS AND OTHER CHARITABLE ORGANIZATIONS.....	50
PUBLIC REPORTING .....	50
<b>CHAPTER 8 – MARKETING AND COMMUNICATIONS.....</b>	<b>51</b>
IMAGE AND SUSTAINABILITY MARKETING .....	51
SCOPE .....	51
MARKETING TO SUPPORT STRATEGY.....	51
COMMUNICATIONS AND MARKETING RESPONSIBILITY .....	51
CURRENT MARKETPLACE ENVIRONMENT.....	52
TARGET AUDIENCES .....	52
BRANDING .....	52
CLIENT AND OTHER STAKEHOLDER NEEDS .....	52
IMPLEMENTATION AND RESOURCES.....	52
PLAN APPROVAL.....	53
PLAN DELIVERY .....	53
COMMUNICATIONS AND MARKETING MATERIALS.....	53
<i>A Common Theme and Presentation .....</i>	<i>53</i>
<i>Presentations and Displays.....</i>	<i>53</i>
<i>Website.....</i>	<i>53</i>
<i>Social Media .....</i>	<i>53</i>
<i>Printed Material.....</i>	<i>54</i>
<i>Other Materials .....</i>	<i>54</i>

## PREFACE

This Manual has been prepared to provide trustees with a single source, ready reference to those documents that will aid in the discharge of their duties and responsibilities. It serves to amplify the By-Laws, the Rules and Regulations of the Foundation, as provided for in Section 16.02 of the Deed of Trust. The terms used in this Manual conform terms as defined and used in both the Deed of Trust and the By-Laws.

This manual is intended to record policy and procedures as agreed by the Trustees from time to time. It will be used to inform, direct and guide the administration of the activities of the Foundation. As such it is a living document which will develop and evolve with the Foundation and its needs.

Trustees may also wish to consult the *Primer for Directors of Not-For-Profit Corporations: Rights, Duties and Practices* published by Industry Canada and the Canadian Centre for Philanthropy (a copy may be downloaded from <http://strategis.ic.gc.ca/epic/internet/incd-dgc.nsf/en/cs02062e.html>). Another useful publication is the *2005 National Study of Board Governance Practices in the Non-Profit and Voluntary Sector in Canada* (a copy is available from the Secretary or may be downloaded from <http://www.strategicleveragepartners.com/download.html>).

Overall management of the contents of this Manual is the responsibility of the Foundation Secretary. The manual will be available to Trustees and Foundation Members in hard copy and on the restricted page of the Foundation website. Suggestions for changes, additions, and deletions should be made to the Secretary.

## **CHAPTER 1 – GOVERNANCE**

### **GOVERNANCE**

The framework for the governance of the Foundation is found in its constating documentation. These documents, the Deed of Trust and Foundation By-laws, are available on the website.

### **GUIDING POLICIES**

Governance of the Foundation is subject to the provisions of the Income Tax Act. The impact of this legislation and regulations is reflected in the Deed of Trust and By-laws of the Foundation. In addition, the Regiment has put in place policies governing Regimental financial structures which the Foundation will respect.

### **REGIMENTAL GOVERNANCE POLICY**

The PPCLI has established a number of guiding principles for application within the Regiment. While the Foundation is an autonomous and independent body, it should take account of these guidelines subject to legislation or other policy that may have precedence.

### **PUTTING POLICY INTO ACTION**

The Foundation puts sound governance principles into action through a number of straightforward means. These include:

- Role clarity and the assignment of duties and responsibilities to Board and non-Board officers and through the Board's committee structure;
- Regular meetings and effective communications;
- The development and implementation of easy to understand financial and internal control systems and procedures;
- The development of effective policies and the appropriate delegation of authority to implement them;
- An annual business planning and budgeting process;
- Feedback provided by stakeholders and by monitoring the effectiveness and efficiency of its programs;
- Annual external audit;
- Provision of regular reports to stakeholders on the performance of the Foundation; and
- Reports required by law.

### **STAKEHOLDERS**

There are many stakeholders in this undertaking whose views and needs must be represented within the Foundation's plans and activities. Our stakeholders include:

- The families and friends of the Regiment's fallen;
- Those members of the Regiment, serving and retired, who have been wounded or injured as a result of their service, and their families and friends;
- Donors, funders and sponsors;
- Trustees and other members of the Foundation;

- Other serving and retired members of the Regiment, and their families and friends;
- Companion members of the other Regiments and units of the Canadian Forces, serving and retired;
- The Department of National Defence, the Government of Canada, and provincial and local governments particularly in those communities within which units of the Regiment serve or have served in the past and where there are branches of the PPCLI Association;
- Provincial and municipal governments, especially those in which the Foundation may operate or in which serving and former members of the Regiment reside;
- Past and present members of cadet corps supported by the Regiment;
- Canada's youth, some of whom may become future members of the Regiment and all of whom benefit from an understanding of the sacrifices made by serving and former members of Canada's Armed Forces, including those who served with the PPCLI; and
- Canadians at large who support the Regiment.

#### CODE OF CONDUCT AND CONFLICT OF INTEREST GUIDELINES

Code of Conduct and Conflict of Interest Guidelines are included in Chapter 5, Policies and Procedures.

## CHAPTER 2 – DUTIES AND RESPONSIBILITIES

### INTRODUCTION

Chapter 1 described the governance framework for the Foundation in respect of law and the regiment and its policies. This chapter addresses the individual duties and responsibilities of trustees and officers of the Foundation.

### GENERAL DUTIES OF TRUSTEES

Trustees are required to fulfill their duties effectively and diligently in the best interests of the Foundation. These duties and their inherent responsibilities are contained in the Industry Canada Primer for Directors of Not-for-Profit Corporations. While the Foundation is not a corporation at its inception, the same duties will deem to apply as if it were incorporated. These duties are found on the Industry Canada Website at <http://www.ic.gc.ca/eic/site/cilp-pdci.nsf/eng/cl00692.html#p1>.

By virtue of the status of the Foundation as a charitable organization and in recognition that many of its charitable purposes and activities have the goal of improving the lives of Canadians in many situations, some of whom may be vulnerable, Common law imposes additional burdens. The principles of Common Law that apply are the Duty of Care and the Standard of care. These are best understood as:

Trustees are required to fulfill their duties effectively and diligently in the best interests of the Foundation. They owe what is called a “fiduciary duty” to the Foundation. The duty is a “fiduciary” duty because the obligation to act in the best interests of the corporation, at its core, is an obligation of loyalty, honesty and good faith. The formulation of the fiduciary duty of trustees has been developed at common law by Canadian and English courts. Trustees’ fiduciary duties can be divided into two main areas under common law:

- the duty of care; and
- the duty of loyalty.

The duty of care imposes on trustees a duty of competence or skill – i.e., a requirement to act with a certain level of skill; and a duty of diligence. The duty of skill and diligence must be performed to a certain “standard of care”. Standard of care may be found in any one of or any combination of the following sources:

- legislation under which the corporation is incorporated;
- court decisions which attempt to define the standard of care expected of trustees;
- non-corporation laws and statutes which impose additional specific duties on trustees; and
- in trust law, for not-for-profit trustees of an entity organized to pursue charitable purposes (In Alberta, the Trustees Act).

The duty of loyalty requires that a trustee act honestly and in good faith in the best interests of the Foundation. The duty of loyalty is a personal duty and cannot be delegated (the “no-delegation rule”). Among other implications, it means that a trustee is not allowed to profit from his or her office (the “no-profit rule”) and must avoid all situations in which his or her duty to the Foundation conflicts with his or her interests (the “no-conflict rule”).



## TRUSTEES, MEMBERS AND HONORARY APPOINTMENTS

The Foundation policy on membership and appointments to the Foundation Board of Trustees is covered in detail in Articles III and VIII respectively of the Deed of Trust and in Section V of the By-laws of the Foundation. Should it become necessary to amplify this policy an amendment will be made to the appropriate documents.

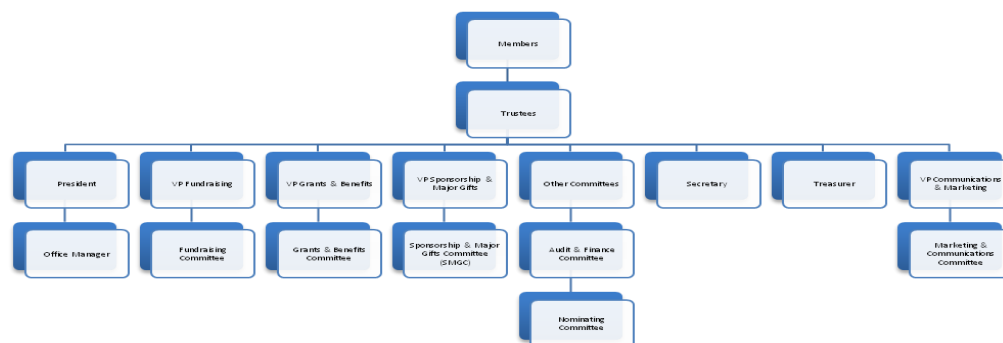
### STRUCTURE OF THE FOUNDATION

The By-laws of the Foundation specify a number of officers who are accountable under law for the effective, efficient and lawful conduct of the Foundation's affairs. The dynamics of the Foundation's responsibilities require it to adjust to needs and circumstances as they evolve. In the formative stages, the Foundation's structure will reflect the principle functions of the organization: managing its affairs, raising funds, and allocating them according to plans and changing needs. Thus a number of functional officer positions are established that address these needs, together with a committee structure addressed in detail in the following chapter.

Positions of officers shall normally be filled by Trustees, however in the event that a trustee with the required skills, availability or geographic location cannot be found, another member of the Foundation may occupy an acting position for a period of one year. In the event that a suitable trustee cannot be found at the end of that period the acting position may be renewed by the Board to a maximum of three years in total.

The current structure is as shown in this diagram:

### PPCLI FOUNDATION STRUCTURE



## DUTIES OF OFFICERS

### PRESIDENT

The President is the Chief Executive Officer of the Foundation. The President is responsible to the Board. The President shall:

1. Preside at all meetings of Members and of the Board of Trustees;
2. Guide and lead the Board to become an effective group;
3. Effectively involve trustees in the work and activities of the Board;
4. Ensure that all orders and resolutions of the Board are carried into effect;
5. Give leadership and encouragement in the orientation of new trustees and in their training and development;
6. Provide leadership in preparing the Board work plan and in Board input to strategic and business planning;
7. Ensure that an agenda is prepared for all general and Board meetings and that adequate information is available for study;
8. Be, ex-officio, a member of all Board Committees, receiving reports and minutes, but not necessarily attending all meetings;
9. Interpret and clarify policies and decisions of the Board and ensure their communication to staff and volunteers;
10. Report to the Members and other stakeholders as may be required on behalf of the Board of Trustees on the stewardship of resources and on progress achieved;
11. Ensure effective representation by the Board to its members, Foundation stakeholders, the public, governments, the media, and other organizations; and
12. Be a signing officer, along with others as appointed by the Board.

### VICE-PRESIDENTS

Four Vice-Presidents are to be elected by the Board: a Vice-President Fundraising, a Vice-President Sponsorship and Major Gifts, a Vice-President Grants and Benefits, and a Vice-President Marketing and Communications. The duties of these officers are as stated below:

#### VICE-PRESIDENT FUNDRAISING

The Vice-President Fundraising is responsible to the Board. Assisted by the Fundraising Committee, the VP Fundraising:

1. Chairs the Fundraising Committee;
2. Advises the Board on matters relating to fundraising;
3. Monitors the effectiveness of fundraising plans and develops improvements where these are required;
4. Provides campaign reports to the Board;
5. Identifies, researches, cultivates and solicits members and individual donors;
6. Develops and nurtures relationships with current donors to increase donor and funder commitment;
7. Identifies and solicits third party special event partnerships to support fundraising and awareness plans;

8. Investigates new fundraising opportunities;
9. In conjunction with the VP Marketing and Communications, develops fundraising media material;
10. Manages the supporter clearinghouse plan and database;
11. Integrates marketing and public relations strategies and activities with fundraising goals;
12. Plans and manages fundraising events;
13. Ensures Foundation fundraising policy, plans and implementation conform to applicable legislation and regulations.

