

CO-OPERATIVE HOUSING FEDERATION OF CANADA

POLICY MANUAL

DATE ISSUED:

May 2011

NUMBER:

2.2.5.21

REPLACING ISSUE OF:

April 2006, April 2004, November 2003

CROSS REFERENCE:

None

DATE OF LAST REVIEW:

2011

AUTHORITY:

Board of Directors

DUE FOR NEXT REVIEW:

2016

SUBJECT:

Appointment of Directors to The Agency
For Co-operative Housing

1. Introduction

The Agency for Co-operative Housing (the Agency) is an accountable non-governmental organization formed to administer co-operative housing programs on behalf of the federal government and, as the opportunity arises, other governments. The Agency was incorporated in June 2004 under the *Canada Cooperatives Act*. CHF Canada is its sole member.

2. Composition of the Board

The Agency will have a board of six directors chosen by the board of directors of CHF Canada.

The Agency's by-laws provide that if, at some time in the future, the Agency assumes responsibility for the administration of the federal co-operative housing programs in Quebec, an additional position will be created on the board of directors. The regional composition of the existing board, as set out below, will require reconfiguration at that time as appropriate to provide for representation from Quebec.

3. Term of Office

After the appointment of the initial directors, members of the Agency's board of directors will normally be appointed for a three-year term. As provided in the Agency's by-laws, no director may serve more than two complete consecutive three-year terms.

4. Qualifications of Directors

All directors of the Agency will be required to

- be financially literate, i.e. possess the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues comparable to those likely to be found at the Agency;
- be prepared to attend meetings regularly and otherwise to dedicate the time and energy necessary to the Agency's effective governance;
- meet any other qualifications established by the Agency for directors generally.

In naming persons to the Agency's board, CHF Canada will attempt to ensure that collectively the directors possess knowledge and experience in fields relevant to the Agency's mandate and operations, including:

- co-operative housing,
- property management,
- regional housing markets in Canada,
- the housing programs under which co-operatives operate,
- administration of government programs,
- business management and organizational administration,
- risk management,
- information technology,
- finance or accounting,
- relevant areas of law.

In naming persons to the board, CHF Canada will further ensure that suitable candidates are available among the directors as a group for all of the offices within the board.

5. **Negative Qualifications**

In accordance with the Agency's by-laws, CHF Canada will not name to the board any person who is

- a current director, officer, or employee of CHF Canada or of a regional federation of housing co-operatives;
- a current director, officer or employee of CMHC;
- a current member, director, officer, employee or manager of a co-op that has been advised by the Agency that it is in breach of its operating agreement with CMHC;
- in breach of the Agency's standards of ethical conduct;
- an undischarged bankrupt; or
- who has been found by a court anywhere to be of unsound mind.

6. **Regional Representation**

In choosing its nominees to the Agency's board, CHF Canada will ensure that

- at least two directors are from British Columbia,
- at least two directors are from Ontario, and
- at least one director is from either the Prairie or Atlantic provinces,

provided that there are sufficient nominees from each region that meet all other qualifications for directors. In the event that there are not, positions may be filled by persons from other regions.

7. **Recruitment of Directors**

CHF Canada, in consultation with the Agency, will solicit applications from suitably qualified persons, including persons with relevant experience from outside the co-operative housing movement.

CHF Canada staff will review all applications received and solicit further information as necessary in order to assess whether the nominees possess the necessary qualifications. As necessary, staff will also consult with the Agency itself to determine whether, looking at the whole board, any desired attributes are missing. Staff will then present a list of qualified applicants to the CHF Canada Board of Directors, with, optionally, a recommendation as to which applicant(s) best meet the present needs of the board of the Agency.

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Where an Agency director's term has expired, but the director is eligible for re-appointment, CHF Canada may re-appoint the incumbent director, provided that director continues to meet all qualifications established for Agency directors.

8. Filling Casual Vacancies

Casual vacancies on the board of the Agency arising from the resignation or removal of a director nominated by CHF Canada will be filled by the directors of the Agency remaining in office, upon receipt of a nomination from the CHF Canada board. Any such appointment will be confirmed at the Agency's next annual meeting, if it is to continue.