

TERMS OF REFERENCE FOR THE GOVERNANCE COMMITTEE

I. PURPOSE

The purpose of the Governance Committee (the “Committee”) is to assist the Board in assessing and make recommendations regarding Board effectiveness, policy development and review, providing direction regarding director development and leading the process for recommending director criteria to the Government for consideration when appointing new directors.

II. COMPOSITION AND OPERATIONS

- A.** The Committee shall be composed of not fewer than four directors. The Board Chair is an ex-officio member of the Committee.
- B.** The Committee shall operate in a manner that is consistent with the Committee Operating Guidelines outlined in Tab C-1 of the Board Manual.
- C.** The Committee shall meet at least four times each year.
- D.** Quorum will consist of two committee members.

III. DUTIES AND RESPONSIBILITIES

Subject to the powers and duties of the Board, the Committee will perform the following duties:

- A.** Review annually, for Board approval, a Board Manual outlining the policies and procedures by which the Board will operate and the terms of reference for the Board, the Board Chair, the CEO, a Director and Committees;
- B.** Recommend to the Board, and annually implement an appropriate evaluation process for the Board, the Board Chair, and Committees and assume responsibility for recommending an individual director evaluation at the appropriate time.
- C.** With regard to Board composition planning and director recruitment:
 - i)** Develop, and annually update, a long-term plan for Board composition and succession that takes into consideration the current strengths, skills and experience on the Board, retirement dates, needs of Board committees and the strategic direction of the

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- ITA. Use this plan as a basis for developing the Board’s “Ideal Skills Matrix”.
- ii) Develop recommendations regarding the essential and desired experiences and skills for potential directors, taking into consideration the Board’s short-term needs and long-term succession plans.
 - iii) In consultation with the Board Chair and CEO, recommend to the Board:
 - a) a Board succession plan to facilitate the orderly turnover of directors; and
 - b) the criteria and potential candidates the Minister should consider when appointing directors to the Board.
- D.** Review, monitor and make recommendations regarding director orientation and ongoing development.
- E.** Ensure there is a process that enables a committee or director to engage separate independent counsel in appropriate circumstances, at the Authority’s expense, and be responsible for the ongoing administration of such a process.
- F.** Ensure development and the ongoing adherence to a company wide code of conduct through periodic reporting from the CEO to the committee.
- G.** Recommend to the Board any reports on governance that may be required or considered advisable.
- H.** At the request of the Board Chair or the Board, undertake such other corporate governance initiatives as may be necessary or desirable to contribute to the success of the Authority.
- I.** Assess policy recommendations as requested by management, to recommend to the Board Chair whether full Board discussion is required; if full Board discussion is not required, a sub-committee may be struck to provide a Board proxy perspective for the following::
- i) new policy directions;
 - ii) changes to existing policies that have significant financing or public implication; and

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- iii) the Policy Exception Log.

IV. ACCOUNTABILITY

The Committee shall report its discussions to the Board at the next Board meeting.

V. COMMITTEE TIMETABLE

The timetable on the following pages outlines the Committee's schedule of activities.

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	May	Jul	Sept	Oct	Nov	Jan	Mar
A. Skills Matrix	Ensure matrix is current and reflects the on-going needs of the Board						
B. Board Succession Plan	Review the current terms for directors, identify upcoming vacancies (if any) and proceed with Appointment or Re-Appointment process						
C. Board Evaluation			Evaluation(s) – Board, Board Chair & Committees (individual director evaluations at the appropriate time)	Review & analysis of completed evaluations	Follow-up, as necessary, from review and analysis of completed evaluations		
D. Program Operations Policy Audit		Review annual program Operations Policy Audit presented by ITA management. If Board approval recommended, item to be placed on the Consent Agenda for next Board meeting				Review annual program Operations Program Administration Policy Audit presented by ITA management If Board approval recommended, item to be placed on the Consent Agenda for next Board meeting	
E. Policy Exception Log						Policy Exceptions granted by the CEO during the previous calendar year are brought to the Governance Committee for review to identify any systemic issues requiring policy amendments. If Board approval recommended, item to be placed on the Consent Agenda for next Board meeting.	
F. Code of Conduct		CEO reports to the committee of the on-going adherence to company wide				CEO reports to the committee of the on-going adherence to company wide	

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	May	Jul	Sept	Oct	Nov	Jan	Mar
		Code of Conduct (2x annually)				Code of Conduct (2x annually)	
G. Governance Manual							Review Governance Manual to ensure Terms of Reference (Board & committees), Board Operating Policies/Processes are current. Any recommendations to be brought forward for approval at next Board meeting.
H. Director Orientation & Development Plan		Canvas directors to determine their training and education needs and interests and translate into a plan for the following fiscal year	Review, monitor and make recommendations to the board regarding directors' development - Ongoing				
I. Review & Recommend: • New Policy Directions • Changes to existing policies that have significant financing or public implication	As required.						

Note: Committee meetings are scheduled approximately every two months with the exception of September – October to deal with evaluations.