Foundation Fundraising policy and guidelines are contained in Chapter 6.

#### VICE-PRESIDENT SPONSORSHIP AND MAJOR GIFTS

The Vice-President Sponsorship and Major Gifts is responsible to the Board. Assisted by the Sponsorship and Major Gifts Committee, the VP Sponsorship and Major Gifts:

1. Chairs the SMGC;
2. Advises the Board on matters relating to supporting partnerships and major gifts;
3. Monitors the effectiveness of supporting partnership and major gift plans and develops improvements where these are required;
4. Provides campaign reports to the Board;
5. Identifies, researches, cultivates and solicits corporate and institutional sponsors, funders and donors;
6. Develops and nurtures relationships with current supporters to increase donor, funder and sponsor commitment;
7. Identifies and solicits third party special event partnerships and sponsorships to support supporting partnership and major gift awareness plans;
8. Investigates new supporting partnership and major gift opportunities;
9. In conjunction with the VP Marketing and Communications, develops supporting partnership and major gifts media material;
10. Develops and executes supporter recognition and stewardship plans;
11. Integrates marketing and public relations strategies and activities with supporting partnership and major gift goals;
12. Assists and co-ordinates regional teams; and
13. Ensures Foundation supporting partnership and major gifts policy, plans and implementation conform to applicable legislation and regulations.

#### VICE-PRESIDENT GRANTS AND BENEFITS

The Vice-President Benefits is responsible to the Board. Assisted by the Benefits Committee, the VP Benefits:

1. Chairs the Benefits Committee;
2. Advises the Board on the benefits environment, including emerging needs, new benefits and services provided by third parties, potential partners and related issues;
3. Develops benefits policy and plans;
4. Develops and maintains close working relationships with third party partners providing direct support to individuals and groups that are supported by the Foundation;

5. Identifies and develops new potential partnerships;
6. Monitors the effectiveness of distributed benefits and deals with third parties to improve thereon;
7. Provides reports to the Board on the effectiveness of benefits programs;
8. Provides input to the Treasurer on future funding needs;
9. Investigates reports of misuse of distributed benefits;
10. Ensures the safety of officers and staff involved in the benefits distribution process; and
11. Acts as the Foundation's Access to Information and Privacy officer to ensure that trustees, staff and supported parties are protected as required by law.

Foundation Benefits policy and guidelines are contained in Chapter 7.

#### VICE-PRESIDENT MARKETING AND COMMUNICATIONS

The Vice-President Marketing and Communications is the Foundation's Public Affairs Officer and is responsible to the Board. Assisted by the Marketing and Communications Committee, the VP Marketing and Communications:

1. Chairs the Marketing and Communications Committee;
2. Reports to the Board on emerging marketing, communications and public affairs issues and proposes strategies for dealing with them;
3. Develops Marketing and Communications plans and monitors their effectiveness, developing improvements where these are required;
4. Works closely with and supports the efforts of the Vice-Presidents of Fundraising, Sponsorship and Major Gifts, and Grants and Benefits;
5. Provides campaign reports to the Board;
6. Provides advice and guidance to the webmaster, the Office Manager and others responsible for developing communications programs, brochures and similar vehicles.
7. Identifies, researches, cultivates and solicits media and marketing partnerships;
8. Supports special event promotion and marketing; and
9. Integrates marketing and communication strategies and activities with fundraising and sponsorship and major gift goals.

#### SECRETARY

The Secretary shall be responsible to the President and the Board. The Secretary shall:

1. Communicate, or cause to be communicated, notices for all meetings of the Board, and general meetings;
2. Have charge of the seal and minute books of the Foundation and of the original copies of all key documents;
3. Ensure the security of all documents of the Foundation, both electronic and paper;
4. Maintain a register of trustees and members (to include mailing addresses, email addresses, telephone numbers, date of becoming a Director or Member, and date of cessation of directorship or membership), as required by the CRA;
5. Maintain a register of Patrons and Honorary Members and relevant conditions of such status;

6. Assemble for approval of the Board all reports required by law to government and reports to stakeholders;
7. Maintain the Operating Manual;
8. Assist in the selection and training of office staff and oversee their duties;
9. Carry out other duties as may be from time to time assigned by President or by the Board.

#### **TREASURER**

The Treasurer shall be responsible to the President for day-to-day matters and to the Board for longer-term matters such as policy, business planning and budgets. The Treasurer shall:

1. Provide technical advice and guidance to trustees, committees of the Board and office staff to ensure systems of internal control are in place and operating effectively, e.g. for proper and failsafe receipt, safe custody and disbursement of funds and securities;
2. Develop financial goals and budgets and projections, accounting policies and plans;
3. Keep full and accurate accounts of all assets, liabilities, receipts and disbursements in books of account belonging to the Society;
4. Deposit or cause to be deposited all moneys, securities, and other assets in the name of and to the credit of the CMMS in such depositaries as may be approved from time to time by the Audit & Finance Committee;
5. Disburse or cause to be disbursed monies as directed by the Board or the Committees of the Board, where authority for such disbursement has been duly granted by the Board;
6. In consultation with the Audit & Finance Committee and other professionals whose services may be contracted, develop and implement Foundation investment policy and monitor its implementation.
7. Ensure proper vouchers are received for all disbursements and receipts provided for all funds received, particularly for charitable donations in the form required by the regulating authorities;
8. Ensure the proper and separate accounting of all designated or directed donations and grants;
9. Prepare for review by the President, the Audit & Finance Committee and, subsequently by the Board all statements of account and financial statements;
10. Prepare for the audit of the books of account and financial statements;
11. Annually, report on the effectiveness of the auditor and participate with the Audit & Finance Committee the appointment of the auditor;
12. Provide financial information to the Secretary for completion of reports to government agencies and to stakeholders;
13. Manage the procurement of Director and Officer Liability insurance as may be directed by the Audit & Finance Committee;
14. Be a signing officer; and
15. Carry out other duties as may be from time to time assigned by the President or by the Board.

## OFFICE MANAGER

The Office Manager will function under the direction of the Chair of the Fundraising Committee for matters relating to fundraising and to the President in relation to administrative and organizational duties. The incumbent:

1. Supports the Chair of the Fundraising Committee in the planning, design and execution of fundraising strategies and projects.
2. Assists Fundraising event planning and coordination so that events meet their goals and works with event partners in coordination of participation.
3. Develops and maintains donor, funder, and sponsor prospect lists and prospect analyses, both for the campaign as a whole and for specific events.
4. Maintains the member register.
5. Assists in approaches to donors and funders, in negotiating agreements for support and with effective follow up on behalf of the Foundation
6. Works with the Treasurer and provides day-to-day oversight of the financial aspects of the fundraising campaign including bookkeeping, banking, reconciliation of accounts, and charitable receipt register, and drafting of tax returns and other reports to CRA for approval of the Board of Trustees.
7. Supports the preparation and execution of a marketing and communications plans for the fundraising campaign.
8. Assists in the design and production of promotional and marketing material for the Foundation.
9. Assists the Foundation's webmaster in ensuring that the website is maintained up-to-date.
10. Assists in the training of foundation volunteers so that they may perform their functions effectively.
11. Undertakes others tasks and assignments as may be required and mutually agreed.

## CHAPTER 3 – COMMITTEES

### COMMITTEES GENERAL

The Board may form committees and appoint members to them. Committee members need not be trustees, but all will hold their positions at the pleasure of the Board. Chairs of committees shall be trustees except when specifically agreed otherwise by the Board. Standing committees of the Board whose duties and responsibilities are listed in this Chapter are:

- Fundraising Committee;
- Sponsorship and Major Gifts Committee (SMGC);
- Grants and Benefits Committee;
- Nominating Committee;
- Marketing and Communications Committee; and
- Audit and Finance (A&F) Committee.

The President is an ex-officio member of all Board committees, standing and ad hoc. Committees may form sub-committees as necessary for the efficient and effective conduct of committee business.

Ad Hoc committees are committees, normally of short duration, established to deal with a single issue. The Board or a Committee may form ad hoc committees to undertake special projects, plan or coordinate special events or prepare matters for a Board decision. Such committees shall be given a specific mandate, a timeframe in which to complete its work, and be chaired by a trustee or member appointed by the Board.

Committee chairs are responsible to ensure that all committee members are notified of meeting time and date, and any changes to scheduled meetings. The Board Chair and the Board Secretary are to be advised of all committee meetings. Committees may establish internal guidelines for meeting, the existence of a quorum, and similar issues. Committee chairs shall prepare or cause to have prepared an agenda for each meeting. The agenda along with any supporting material shall be forwarded to committee members at least two days in advance of the meeting.

Minutes of all committee meetings are to be forwarded to the Secretary for inclusion in the package for the next Board meeting. In this regard, Board packages are generally sent out one week in advance of Board of Trustee meetings. In order to meet these timelines, committee meeting should be held a minimum of two weeks in advance of Board meeting in order to permit preparation and distribution of meeting minutes. Such minutes need be in point form and serve as a record of decisions taken and issues to be addressed in future meetings.

One of the first tasks of each committee at the beginning of each year is to review its mandate and, if necessary, recommend any changes to the Board for approval.

### FUNDRAISING COMMITTEE

The Fundraising Committee, under the chairmanship of the Vice-President Fundraising, is responsible for the development and implementation of fundraising policy, fundraising plans and campaign plans. Fundraising Policy and Guidelines are contained in Chapter 6. Specifically, the Committee is responsible to:

1. Develop fundraising goals, policies and plans;
2. Monitor the effectiveness of fundraising plans and develop improvements where these are required;
3. Prepare project and campaign reports for the Board;
4. Establish donor lists and ensure donors are well treated by the Foundation;
5. Plan and manage fundraising events;
6. Investigate and develop new fundraising opportunities;
7. Conduct searches for and manage the efforts of fundraising consultants contracted by the Board;
8. Develop and implement donor recognition plans; and
9. Find and train volunteers for assistance in national campaigns and in regional fundraising teams.

## SPONSORSHIP AND MAJOR GIFTS COMMITTEE (SMGC)

The Sponsorship and Major Gifts Committee (SMGC) is responsible for:

1. Identifying corporate and foundation prospects.
2. Determining the strategy for an approach to these prospective organizations.
3. Determining the suitability for either an approach based on sponsorship or a grant/gift.
4. Identifying the portfolio of opportunities from the planned events and projects and matching with a sponsor.
5. Determining a regime of appropriate sponsorship/donor recognition.

## GRANTS AND BENEFITS COMMITTEE

The Grants and Benefits Committee, under the chairmanship of the Vice-President Benefits, is responsible for the development of benefits distribution policy and plans, and for assessing requests for financial support from the Foundation. Benefits policy is contained in Chapter 7. Specifically, the committee is responsible to:

1. Maintain currency with the benefits environment, including emerging needs, new benefits and services provided by third parties, potential partners and related issues;
2. Develop benefits policy and plans;
3. Develop and maintains close working relationships with third party partners providing direct support to individuals and groups that are supported by the Foundation;
4. Identify and develop new potential partnerships;
5. Monitor the effectiveness of distributed benefits and deal with third parties to improve thereon;
6. Evaluate the effectiveness of benefits programs and provide reports to the Board on the effectiveness of benefits programs;
7. Identify potential misuse of distributed funds;
8. Protect the privacy of all individuals or groups who request support;
9. Receive, record and assess all requests for support following the policy in Chapter 7;
10. Approve supported applications for assistance up to \$5,000, and submit recommendations for support above this level to the Board for its consideration; and
11. Recommend to the Board annual benefits distribution levels.



## NOMINATING COMMITTEE

The Nominating Committee is responsible for identifying individuals qualified to become new Board members and recommending to the Board a slate of Trustees to be nominated for election by the members of the Foundation at each annual meeting of the Foundation.

### 1. GENERAL PROCEDURES

- 1.1 The Committee shall be composed of a minimum of 3 directors.
- 1.2 The Committee shall meet annually and periodically as circumstances dictate. Meetings shall be held at the call of the Chairman or upon the request of two members.
- 1.3 The Committee shall report annually to the Board of Trustees on the Committee's activities.
- 1.4 A quorum shall be a majority of the members.
- 1.5 A copy of the minutes of each meeting of the Committee shall be provided to each member in a timely fashion.
- 1.6 Committee meeting agendas shall be the responsibility of the Chairman of the Committee.
- 1.7 The Committee shall review its performance and mandate on an annual basis.

### 2. SPECIFIC RESPONSIBILITIES AND DUTIES

- 2.1 Review periodically the size and composition of the Board of Trustees to ensure that the Board has the appropriate mix of competencies and skills to facilitate effective decision making as well as the capacity to effectively discharge its responsibilities.
- 2.2 Review from time to time the retirement plans of Trustees.
- 2.3 Develop plans for the orderly succession of Trustees to keep the Board appropriately balanced in terms of skills and experience.
- 2.4 Recommend to the Board addition or replacement of one or more Trustees as may be considered necessary or appropriate from time to time.
- 2.5 Be satisfied that the Corporation has effective plans for the orientation of new Trustees and the continued education of incumbent Trustees.

## MARKETING & COMMUNICATIONS COMMITTEE

The Marketing and Communications (M&C) Committee is responsible to:

1. Monitor emerging marketing, communications and public affairs issues and proposes strategies for dealing with them;
2. Develop Marketing and Communications plans and monitor their effectiveness;
3. Support of the efforts of the Vice-Presidents of Fundraising, Sponsorship and Major Gifts, and Grants and Benefits;

4. Provide guidance to the webmaster, the Office Manager and others responsible for developing communications programs, brochures and similar vehicles;
5. Identify, research, cultivate and solicit media and marketing partnerships;
6. Support to special event promotion and marketing; and
7. Integrate marketing and communication strategies and activities with fundraising, sponsorship and major gift, and grants and benefits committee goals.

## AUDIT & FINANCE COMMITTEE

The Audit and Finance Committee is appointed by the Board of Trustees to assist the President and the Board in fulfilling their responsibilities for oversight and accountability. The Audit & Finance Committee's primary duties and responsibilities are to:

1. Ensure risk management and internal control systems are in place and monitor their effective operation, including those risks that could affect the reliability of financial reporting.
2. Monitor the quality and integrity of the Foundation's financial and management reporting processes, including compliance with legal and other requirements.
3. Oversee the independence, qualifications, and performance of the auditor.
4. In consultation with the Treasurer and other professionals whose services may be contracted, develop and implement an investment policy and monitor its implementation.
5. Ensure that a code of conduct and conflict of interest guidelines are in place and monitor their effectiveness.
6. Provide an avenue of communication among the auditor, the Treasurer, members and the Board of Trustees.

The Audit & Finance Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the auditor as well as anyone in the organization. Subject to any restrictions imposed by the Board of Trustees, e.g. for the retention of the appointment of an investment advisor(s) and manager(s), the Audit & Finance Committee has the authority to retain, at the Foundation's expense, special legal, accounting, financial, or other consultants or experts it deems necessary in the performance of its duties.

**Accountability and Membership.** The Audit & Finance Committee is responsible to the Board. The Audit & Finance Committee shall be composed of three independent and unrelated members including a Chair appointed by the Board and serve for two years. The Board President is an ex-officio member of the Committee. The Treasurer serves as the principle resource to the Committee.

**Meetings.** Meetings are held quarterly to coincide with the review of the quarterly and year-end financial statements. The Audit & Finance Committee Chair will prepare an agenda in advance of each meeting. The Chair should develop the agenda in consultation with the Treasurer, other Committee members and the auditor, as appropriate. The agenda and supporting materials will be distributed sufficiently in advance of the meeting to allow members an appropriate period of time to prepare for the meeting. If appropriate, the Committee may consider in camera sessions at the beginning and/or conclusion of each meeting to discuss privately any matters of interest or concern to its members.

**Responsibilities and Duties.** Members of the Audit & Finance Committee should rely on information furnished to them by others only if they believe it to be reliable for the purpose of making their decisions. They should act in accordance with their own knowledge and training. The Audit & Finance Committee shall be responsible for the following specific matters:

**1. Accounting Policies**

- (a) Review all of the Foundation's critical accounting policies and all major issues regarding accounting principles and financial statement presentations (including any significant changes in the Foundation's selection or application of accounting principles).
- (b) Review major changes to the Foundation's accounting policies and practices.
- (c) Review with the auditor and management the extent to which changes or improvements in financial or accounting practices, as previously reported to the Audit & Finance Committee, have been implemented.

**2. Financial and Management Reporting Process and Financial Statements**

- (a) In consultation with the Treasurer and the auditor, inquire as to the integrity of the Foundation's financial reporting processes, both internal and external, and any major issues as to the adequacy of internal control.
- (b) Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas.
- (c) Review recent professional and regulatory pronouncements and understand their impact on the financial statements.
- (d) Review issues related to liquidity, capital resources, and contingencies that could affect liquidity.
- (e) Review all plans for cash flow management and treasury operations.
- (f) Review all material off-balance-sheet transactions, contingent liabilities and transactions with related parties.
- (g) Discuss with the auditor the matters that generally accepted auditing standards in Canada require to be communicated with the Audit & Finance Committee. The communication preferably should be in writing and should be received before the financial statements are issued. Items to be communicated include:
  - the auditor's responsibility under Canadian generally accepted auditing standards,
  - weaknesses in internal controls,
  - fraud, illegal acts and related party transactions,
  - significant accounting principles and policies,
  - judgments and accounting estimates,
  - significant audit adjustments,
  - significant unadjusted audit differences,
  - other information in documents containing audited financial statements,
  - disagreements with management, including accounting principles, scope of audit and disclosures,
  - consultation with other accountants by management,
  - major issues discussed with the Treasurer that influence audit appointment, and

- difficulties encountered in performing the audit.
- (h) Review and discuss with the Treasurer and the auditor the Foundation's annual financial statements, and the annual report before they are publicly disclosed by the Foundation and recommend their approval by the Board of Trustees.
- (i) Periodically assess the adequacy of procedures in place for the review of the Foundation's public disclosure of financial information extracted or derived from the Foundation's financial reports (information to be disclosed in Newsletters or other public disclosures).
- (j) Following completion of the annual audit, review with each of the Treasurer and the auditor any significant issues, concerns or difficulties encountered during the course of the audit including any major issues that arose during the course of the audit and have subsequently been resolved and those issues that have been left unresolved; key accounting and audit judgments; and levels of misstatements identified during the audit, obtaining explanations from the Treasurer and, where necessary the auditor, as to why certain misstatements might remain unadjusted.
- (k) Receive and review reports from other Board committees with regard to matters that could affect financial reporting.
- (l) Oversee the resolution of disagreements between the Treasurer and the auditor regarding financial reporting.
- (m) Discuss with the auditor the quality and not just the acceptability of the Foundation's accounting principles.
- (n) Regularly review with the auditor any audit problems or difficulties and the Treasurer's response.

### **3. Auditor**

- (a) Be directly responsible for the selection, appointment, compensation, retention, termination and oversight of the work of the Foundation's auditor, and in such regard recommend to the Board the nomination of the auditor for approval by the Trustees. Monitor audit engagement partner rotation requirements.
- (b) Pre-approve all audit and non-audit engagements by the auditor including fees and terms, if any. In this regard, establish which non-audit services the auditor shall be prohibited from providing. In doing so, the Audit & Finance Committee should consider:
  - i. whether the skills and experience of the audit firm make it a suitable supplier of the non-audit services.
  - ii. whether there are safeguards in place to help ensure that there is no threat to the auditor's objectivity and independence in the conduct of the audit resulting from providing such services.
  - iii. the nature of the non-audit services, the related fee levels, and the fee levels individually and in aggregate relative to the audit fee.
- (c) Prior to commencement of the annual audit, review with the auditor the proposed audit plan and scope of work (The Audit & Finance Committee should review the auditor's audit plan to see that it is sufficiently detailed and covers any significant areas of concern that the Committee may have. The Audit & Finance Committee may inquire at year-end about changes to the audit plan, restrictions on scope of activities, observations of internal control weaknesses, etc.).
- (d) Review the audit representation letters with particular attention to non-standard representations.
- (e) Review and monitor the content of the auditor's (performance improvement) letter and the Treasurer's response to it, in order to assess whether it is based on a good understanding of the Foundation's

business and establish whether recommendations have been acted upon and, if not, the reasons they have not been acted upon.

- (f) Consider, assess and report to the Board with regard to the independence and performance of the auditor, and for such purpose:
  - i. Review the formal written statement and letter submitted by the auditor that outlines all relationships between the auditor and the Foundation, and its affiliates.
  - ii. Actively engage in a dialogue with the auditor with respect to any disclosed relationships or services and their impact on the objectivity or independence of the auditor.
  - iii. Conduct a periodic evaluation (taking into account the opinions of the Treasurer) of the auditor's qualifications, performance and independence, and present to the Board the committee's conclusion in such regard.
  - iv. Consider obtaining and reviewing at least annually a report from the auditor describing the firm's quality control procedures and any material issues raised by the firm's most recent review of internal quality control or by any governmental or professional inquiry or investigation.
- (g) Review and approve the Foundation's hiring policies regarding partners, employees and former partners and employees of the present and former auditors.

#### **4. Investment**

- (a) Establish and periodically review the Foundation's policy on investments as contained in Chapter 5 of this Manual. The policy and any changes to it are subject to Board approval.
- (b) Select and recommend to the Board the appointment of investment advisor(s) and manager(s) such as the Committee considers it appropriate to engage.
- (c) Review reports from the investment advisor(s) and manager(s) and monitor and evaluate their performance.

#### **5. Internal Control and Risk Management**

- (a) Monitor the development and implementation of appropriate systems to identify, monitor and mitigate significant business risks, including a risk assessment.
- (b) Monitor the development and implementation of appropriate systems of internal control over financial reporting, internal policy and procedure compliance, and compliance with legal, ethical and regulatory requirements, and that these systems are operating effectively.
- (c) Receive and review reports from the Treasurer and the auditor with regard to the reliability and effective operation of the Foundation's accounting system and internal controls.
- (d) Review the need for Indemnification and Insurance of Trustees and Officers, especially the adequacy of insurance coverage.

#### **6. Additional Responsibilities**

- (a) Review and reassess the adequacy of the Audit & Finance Committee's charter on an annual basis.
- (b) Review the process for communicating the Foundation's code of business conduct to Foundation staff and volunteers, and for monitoring compliance therewith.
- (c) Discuss guidelines and policies to govern the process by which risk assessment and risk management have been and are handled, even if the primary responsibility for risk assessment and management is assigned to another Board committee. The Foundation's major financial and business risks exposures and the steps management has taken to monitor and control such exposures should be discussed.

- (d) Establish procedures and policies for the following:**
  - i. the receipt, retention and treatment of complaints received by the Foundation regarding accounting, internal accounting controls or auditing matters.**
  - ii. the confidential, anonymous submission by employees of the Foundation of concerns regarding questionable accounting or auditing matters.**
- (e) Prepare and review with the Board an annual performance evaluation of the Audit & Finance Committee and its individual members.**
- (f) Review financial and accounting personnel succession planning within the Foundation.**
- (g) Periodically review a summary of all related party transactions and potential conflicts of interest.**
- (h) Report regularly to the Board, including matters such as the quality or integrity of the Foundation's financial statements, and compliance with legal or regulatory requirements.**
- (i) Review expenses incurred by Trustees and Officers.**
- (j) Report the Committee's activities to the members. The report is to include the name of each Committee member and state whether or not that member is independent and financially literate.**

#### **AUDIT & FINANCE COMMITTEE PLANNING FRAMEWORK**

See Schedule 1.

#### **AUDIT & FINANCE COMMITTEE SELF-EVALUATION**

See Schedule 2.

## Schedule 1 – Audit & Finance Committee Planning Framework

This Schedule provides a framework for planning the meeting agenda for the Audit & Finance Committee meetings in connection with period and year-end earnings reports, and provides for an additional meeting to address matters on a timely basis. With a financial year based on the calendar year, it is expected that the Committee meetings would be held in April/May, July/August, October/November, and February/March. The fifth meeting would be at the call of the Committee Chair, when and if required.

Topic/Meeting	1	2	3	4	5
<b>Constitution</b>					
Review Audit & Finance Committee charter	✓		✓		
Assess independence, financial literacy, skills and experience of members			✓		
Establish dates of meetings for the forthcoming year			✓		
Audit & Finance Committee Chair to establish annual work plan, meeting agenda and attendees required	✓	✓	✓	✓	✓
Update on current financial reporting, regulatory and other changes	✓	✓	✓	✓	✓
<b>Assessment of Financial Information</b>					
(discuss with Treasurer and the auditor where applicable)					
Review and recommend the operating and capital budgets			✓		
Review and recommend approval of annual financial statements				✓	
Review and recommend approval of quarterly financial statements	✓	✓			✓
Review disclosures of other public financial information	✓	✓		✓	✓
Review the integrity of internal and external financial reporting process including disclosure controls and procedures			✓		✓
<b>Auditor</b>					
Review performance and recommend appointment and compensation				✓	
Approve terms of engagement, audit plan and scope, and audit fees	✓				
Review pre-approval policy for non-audit services	✓				
Approve non-audit services, fees and terms of engagement	✓	✓	✓	✓	✓
Review objectivity/independence and obtain confirmation from auditor	✓			✓	
Review audit findings report and identify any unresolved issues				✓	✓
Discuss appropriateness of accounting policies, estimates and judgments	✓	✓	✓	✓	✓
Discuss the auditor's views on control environment including fraud and risk management				✓	✓
Private session with auditor in absence of Treasurer	✓	✓	✓	✓	✓
Ongoing communication (written/oral) of auditor with the Audit & Finance Committee regarding accounting policies and standards	✓	✓	✓	✓	✓
<b>Internal Control and Risk Management</b>					
Review risk management policy and report on significant business risks			✓		
Review adequacy of D&O Insurance	✓				
<b>Investments</b>					
Review Investment Policy	✓				
Monitor and Evaluate Performance of Investment Advisor/Manager(s)		✓	✓	✓	✓
<b>Other Responsibilities</b>					
Consider financial risks and internal controls(and other risks and control, if applicable)		✓			✓
Review code of conduct and conflict of interest guidelines	✓				
Review report to members on role and responsibilities of the Audit & Finance Committee				✓	
Perform self-assessment of Audit & Finance Committee performance				✓	
Review financial personnel succession planning			✓		
Review director and officer related party transactions and potential conflicts	✓	✓	✓	✓	✓
Conduct special investigations and perform other activities as appropriate	✓	✓	✓	✓	✓

**Topic/Meeting**

Maintain minutes and report to the Board

Private session with management in absence of the auditor

1	2	3	4	5
✓	✓	✓	✓	✓
			✓	✓



## Schedule 2 - Audit & Finance Committee Self-Evaluation

The evaluation processes focus is on the effectiveness of the Audit & Finance Committee. Each Committee member will complete the evaluation independently and answer based on his or her opinion. The evaluation may also be completed by others who work with the Audit & Finance Committee, such as the Treasurer, and the auditor. The Audit & Finance Committee Chair will then lead a discussion on the results of the questionnaire, focusing on those areas that clearly need improvement or where there is a great variation in responses. The results of the assessment and any action plans arising will be reported to the Board. The Board may also wish to make its own assessment of the performance of the Audit & Finance Committee. The evaluation is completed at the final meeting annually, normally in February/March.

		<b>Rating:</b> <b>5 – Exceptional</b> <b>4 – Very Well Done</b> <b>3 – Well Done</b> <b>2 – Needs Improvement</b> <b>1 - Inadequate</b>	<b>Comment</b>
<b>ORGANIZATION</b>	1. The Audit & Finance Committee charter clearly sets forth the nature and scope of responsibilities and has been approved by the Committee and the Board.		
	2. The Audit & Finance Committee members have the right background and skills, and actively provide input.		
	3. The Board was active in its consideration of Audit & Finance Committee composition, including the consideration of whether members were or would become financially literate.		
	4. The Audit & Finance Committee's actions reflect independence, ethical behaviour, and the best interests of the Foundation.		
	5. The Audit & Finance Committee's meeting packages are complete, are received with enough lead time, and include the right information to allow meaningful discussion.		
	6. Audit & Finance Committee meetings are well organized, efficient, and effective, and they occur often enough and are of appropriate length to allow discussion of relevant issues consistent with the Audit & Finance Committee's responsibilities.		

		<b>Rating:</b> <b>5 – Exceptional</b> <b>4 – Very Well Done</b> <b>3 – Well Done</b> <b>2 – Needs Improvement</b> <b>1 - Inadequate</b>	<b>Comment</b>
	7. The Committee members are open, honest, and effective in their communication with the Treasurer, the auditor, and each other.		
	8. Appropriate internal or external support and resources are available to the Audit & Finance Committee.		
	9. Sufficient time is allowed between Audit & Finance Committee meetings and Board meetings to allow any work arising to be carried out and reported to the Board as appropriate.		
	10. The Audit & Finance Committee Chair keeps in touch on a continuing basis with the Board Chair, Treasurer, and auditor.		
	11. Minutes and reports to the Board reflect the significant activities, actions, and recommendations of the Committee.		
	12. The Audit & Finance Committee Chair's leadership is effective.		
<b>Oversight of the Financial Reporting Process</b>	13. The Audit & Finance Committee helps to establish the right tone from the top, which embodies insistence on integrity and accuracy in financial reporting.		
	14. The Audit & Finance Committee has achieved the right balance of proactive oversight and has neither infringed on the Treasurer's responsibility nor provided less than effective oversight.		

		<b>Rating:</b> <b>5 – Exceptional</b> <b>4 – Very Well Done</b> <b>3 – Well Done</b> <b>2 – Needs Improvement</b> <b>1 - Inadequate</b>	<b>Comment</b>
	15. The Audit & Finance Committee sets clear expectations and provides feedback concerning the work of the Treasurer.		
	16. There is appropriate consideration of the Foundation's financial reporting risks and the related internal controls that is reflected in the Audit & Finance Committee's discussions and agenda items.		
	17. The Audit & Finance Committee reviews significant financial reporting issues and judgments, including alternative approaches, made in connection with the preparation of the Foundation's financial reporting.		
	18. The Audit & Finance Committee's agenda-setting process is thorough and led by the Committee Chair.		
	19. There is a meaningful discussion and consideration of the clarity and completeness of disclosures in the Foundation's external financial reporting (including the annual report and other releases).		
	20. The Audit & Finance Committee assists the Board in its assessment of the scope and effectiveness of the systems established by management to identify, assess, manage, and monitor financial and non-financial risks.		
	21. There is appropriate consideration of related party transactions, including disclosure of these transactions in financial reports.		
	22. The Audit & Finance Committee's actions demonstrate its direct responsibility for the appointment, independence, compensation and oversight of the work of the auditor.		

		<b>Rating:</b> <b>5 – Exceptional</b> <b>4 – Very Well Done</b> <b>3 – Well Done</b> <b>2 – Needs Improvement</b> <b>1 - Inadequate</b>	<b>Comment</b>
<b>Oversight of Audit Processes</b>	23. There is active consideration of the audit plan, engagement letter and results of the audit.		
	24. The pre-approval process over non-audit services provided by the auditor is effective and reinforces the auditor's independence.		
	25. There is an effective procedure in place for the evaluation of the auditor's qualifications, performance, effectiveness and independence.		
	26. There is appropriate consideration of the auditor's performance improvement letter and other communications from the auditor.		
<b>Continuous Improvement</b>	27. The Audit & Finance Committee provides an effective orientation for new Audit & Finance Committee members.		
	28. The Audit & Finance Committee provides or encourages ongoing professional development for Audit & Finance Committee members.		
	29. The Audit & Finance Committee's self-evaluation process is in place and effective.		
	30. Any and all matters identified that require follow-through are resolved.		

		<b>Rating:</b> <b>5 – Exceptional</b> <b>4 – Very Well Done</b> <b>3 – Well Done</b> <b>2 – Needs Improvement</b> <b>1 - Inadequate</b>	<b>Comment</b>
<b>Overall Evaluation</b>	31. What is your overall assessment of the performance of the Audit & Finance Committee?		
	32. How can the Committee improve its performance?		

## CHAPTER 4 – MEETINGS

### INTRODUCTION

Meetings of Trustees are governed by Article XVI of the Deed of Trust and Section VI of the By-laws.

### CHAIRMANSHIP

Board meetings shall be presided over by the President, or in his or her absence, a Vice-President, or in his or her absence, the Board Secretary. In the event of the absence of the President, Vice-President, and Board Secretary the Trustees present may choose one of the Trustees present to chair the meeting. The Trustee so selected by a majority of the Trustees present shall be vested with all of the powers and shall perform all of the duties of the Chair (pursuant to Section VI of the By-laws).

### AGENDA

In order to ensure that all trustees have adequate input to the setting of the Board agendas, the following procedures will apply:

- The Board Secretary and the President will develop and finalize the Board meeting agenda no later than two weeks prior to the Board meeting date.
- Any trustee wishing to add an agenda item is to have it brought forward to the Secretary no later than two weeks prior to the Board meeting date in order for it to be considered. Notwithstanding, such items may be raised during meetings.
- The agenda, along with a copy of all documentation supporting the agenda items, shall be sent to each Trustee not less than one week prior to the meeting.

The Board shall conduct its business effectively and efficiently. Accordingly, it shall be normal procedure to provide Trustees with the agenda and materials ahead of time in order that they may arrive at the meeting fully prepared. Board meetings shall normally proceed as follows:

- Call to Order;
- Approval of the agenda;
- Review and approval of the minutes of the preceding meeting;
- Business arising from the minutes;
- Report of the Treasurer;
- Report of the President;
- Reports of Committees;
- Other business;
- Setting the date and time of the next and subsequent meeting; and
- Termination of the Meeting.

The agenda should clearly distinguish between items that are reported for information, those to be discussed, and items to be decided upon.

## ANNUAL GENERAL MEETINGS

There shall be an annual general meeting to which all members will be provided with notice. This meeting should normally be held in conjunction with the PPCLI Association General Meeting. All members shall be provided with the proposed agenda and any resolutions upon which they shall be expected to vote. Agenda and timings etc shall be the same as for Board meetings, except that two matters are added: election of Trustees and the appointment of the auditor.

## MINUTES

Minutes of meetings of members and of the Board of Trustees shall be retained in a formal Minute Book, a copy of which shall be retained at the registered office and a copy of which is to be stored off-site, in typewritten or electronic form. Minutes shall be distributed electronically to members of the Board within 10 working days of the meeting. The maintenance of the Minute Book is the responsibility of the Secretary. The Minutes of Board meetings shall be as brief as possible, clear about the decisions taken and action assigned. Votes are not normally recorded, but may be at the request of a trustee, or in cases where one or more trustees abstain from voting. In this latter case the name of the trustees abstaining shall be recorded, particularly where a possible conflict of interest is involved.

## CHAPTER 5 –POLICIES AND PROCEDURES

### INTRODUCTION

This Chapter contains both financial and non-financial policies. The effective structuring and management of the finances of the Foundation are important components of its ability to achieve its purposes. Through the existence of well-managed funds and the sound stewardship of them, accountability is enhanced, which will be beneficial when seeking further financial support from donors across Canada. When properly organized and managed to meet the demands of the future, invested capital becomes a source of security and reliable revenue that can then be used to achieve our purposes.

### STRUCTURE, MANAGEMENT AND INVESTMENT OF FUNDS

This chapter establishes the policy direction and guidelines to be applied in structuring and the management of the foundation's funds, and guidelines concerning the investment of these funds.

### FUND STRUCTURE

The Foundation will establish and maintain a single book of account with funds and/or sub-accounts established as required.

### MANAGEMENT OF FOUNDATION FUNDS

Funds will be established and managed as follows:

- Terms of reference will ensure that maximum flexibility is retained with respect to access and use of that portion of any account that comes from the internal transfer or appropriation of funds or undesignated donations;
- Funds established will be limited to the fewest possible required to meet the needs of the Foundation and the wishes of any donors; and
- The Foundation follows the restricted fund method of accounting for contributions.

### GENERAL OPERATING ACCOUNT

The operating account supports for the Foundation's administrative activities and programs. Unrestricted revenue and/or unrestricted contributions are reported in this account. The account balance represents net assets that are not subject to externally imposed restrictions. The account will normally be held in a chartered bank and managed under the provisions of the foundation's Investment Policy (see Annex A). As a general operating account that accepts all donations, restricted or unrestricted, this account will normally transfer funds to an investment fund or funds when its balance exceeds its projected needs.

### INVESTMENT FUND(S)

Investment fund(s) are the Foundation's principal financial medium for the achievement of its charitable purposes. The funds are invested so that they will grow and provide the basis for the eventual creation of an endowment.



**Contributions to the fund(s) are made on the following terms:**

- 1. The investment policies of the Foundation contained in Annex A and the purposes for which funds are raised will be publicly available on the Foundation website, summarized in other solicitation material;**
- 2. The Foundation prefers to solicit funds that are unrestricted. This provides the maximum flexibility. Unless there is an agreement with a donor, funder or sponsor to the contrary, donations may only be used for purposes other than intended by the donor by a resolution approved by the Board, but not before a period of five years have elapsed since the date of donation. For phased or planned giving, the start date shall be the date of the first donation received; and**
- 3. The source, amount, date and any special conditions applying to a donation or contribution will be recorded on the confidential database of the Foundation. Donor anonymity, beyond the information in the database, will be respected and maintained, if requested.**

## **BANKING**

**All funds received shall be deposited to the Foundation's account(s) as soon as possible after receipt. All donations will be acknowledged by a receipt as required under the Income Tax Act. The Treasurer and the Office Manager, or such others as directed by the Treasurer may sign such receipts.**

## **EXPENDITURES**

**Withdrawals from the operating account will be by cheque requiring two signatures. Those authorized to sign will be determined by the Board of Trustees. A cheque requisition will be raised for each expenditure, indicating the recipient, the purpose of the expenditure and other information required by the Treasurer. Authority to approve cheque requisitions and other instruments of expenditure is limited as follows:**

- For operating expenses, approval is limited to the purpose and amounts contained in the approved budget;**
- Expenses not budgeted, as approved by the Board of Trustees, including the use of any petty cash fund established by the Board to cover incidental expenses; and**
- For benefits and fundraising expenses, approval is limited to the amounts established by resolution of the Board for these purposes.**

**Direct bank transfer for operating costs and such other matters that may be pertinent may be arranged by the Treasurer. Credit cards may only be issued by approval of the Board.**

## **INVESTMENT OF FOUNDATION FUNDS**

**The Foundations investment policy is contained in Annex A. The Treasurer is responsible for the effective implementation of this policy and shall report as required to the Finance and Audit Committee as described in the terms of reference for that committee.**

**The Finance and Audit Committee, with the advice of the Treasurer, will recommend to the Board the most effective way of implementing this policy, including the firms or counselors and their related costs into whose care the funds will be placed.**

Funds may be invested outside the Foundation's bank account. Sufficient funds will be retained in the bank to provide for a minimum of one year's anticipated expenses and disbursements.

## EMPLOYMENT

Should the Foundation at any time consider the employment of individuals the legal status of the Foundation and its liability as an employer must be clarified and approved by the Board and any regulatory authorities that may apply. Part time staff assistance may be filled on a contractual basis through a personal services contract and payment calculated on an hourly or per diem rate. Such contracts shall not normally run for more than one year without renewal. Personal services contracts for which there are deliverables shall identify these deliverables and in principle, shall tie payment to their delivery and acceptance.

## CONTRACTS

All contracts for goods and services greater than \$1,000 in value require the approval of the Board. Requests for expenditure shall describe the requirement, the options for meeting that requirement and the proposed terms of the contract. For all contracts approved by the Board a responsible contract administration officer shall be identified who shall be accountable to the Board for that contract.

## EXPENSES

Board members and volunteers acting on behalf of the Board shall be entitled to claim reasonable travel expenses. In the case of business related to Board meetings, such entitlements may be limited and consist of costs being treated as a donation for income tax purposes. For expenses related to activities such as fundraising, benefits allocation and other Board business, out of pocket expenses may be claimed.

The Board will decide by resolution the scope and rates of compensation. The Treasure will develop and publish the related financial procedures.

## BUSINESS PLANNING

The annual budget process for the Foundation will be incorporated in the development of a Business Plan. This plan will be a living document with annual financial supplements. The plan will cover the following information:

1. A report from the President on the achievement of the purposes of the Foundation;
2. An overview of the need and fundraising environments of the previous year and a projection of these environments for the period being forecast and their implications;
3. Activities being planned for the forecast period;
4. Policy issues to be addressed in that timeframe;
5. A summary of fundraising plans for the upcoming period and lessons learned from the past that will be applied;
6. A summary of benefits distributed;
7. Organizational issues; and

**8. Such other matters that the Board deems relevant.**

The President is responsible for the preparation of the Business Plan. He will normally issue a call letter to the Vice-Presidents, the Secretary and the Treasurer in August for the Business Plan that applies to the subsequent financial year. The plan will be completed and issued by 31 December prior to that year. Copies of the Business Plan will be placed on the Foundation's website so that it is available to all Trustees and Members. Once approved by the Board, the forecast of expenditures contained in the Business Plan for the upcoming year becomes the Foundation's budget.

## **CODE OF CONDUCT AND CONFLICT OF INTEREST**

### **CONFIDENTIALITY**

Respect for confidentiality is the cornerstone of trust and confidence. All matters dealt with by the Board during in-camera meetings and matters related to staff must be held in strictest confidence. Confidentiality means Trustees may not relate such matters to anyone including immediate family members. The duty of confidentiality continues indefinitely after a Trustee has left the Board.

### **CODE OF CONDUCT**

Trustees are expected to comply with the following Code of Conduct that encourages the development of a spirit of collective decision-making, shared objectives and shared ownership of and respect for Board decisions. Trustees and staff of the Foundation will at all times conduct themselves in a manner that:

1. Supports the objectives of the Foundation;
2. Serves the overall best interests of the Foundation rather than any particular constituency;
3. Brings credibility and good will to the Foundation;
4. Respects principles of fair play and due process;
5. Demonstrates respect for individuals in all manifestations of their cultural diversity and life circumstances;
6. Respects and gives fair consideration to diverse and opposing viewpoints;
7. Demonstrates due diligence and dedication in preparation for and attendance at meetings, special events and in all other activities on behalf of the Foundation;
8. Demonstrates fair and prudent judgment, honesty, transparency and openness in their activities on behalf of the Foundation;
9. Ensures that the financial affairs of the Foundation are conducted in a responsible and transparent manner with due regard for their fiduciary responsibilities and public trusteeship;
10. Avoids real or perceived conflicts of interest;
11. Complies with the By-laws approved by the members and policies approved by the Board; and
12. Publicly demonstrates acceptance, respect and support for decisions legitimately taken in transaction of the business of the Foundation.

## CONFLICT OF INTEREST POLICY

**Conflict of Interest is defined as a situation in which personal interest of a Trustee or staff member conflicts with the interest of the Foundation. Trustees shall act at all times in the best interests of the Foundation and perform their duties in transacting the affairs of the Foundation in such a manner that promotes public confidence and trust in the integrity, objectivity and impartiality of the Foundation.**

**Trustees shall:**

1. Serve without remuneration;
2. Not derive any improper benefit of any kind by virtue of taking advantage of their position within the Foundation;
3. Disclose promptly any circumstances such as an office, property, a duty or an interest, which might create a conflict with that Trustees duty to the Foundation;
4. Disclose promptly any interest that a Trustee may have in an existing or proposed contract or transaction of or with the Foundation;
5. Not engage in activities or accept appointments or election to office in any organization or association the activities of which are, or may be perceived to be, in conflict with activities of the Foundation or an embarrassment to the Foundation;
6. Not use information obtained as a result of acting as a Trustee of the Foundation for personal benefit or for the benefit of others;
7. Obtain the approval of the President before accepting any Directorships that might benefit from or conflict with the activities of the Foundation; and
8. Be deemed in a conflict of interest if a Trustee, a Trustee's relative, a member of the Trustee's household in which any relative or member of the household is involved, has a direct or indirect financial interest in, or obligation to, or a party to a proposed or existing contract or transaction with the Foundation.

## PRINCIPLES FOR DEALING WITH A CONFLICT OF INTEREST

1. A Trustee must openly disclose a potential, real or perceived conflict of interest as soon as the issue arises and before the Board or its committees deal with the matter at issue;
2. If the Trustee is not certain they are in a conflict of interest position, the matter may be brought before the President or Board for advice and guidance;
3. If there is any question or doubt about the existence of a real or perceived conflict, the Board will determine by vote if a conflict exists. The person potentially in conflict shall be absent from the discussion and vote;
4. It is the responsibility of other Trustees who are aware of a real, potential or perceived conflict of interest on the part of a fellow Trustee to raise the issue for clarification, first with the Trustee and, if still unresolved, with the President;
5. The Trustee must abstain from participation in any discussion on the matter, shall not attempt to personally influence the outcome, shall refrain from voting on the matter and unless otherwise decided by the Board, must leave the meeting room for the direction of any such discussion or vote; and

6. The disclosure and decision as to whether a conflict exists shall be duly recorded in the minutes of the meeting. The time the person left and returned to the meeting shall also be recorded.

#### DISPOSITION OF DISPUTES AND COMPLAINTS INVOLVING TRUSTEES

1. The Officers of the Foundation, in a meeting duly called for the purpose, shall review any complaints that a Trustee has violated any provision of the Foundation Deed of Trust, By-laws, Governance, Code of Conduct or Confidentiality policies;
2. The Officers of the Foundation shall similarly review disputes between Trustees that interfere with the ability of the Board to carry on its business;
3. Complaints of a grave nature may be referred to an independent arbiter;
4. Allegations of illegal activity shall be immediately referred to police or other appropriate authorities for investigation. Any Trustee against whom such allegations are made shall take a leave of absence from the Board pending completion of the investigation;
5. The review of such complaints or disputes shall include an opportunity for the Trustees concerned to present their positions. Officers of the Foundation who originate or are the subject of such complaints or disputes must declare their conflict and absent themselves from such meetings;
6. Every attempt should be made to resolve such matters expeditiously and fairly;
7. The recommendations regarding resolution of such matters shall be brought to the Board for approval; and
8. The ruling of the Board shall be final. Should the Trustee refuse to abide by the ruling the Board may table the matter pending determination of disciplinary action. Such action may include formal or informal censure by the President, suspension or a request for the Trustee's resignation.

## RISK MANAGEMENT

### INTRODUCTION

The Board of Trustees has a responsibility to ensure the identification of the principal risks of the Foundation and to monitor the implementation of systems to manage these risks. The purpose of this policy is to describe the processes and structures that will be used to discharge that duty of the Board. Increased risk awareness serves to support better decision-making.

### RISK MANAGEMENT

Risk management is defined as the process of identifying, analyzing, evaluating, treating, monitoring and communicating risks associated with any function or process in order to minimize potential losses and maximize opportunities. Risk management is an integral part of the planning and operating processes of the Foundation and is therefore the responsibility of all Trustees.

### RISK MANAGEMENT ARCHITECTURE

The risk management architecture adopted for use is one that qualitatively measures both the consequence and impact of a particular risk and the likelihood of that risk in order to classify the overall level of risk as extreme, high, moderate or low. Consequence or impact and likelihood are classified as follows:

## 1. Consequence or Impact

	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Catastrophic
<b>People</b>	Injuries or ailments not requiring medical treatment.	Minor injury or First Aid Treatment Case.	Serious injury causing hospitalisation or multiple medical treatment cases.	Life threatening injury or multiple serious injuries causing hospitalisation.	Death or multiple life threatening injuries.
<b>Reputation</b>	Internal Review	Scrutiny required by internal committees or internal audit to prevent escalation.	Scrutiny required by external committees or ACT Auditor General's Office, or inquest, etc.	Intense public, political and media scrutiny. Eg: front page headlines, TV, etc.	Assembly inquiry or Commission of inquiry or adverse national media.
<b>Business Process &amp; Systems</b>	Minor errors in systems or processes requiring corrective action, or minor delay without impact on overall schedule.	Policy procedural rule occasionally not met or services do not fully meet needs.	One or more key accountability requirements not met. Inconvenient but not threatening the completion of the project.	Strategies not consistent with Regiment's agenda. Project is at risk of failure.	Critical system failure, bad policy advice or ongoing non-compliance. Project failure.
<b>Financial</b>	1% of Budget less than \$500	2.5% of Budget \$500-\$1000	> 5% of Budget \$1000 - \$5000	> 10% of Budget \$5000 - \$10,000	>25% of Budget more than \$10K

## 2. Likelihood

Level	Probability:	Historical:
Almost Certain	>1 in 10	Is expected to occur in most circumstances
Likely	1 in 10 - 100	Will probably occur
Possible	1 in 100 – 1,000	Might occur at some time in the future
Unlikely	1 in 1,000 – 10,000	Could occur but doubtful
Rare	1 in 10,000 – 100,000	May occur but only in exceptional circumstances

## 3. Overall Risk Management Analysis Matrix

The resulting overall risk management analysis matrix appears as follows, in which E is extreme risk, H is high risk, M is moderate risk, and L is low risk:

	Insignificant	Minor	Moderate	Major	Catastrophic
	1	2	3	4	5
Almost Certain	M	H	H	E	E
Likely	M	M	H	H	E
Possible	L	M	M	H	E
Unlikely	L	M	M	H	H
Rare	L	L	M	M	H

## RESPONSIBILITIES

The Board of Trustees, through the planning process, participates in a periodic strategic analysis, including the analysis of opportunities and threats. This process serves to highlight many of the market and environmental risks faced by the Foundation.

The Board assigns the responsibility for the initial and detailed review of risk management processes, structures and reports to the Audit & Finance Committee. The Committee will, following its review of a risk management inventory and reports, cause them to be submitted to the Board for review.

A risk inventory will be maintained in a risk register and annual reports submitted to the Board of Trustees. Such reports will provide a summary of the register, highlighting extreme and high risks and the methods being used to manage or mitigate those risks.

A Risk Management Handbook for project managers has been developed and can be downloaded from the Foundation web site.

## INTERNAL CONTROL

Internal control is broadly defined as a process, effected by the Board of Trustees, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations.
- Reliability of financial reporting.
- Compliance with applicable laws and regulations.

The first category addresses basic business objectives, including performance and profitability goals and safeguarding of resources, including loss prevention. The second relates to the preparation of reliable published financial statements, including interim and condensed financial statements and selected financial data derived from such statements, such as earnings releases, reported publicly. The third deals with complying with those laws and regulations to which the entity is subject. These distinct but overlapping categories address different needs and allow a directed focus to meet the separate needs.

Internal control systems operate at different levels of effectiveness. Internal control can be judged effective in each of the three categories, respectively, if the board of directors and management have reasonable assurance that:

- They understand the extent to which the entity's operations objectives are being achieved.
- Published financial statements are being prepared reliably.
- Applicable laws and regulations are being complied with.

Internal control consists of five interrelated components. These are derived from the way management runs an organization, and are integrated with the management process. The components are:

### CONTROL ENVIRONMENT

The control environment sets the tone of an organization, influencing the control consciousness of its people. It is the foundation for all other components of internal control, providing discipline and structure. Control environment factors include the integrity, ethical values and competence of the entity's people; management's philosophy and operating style; the way management assigns authority and responsibility, and organizes and develops its people; and the attention and direction provided by the board of directors.

## RISK ASSESSMENT

Every entity faces a variety of risks from external and internal sources that must be assessed. A precondition to risk assessment is establishment of objectives, linked at different levels and internally consistent. Risk assessment is the identification and analysis of relevant risks to achievement of the objectives, forming a basis for determining how the risks should be managed. Because economic, industry, regulatory and operating conditions will continue to change, mechanisms are needed to identify and deal with the special risks associated with change.

## CONTROL ACTIVITIES

Control activities are the policies and procedures that help ensure management directives are carried out. They help ensure that necessary actions are taken to address risks to achievement of the entity's objectives. Control activities occur throughout the organization, at all levels and in all functions. They include a range of activities as diverse as approvals, authorizations, verifications, reconciliations, reviews of operating performance, security of assets and segregation of duties.

## INFORMATION AND COMMUNICATION

Pertinent information must be identified, captured and communicated in a form and timeframe that enable people to carry out their responsibilities. Everyone must receive a clear message from the top that control responsibilities must be taken seriously. They must understand their own role in the internal control system, as well as how individual activities relate to the work of others. They must have a means of communicating significant information upstream. There also needs to be effective communication with external parties, such as members, donors, suppliers, regulators and stakeholders.

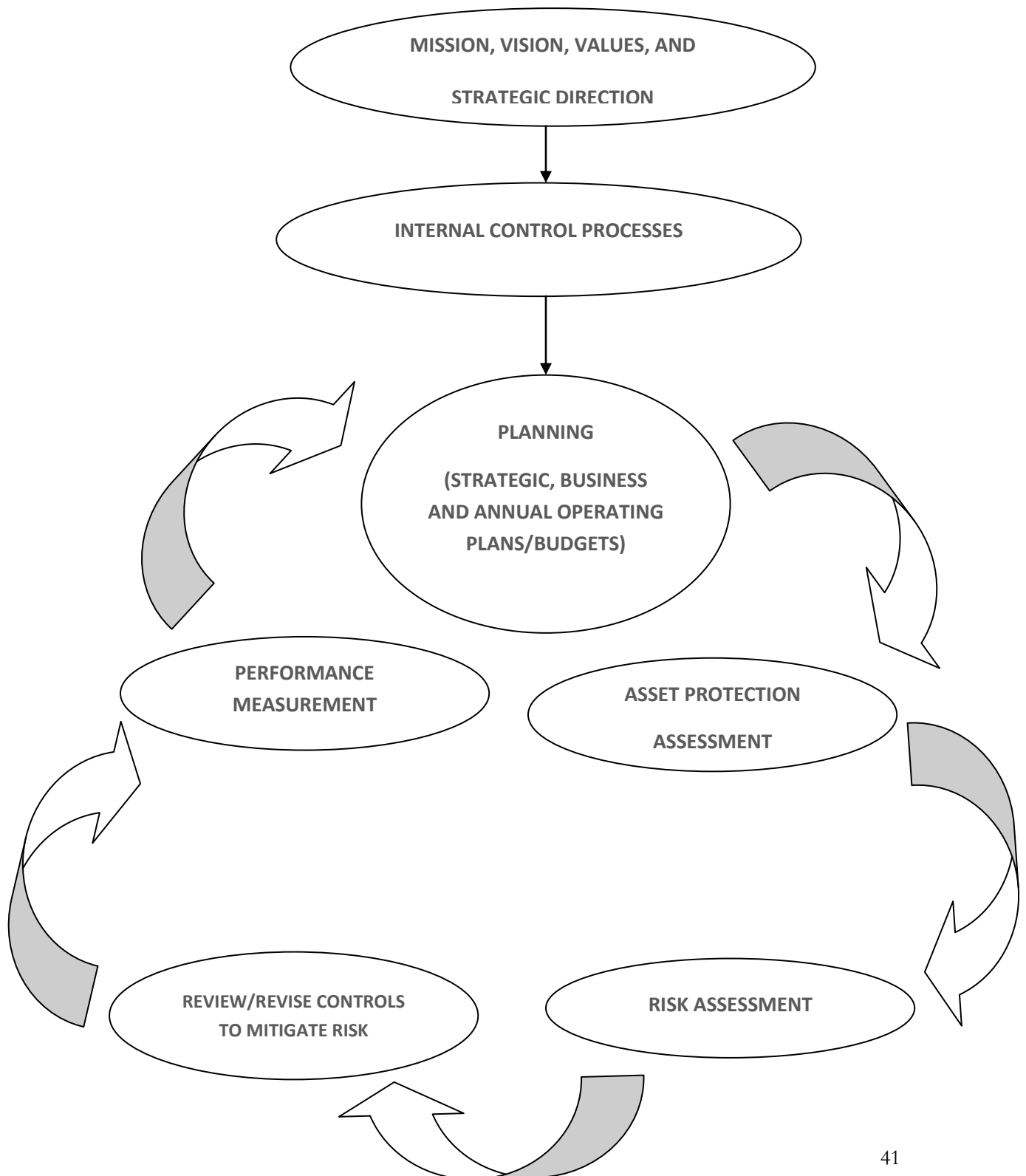
## MONITORING

Internal control systems need to be monitored--a process that assesses the quality of the system's performance over time. Within the Foundation this responsibility is that of the executive and the Audit & Finance Committee. Internal control deficiencies are to be reported to the Board.

The internal control definition--with its underlying fundamental concepts of a process, effected by people, providing reasonable assurance--together with the categorization of objectives and the components and criteria for effectiveness, and the associated discussions, constitute this internal control framework. A model for internal control from the Board perspective is shown on the following page.



## INTERNAL CONTROL MODEL (A BOARD PERSPECTIVE)



## ANNEX A - FOUNDATION INVESTMENT POLICY

### GENERAL

All matters of financial management concerned with the Foundation's finances must be in accordance with the Articles set out in Article XII of the Deed of Trusts and the By-laws and with legislation and regulations governing the Foundation. This Investment Policy provides the guidelines for a long-term investment strategy for the Foundation so that its resources are secured and managed in such a way that the capacity of the Foundation to do charitable work is protected and enhanced.

### SCOPE OF POLICY

This policy promotes the concept of prudent investment policies, standards, and procedures expected in dealing with the property of others. It provides direction for investment planning and management and will remain in place until changed by the Board.

An Investment Policy endures all financial market cycles and changing market sentiment. Developing, implementing and maintaining investment portfolios through a policy that provides an appropriate, disciplined, investment process. It facilitates understanding and communication regarding investment management on an ongoing basis and reduces the possibility of inappropriate short-term investment decisions.

### INVESTMENT OBJECTIVES

The Foundation's long-term investment objectives are:

1. To preserve the capital of the Foundation's funds;
2. To obtain a reasonable rate of return on the investments without undue risk of loss or impairment; and
3. To make investment decisions, having regard to the following priorities:
  - a. capital preservation,
  - b. income,
  - c. growth,
  - d. liquidity, and
  - e. tax efficiency.

### INVESTMENT POWERS

The Article V of the Deed of Trust and the By-laws of the Foundation in Section V articles 35 to 39 provide the authority for the board to receive and invest funds for the purposes of furthering the purposes of the Foundation. Responsibility for implementing these responsibilities is delegated to the Treasurer and the Finance and Audit Committee as described in Chapters 2 and 3. The committee shall be responsible for developing and recommending to the Board long-term financial objectives and investment strategies and plans. The committee shall be responsible for ensuring compliance with long-term financial objectives and investment policies approved by the Board. The committee shall report to the Board semi-annually on the investment performance of the Funds, on the compliance by the Committee with the policies approved by the Board, and on the compliance with the conflict of

interest policy set out below. The committee shall provide an annual report to the Board summarizing the management, operation and performance of the Funds for the fiscal year. This report shall be part of the business planning cycle.

#### INVESTMENT GUIDELINES

The following guidelines shall be considered in evaluating an investment decision [Note: these guidelines are temporary and are subject to review by the A&F Committee, in consultation with the Treasurer and President, based upon advice from an investment manager, if and when one is engaged]:

1. Capital preservation;
2. The long-term goal is to distribute income equivalent to 4% of the market value of the Endowment Account taken at the beginning of the fiscal year;
3. Reasonable capital growth shall be sought in addition to the Consumer Price Index (CPI);
4. The committee may invest in one or more mutual funds or equivalent professionally managed investment vehicles;
5. The committee shall appoint a Financial Advisor to assist the Committee in making investment decisions;
6. The Operating Account shall be invested 100% in cash or cash equivalents;
7. The Endowment Account strategic asset allocation shall be 5% cash or cash equivalents, 45% income and 50% equities; and
8. Rebalancing will normally be done within a 5% margin of tolerance.

#### LIABILITY

The Board is not liable for a loss to the capital if the conduct of the Board conformed to a plan or strategy for investments consistent with this policy, and if the Board undertook a reasonable assessment of risks and investment returns that a prudent investor would adopt under comparable or similar circumstances.

## CHAPTER 6 – FUNDRAISING

### INTRODUCTION

Effective fundraising is at the core of the Foundation's purpose. Money is required to fund our charitable activities. The level of funds made available to us from donors is more a reflection on our skills at motivation and management than on their generosity. Fundraising is a highly competitive activity in Canada today and to be successful we must have a cause people can identify with and support.

This chapter lays out broad avenues of approach and policy guidance. It is NOT a fundraising plan.

### PRINCIPLES OF FOUNDATION FUNDRAISING

Fundraising by the Foundation will follow these principles:

1. Case statements that clearly lay out the motive and rationale for donors to contribute to the Foundation shall be undertaken and revised as necessary to reflect changing donor perceptions;
2. Maximum use shall be made of electronic means to raise the profile of the Foundation and the Regiment to ensure that fundraising is not undertaken in a vacuum;
3. A leader will be assigned to lead every campaign;
4. Fundraising shall have a donor focus, with donors being kept in the picture and at all stages through proactive communications;
5. Donations shall be recognized in a manner appropriate to the gift;
6. Programs will be monitored to assess their effectiveness and programs adjusted to reflect experience in any campaign;
7. Financial goals shall be developed that are realistic and achievable; and
8. Where other charities with similar goals have achieved success the Foundation program should exploit this success by the most appropriate means.

### SCOPE OF FUNDRAISING

In addition to this policy, fundraising includes:

1. Multi-year fundraising plans that identify needs, donors and supporters and the means to be used;
2. Campaign plans that detail how the fundraising plans will be implemented;
3. The structure of volunteers necessary to put campaign plans into action;
4. The communications means by which support is solicited; and
5. The control systems by which fundraising is controlled and monitored.

### TYPES OF CAMPAIGNS

A fundraising plan may address several campaigns over a number of years. This may include:

- *Capital campaigns* to raise funds for the establishment of an endowment fund or to fund an event or series of events, such as the celebration of the Regiment's 100th Anniversary;
- *Project campaigns* to raise funds for a specific and limited purpose, such as a contribution to a veteran's hospital;
- *Membership campaigns* that encourage membership in the Foundation on a multi-year basis;
- *Annual campaigns* designed to replace funds in the endowment account. Such campaigns shall only be used when other means are unsuccessful;
- *Endowment campaigns* that raise funds through many small donations, multi-year pledges, bequest or other forms of planned giving. Together with membership campaigns, endowment campaigns may be ongoing rather than time limited; and
- *Combined campaigns*, usually a combination of a capital or project campaign and endowment campaigns.

Fundraising events such as galas, casinos, auctions, draws and similar one-time means may be included in fundraising plans with the approval of the Board.

## FUNDRAISING TEAMS

When the needs of a campaign exceed the capability of the Board, additional volunteers may be recruited and trained. Regional Fundraising Teams may also be used.

## USE OF CONSULTANTS

Fundraising consultants may be contracted or hired with the approval of the Board. Consultants can bring to the campaign a range of skills, knowledge, contacts and experience that will not normally be found within the Foundation.

## RESPONSIBILITY

Fundraising is the responsibility of all Foundation trustees and members. Within the Board, the Vice-President Fundraising and the Fundraising Committee are specifically charged with developing and implementing plans and campaigns.

## CHAPTER 7 – BENEFIT ALLOCATION

### OVERVIEW

The Foundation will distribute assets to further its objects in accordance with the policies and procedures contained in this chapter of the Manual.

### SCOPE

This chapter establishes the policy for planned and unforeseen asset allocations in the form of benefits to donees and the procedures to be followed for them.

### CONSTRAINTS

There are a number of constraints to articulating both allocation policy and the list of potential recipients. These include, but may not be limited to, the following:

- Conformity of the purpose of the grant, loan or transfer with the Deed of Trust approved by the CRA, the purposes and activities implied therein and the By-laws of the Foundation.
- Willingness of the recipient to accept financial support from the Foundation and the terms and conditions that might apply in so doing. Most charitable organizations reviewed accept donations from external foundations. Some request agreement in advance to the use of their name as a future recipient of proceeds raised by a third party. This must be confirmed with each potential recipient.
- Limitations on the donees to whom benefits may be given as defined by the Income Tax Act, Subsection 258 (1) or to organizations with similar objectives under Subsection 149.1(16) of the Income Tax Act.
- The funds available for distribution.
- The priorities set by the Trustees for each year and emerging circumstances during the year that may require adjustment to these priorities.
- Minimum distribution amounts required for charitable organizations by the CRA.

### RESPONSIBILITIES

- The duties and responsibilities of the Vice-President Benefits (VP Benefits) are contained in Chapter 2. The VP Benefits chairs the Benefits Committee. This committee's responsibilities are listed in Chapter 3. The Benefits Committee is responsible for developing and implementing the benefits policy of the Foundation.
- Prior to the beginning of each fiscal year the VP Benefits shall present to the Board the proposals of the Benefits Committee for their consideration and approval and inclusion in the forthcoming Business Plan. The Business Plan process is contained in Chapter 5. These proposals shall include:
  - Any minimum allocation required by the CRA.
  - The current year's initial allocation and its actual distribution.
  - Evaluation reports of past allocations.
  - Factors affecting the upcoming year's sector allocations and the overall demand expected.

- Recommended allocation for the year by sector.

VP Benefits will ensure that the payment procedures contained in Chapter 4 are followed.

## PRIORITIES

The Benefits Committee, in recommending the allocation for the upcoming year, will ensure that priorities are proposed that reflect VPF objects. In particular, the needs of soldiers, veterans and families shall be considered first unless overwhelming arguments are in place for other prioritization.

In determining its priorities for each year the Benefits Committee will attempt, in consultation with the REC and PPCLI Association, to determine the area(s) of “greatest need”, keeping in mind previously made commitments coming due or that were unable to be met as originally planned (e.g. lack of funds, recipient unable/unready to accept, reduced need, etc).

## RECIPIENTS

Recipients will generally fall into three categories: individuals, small groups or agencies, and other charitable organizations. The purposes and activities of the Foundation allow for distribution of benefits to each of these categories’ however each request and category may require a unique approach in assessing need or worthiness.

## INDIVIDUAL RECIPIENTS – PRINCIPLES

The following principles will apply to individual grants or loans. These principles are consistent with those followed by the Volunteer Patricia Program (VPP) of the Association and the NDHQ-managed Military Families Fund:

- The Foundation supports all who have served in or with the Regiment and their families and survivors.
- Family beneficiaries must be blood or common law relations of the service member.
- The Foundation will complement rather than replace existing care providers but may supplement these or be in advance of them in the event of emergencies.
- Support will not be denied under any of the areas of discrimination stated in the Charter of Rights and Freedoms.
- A real need must exist and be verifiable by the Regimental Veterans’ Care Cell, a unit CO, an Association officer, a service officer of the Legion or ANAF Veterans of Canada or a similarly qualified care giver or supporter.
- Applications for support will be submitted in writing and will be assessed as to need and the funds or support required.
- Trustees, members and volunteers will not deal directly with those who request support. An arms length relationship is required for the protection of the Foundation and its trustees and members to avoid unnecessary legal exposure. Requests for individual assistance will be directed through third parties as described below under the heading ‘processes’.

## SUPPORT TO GROUP RECIPIENTS

Group recipients are usually non charitable organizations whose support meets the constraints listed above. They may be cadet corps, schools, communities, C/MFRCs, Regimental entities involved in a special project or similar organizations. Each request will need to be assessed on a case-by-case basis against priorities, funds available and impact.

## OTHER CHARITABLE ORGANIZATIONS

Support to other charitable organizations will also be in accordance with the constraints listed above. Charitable organizations may be national or local. A list of known national and local charitable organizations whose objects or purposes are similar to that of the Foundation will be maintained by the Benefits Committee with input and advice from the Veterans' Care Cell at Regimental Headquarters (RHQ).

## BENEFITS ALLOCATION DECISIONS WITH REGARD TO INDIVIDUAL REQUESTS FOR ASSISTANCE

Within the agreed annual allocation plan, the Benefits Allocation Committee has the authority to approve loans or grants that meet its criteria. Requests that fall outside the boundaries of the approved annual allocation plan and that may affect future flexibility must be approved by the trustees. Requests for support from organizations will be managed in the annual allocation planning stage.

The annual allocation plan will:

- a. attempt to provide an appropriate level of service using partnerships rather than direct contact with individuals;
- b. seek input from the Regimental Executive Committee and the PPCLI Association;
- c. give preference to smaller organizations with some internal fundraising capability and small charities with little or no fundraising capability;
- d. reserve some of each year's annual allocation for unforeseen needs for individual support by releasing contributions to other charitable organizations in phases.

## APPROVAL AUTHORITY

The Benefits Committee may approve supported applications for financial assistance up to \$5,000. Recommendations for support above this level will be sent to the Board with a note covering the background to the request and the recommendations of the Committee.

## PRIVACY AND RECORD-KEEPING

The Benefits Committee shall ensure that the privacy of individuals is protected. While the Foundation is not subject to federal privacy legislation, many of its third party partners are. Thus to maintain credibility and good communications with them, all matters regarding requests for support and the deliberations thereon shall be treated as if the federal Privacy Act applies to the Foundation. Further, as any request for support may be subject to a legal request for information or a media inquiry, the rationale for decisions taken in all cases must be clearly recorded in the minutes of the committee making the decision.



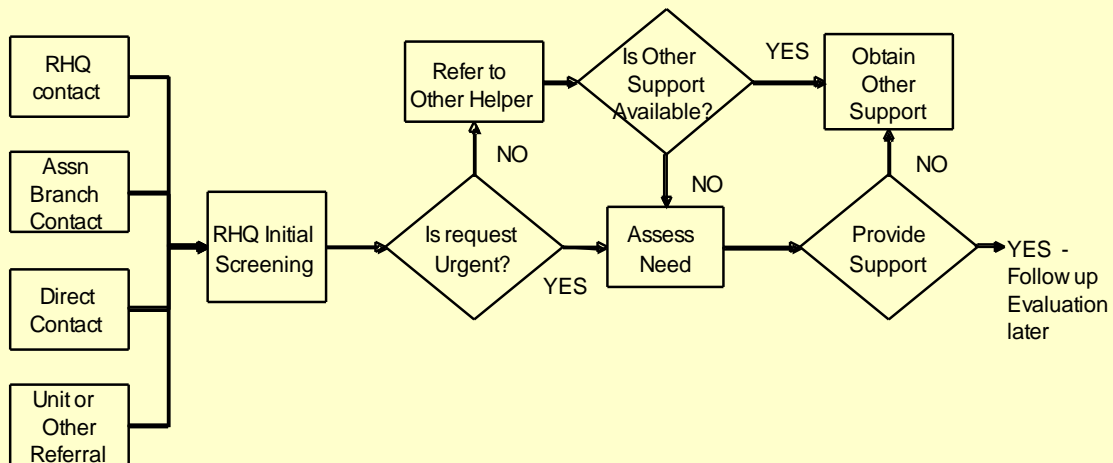
## EVALUATION

The effectiveness of each grant or loan will be evaluated by the Benefits Allocation Committee within one year of allocation to ensure that the distribution of assets met meets the objects of the VPF and other constraints and so that lessons learned are captured and applied for future similar situations. Such evaluations shall be subject to constraints on grants by the CRA as expressed in the Foundation's Deed of Trust.

## PROCESS

In keeping with the principles for individual financial support, the process to be used emphasizes an arm's length relationship with the individual. First assessment as to need and urgency will be undertaken by a third party. This will normally be the RHQ Veterans' Care Cell which will assess the validity and urgency of the request, and determine which program or agency is most suited to provide support. If RHQ considers that the Foundation is the most suitable agency then it will forward the request and recommendation to the VP Benefits for consideration. If the Benefits Committee views the request favourably it will advise the third party and send financial support through that party unless it is more prudent to do otherwise. The diagram below shows the basic process used in providing support to individuals or families. It is a simple input-process-output flow.

### CLIENT REQUEST AND DECISION PROCESS



## PROCESS FOR GROUPS AND OTHER CHARITABLE ORGANIZATIONS

The process to be used in receiving requests or initiating support to groups or other charitable organizations will be established by the Benefits and Allocations Committee on a case-by-case basis.

## PUBLIC REPORTING

In addition to protected reports provided to the Board on its activities, the Benefits Committee shall prepare and publish a public report on its benefits distribution activities over the past year. The committee may consider the format used by the Military Families Fund as a guide.

## CHAPTER 8 – MARKETING AND COMMUNICATIONS

### IMAGE AND SUSTAINABILITY MARKETING

Awareness of what the Foundation is and the role it plays is vital to success in meeting the Foundation's goals and supporting its charitable purposes. It is necessary to be effective at this level through branding and ensuring on-going stakeholder buy-in and awareness. All other marketing initiatives rely on strength at this level.

### SCOPE

Marketing and communications activity includes all internal and external communications related to the program but excludes normal operational communications related to day-to-day activities. Thus the scope includes all brochures, announcements, and activity reports to the media, the Foundation web site, briefings, symposia and similar measures. All such activity falls within the scope of the communications plan and should conform to the plan's objectives, themes and priorities.

### MARKETING TO SUPPORT STRATEGY

The Foundation has three strategic directions (Fundraising, Investment and Administration of the Funds, and Distribution of Benefits for charitable purposes.). This plan looks at each strategic area to ensure that marketing support is addressed for each strategy:

- **Fundraising.** Fundraising via both the Fundraising Committee and through the Sponsorship and Major Gifts Committee is the key strategic direction and the *raison d'être* of the Foundation as it provides the Foundation with the resources it needs to pursue its charitable purposes. The Foundation competes for donor/funder and sponsor support in a very competitive market for charitable gifts and funding. As a consequence, messaging based on a solid case statement is vital. The statement of the case must take a prominent place in all our marketing, communications and promotional material, including the website. And this statement may have to be tailored to suit the prospect being addressed.
- **Investment and Administration of the Funds.** Key messaging on this strategic direction revolves around prudence and responsibility. To that end, the development and implementation of the Foundation's investment policy will be completed as a priority task. The Foundation must ensure that its investment and expenditure policies and practices are transparent and that the expenses of the Foundation are minimized. This provides confidence that the Foundation is not simply raising money to administer itself, but to deliver real benefits to those in need.
- **Distribution of Benefits.** The Foundation will need to demonstrate that it has an effective and credible allocations/benefits policy that will pass scrutiny by all stakeholders. This means that wherever privacy concerns allow, that the Foundation reports its good works to its stakeholders and the public.

### COMMUNICATIONS AND MARKETING RESPONSIBILITY

The Vice-President, Marketing and Communications is responsible for the development and implementation of the Foundation's marketing and communications plans. The Vice-President, M&C, as a member of the Fundraising Committee, may use the resources of that committee to assist him. The

guidelines in this chapter are intended to serve as a tool in developing a marketing and communications plan and in prioritizing and establishing how new ideas fit in a strategic sense.

## CURRENT MARKETPLACE ENVIRONMENT

The market for charitable gifts is extremely crowded. There are countless charitable organizations competing for donors, funders and sponsors. It is important therefore to analyze and target market segments very carefully. The starting point for doing this should be our list of stakeholders for they comprise our most important audiences.

Similarly, we compete in a market for volunteer support, not only in the office of the Foundation in Calgary, but in the volunteers who form the committees across the country. The keys to attracting and retaining these volunteers is the satisfaction they receive from helping fellow comrades to be productive and happy members of the community, and in facilitating programs that support the commemoration and celebration of the PPCLI.

## TARGET AUDIENCES

The targets of the plan are a combination of internal and external audiences. The internal audiences include serving and past members of the Regiment. External audiences include the remainder of DND/CF, the media, government and the general public. Also included are supporters of the Regiment and military affairs generally who are less disinterested than the general public and from whom support is most critical.

## BRANDING

The PPCLI has a strong and nationally well-recognized brand. The Foundation will serve to leverage and build upon that brand in everything that it does, while at the same time developing its own “sub-brand”, supporting the main brand. There can be nothing that the Foundation does that will bring the PPCLI brand into disrepute. To this end, it is vital that messaging, symbols and tag lines be developed that play on the national brand recognition and be used consistently in all campaign and Foundation materials.

## CLIENT AND OTHER STAKEHOLDER NEEDS

Determining client and other stakeholder needs is essential to marketing in order to better understand what is expected from the Foundation in the longer-term. Client and other stakeholder opinions provide valuable insights in evaluating existing programs and services and in determining new offerings. Development of a client/stakeholder survey is contemplated following the 100th Anniversary, possibly as early as 2015.

## IMPLEMENTATION AND RESOURCES

Implementation is the key to a winning marketing plan. One of the roles of the Fundraising Committee will be to review and validate this plan, with a view to the prioritization of tasks, beginning with key tasks and accomplishing activities insofar as financing permits. With respect to marketing and Communications, the role of this committee is to:

1. Develop and, annually, evaluate and update the Committee's Terms of Reference and the Marketing and Communications Plan.
2. Participate in the review of any Marketing and Communications tasks and then schedule time lines and budgets for each task.
3. Evaluate new tasks on their value, feasibility, and cost to supply and how it will impact the Foundation.
4. Make recommendations to the Board based on findings for each task.
5. Through Marketing and Communications efforts, help raise the Foundation's profile.

## PLAN APPROVAL

The Vice-President, M&C will develop the annual plan with input from the Fundraising Committee. This plan shall include a cost estimate. Costs related to marketing are generally considered by the CRA to be fundraising expenditures and not charitable activity per se.

## PLAN DELIVERY

Communications Plan delivery falls into three categories:

1. *Category 1 – Releases and information on Fundraising, Program Activity and Benefit Programs Available.* There are three standing outlets for program information; the Foundation website, newsletters and brochures.
2. *Category 2 - Local Media Coverage of Foundation Charitable Activities.* Media releases may be required to explain and draw attention to any local activities in support of Regimental veterans and other donees.
3. *Category 3 – Responses to Crises or Complaints.* The Foundation may face situations where it must respond to media inquiries that are both serious and sensitive. Such situations could include a claim of unwarranted rejection of a request for assistance, suicide or violence against others, improper financial administration or a threat of lawsuit because of an implied act or neglect. In these circumstances, responses should be limited to facts and the circumstances referred to the Director Marketing and Communications and the President.

## COMMUNICATIONS AND MARKETING MATERIALS

### A COMMON THEME AND PRESENTATION

All electronic and printed material shall use a standard theme and logo. Each medium should reinforce the image of the Foundation and underscore its core purposes.

### PRESENTATIONS AND DISPLAYS

Some priority will be afforded to the production of PowerPoint and other presentations for use by regional fundraising teams and others in approaches to prospective donors, funders and sponsors.

### WEBSITE

The Foundation recognizes that technology and the World Wide Web are important vehicles for marketing and communication. The website must reinforce the Foundation's identity and purpose as well as provide useful links to other sites and provide a vehicle for fundraising.

### SOCIAL MEDIA

**Social media may be used to raise the profile of the Foundation and to communicate its achievements.**

#### **PRINTED MATERIAL**

**The following are examples of printed material that may be developed and used:**

- **Articles and inserts for the Patrician.**
- **Articles and inserts for electronic and hard copy Regimental and Association Newsletters.**
- **Business cards for individuals who operate in a direct fundraising capacity.**
- **Promotional Brochures such as Reasons to be a Member – Foundation membership, and accessing the Benefits Programs of the Foundation.**
- **Foundation Newsletter(s) for issue semi-annually to members, donors, funders and sponsors and prospects and for web access.**

#### **OTHER MATERIALS**

- **PowerPoint presentation for use by all Foundation trustees and regional fundraising committees/teams.**
- **Foundation pins, pens and other promotional/recognition materials – used for achievement and speakers.**