

# **GOVERNANCE MANUAL**

## **Tennis BC**

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## **1. INTRODUCTION**

### **1.1 Mandate and Values**

(a) Mandate:

To be stewards of the game of tennis, to pursue the legacy of tennis and to inspire and enable tennis throughout communities in British Columbia.

(b) Values:

(i) Teamwork,

(ii) Leadership,

(iii) Innovation,

(iv) Excellence.

### **1.2 Safety is Fundamental**

We have a fundamental responsibility to the public, to our players and to each other to be vigilant with respect to safety and security and to meet all related standards and regulations, which affect our facility and our organization.

### **1.3 Integrity**

We perform our work honestly and ethically and in accordance with all laws and regulations affecting our enterprise. Further we are responsible and accountable for our actions individually and collectively.

### **1.4 Positive Attitudes**

We are a relatively small group of people charged with a considerable responsibility and frequent challenges. We understand that each of us has a responsibility to be supportive of each other and to provide a positive work environment. We believe that work can be an enjoyable experience and that fun is important too. As a team we celebrate our successes and collaborate to overcome challenges.

### **1.5 The Operational Pillars**

(a) Community tennis;

(b) Competitive infra-structures for all levels;

(c) New and existing facilities;

(d) Volunteerism;

(e) Major events and sponsorships;

- (f) Coaching and officiating.

## **1.6 Background**

- (a) Corporate governance is a topic of serious concern in the sport community and with the various regulatory authorities.
- (b) The Board of Directors of Tennis BC (“Board”) is committed to ensuring that Tennis BC has an effective corporate governance system that adds value and assists Tennis BC in achieving its mission and objectives.
- (c) It is up to the Board to take action and establish the principles, standards, processes and procedures appropriate to its needs and circumstances.

## **1.7 Stakeholders**

Tennis BC was created to serve the needs of various groups, such as players, teams, coaches, officials, and communities in B.C. The stakeholders include the various groups, communities, members of Tennis BC and financial contributors.

## **1.8 Corporate Governance**

Corporate governance means the process and structure used to oversee the management of the business and affairs of Tennis BC with the objective of enhancing stakeholder value, which includes ensuring Tennis BC’s financial viability. The process and structure define the division of power and establish mechanisms for achieving accountability by the Board and management.

## **1.9 Objectives of this Manual**

The objective of this manual is to provide a set of guidelines that will ensure the Board is undertaking its responsibilities in the most effective manner possible on an ongoing basis.

## **2. TERMS OF REFERENCE**

### **2.1 Introduction**

- (a) The Board is responsible, under the Societies Act, SBC 2015, c 18 (as it may be amended from time to time), and under Tennis BC’s by-laws, for the supervision of management and for Tennis BC’s business and its affairs.
- (b) Tennis BC’s by-laws are attached as an Attachment at the end of this Manual. The Board has the statutory authority and obligation to protect and enhance the assets of Tennis BC in the interest of all stakeholders.
- (c) Although directors are nominated by selected nominators to bring special expertise or a particular point of view to Board deliberations, they must recognize that the best interest of Tennis BC must be paramount at all times.
- (d) The Board is called upon to oversee the management of the business. This is done by delegating to the Chief Executive Officer (the “CEO”) the day-do-day leadership and

management of Tennis BC. The CEO's prime responsibility is to lead Tennis BC. The CEO formulates Tennis BC's policies and proposed actions and presents them to the Board for approval. Board appointed committees may also recommend policies to the Board.

- (e) The Board approves the mandate of Tennis BC and the objectives and policies under which it is managed. The Board then oversees and evaluates the performance of the CEO and the officers in attaining the objectives established.
- (f) Reciprocally, the CEO keeps the Board fully informed in a timely and candid manner of the progress of Tennis BC towards the achievement of its established goals and of all material deviations from the goals or objectives and policies established by the Board.
- (g) Once the Board has approved the goals, strategies, and policies it must, subject to any legal requirements, act in a unified and cohesive manner in supporting and guiding the CEO.

## **2.2 Terms of Reference for the Board**

The role of the Board is most frequently defined in legal terms. In an effort to provide a practical description of the Board's responsibilities without expanding their legal requirements, the terms of reference for the Board found in Appendix 1 has been developed.

## **2.3 Terms of Reference for a Director**

- (a) Each director has the duty to represent all the stakeholders and act in any circumstance in the way in which he or she honestly believes to be in the best interest of Tennis BC.
- (b) Directors must:
  - (i) act in good faith,
  - (ii) exercise powers properly for the purpose for which they are conferred,
  - (iii) avoid conflicts of interest, and
  - (iv) not fetter the future exercise of directors' powers.
- (c) While these statements are generally acceptable to all directors, they are not as helpful as they might be when the individual director asks: "What does this mean in terms of my actions and behaviour?"
- (d) Tennis BC's By-Law, Section IV.A.1(g) states that Directors may:

"Generally do all such things as in the opinion of the Directors may be necessary or expedient to carry out effectively the purposes of [Tennis BC]."

- (e) The *Societies Act* requires that directors must manage, or supervise the management of, the activities and internal affairs of Tennis BC. They must also:
  - (i) act honestly and in good faith with a view to the best interests of the society,
  - (ii) exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances,
  - (iii) act in accordance with the Societies Act and the regulations, and
  - (iv) act in accordance with the bylaws of Tennis BC.
- (f) In practice, directors should apply the rules broadly; they should not confine the restrictions to the statutory requirements, but should concern themselves with the issue of perceived, as well as actual, conflict and what seems to be the right thing to do. Directors must take themselves completely out of the consideration of a particular matter where there may be a perception of a conflict or a perception that they might not bring objective judgment to the consideration of a matter. In appropriate circumstances, directors must declare their position and abstain not only from the voting but also from the discussion. However, directors should be aware that abstaining from voting, except in certain limited circumstances, may not protect them from liability under the corporate statutes. In particularly difficult situations, it may be necessary or appropriate for a director to resign.
- (g) Practical guidelines and terms of reference for the individual director are attached as Appendix 2.

## **2.4 The President and Chief Executive Officer**

The Board has determined that the roles of the President and the CEO are separate and held by two different individuals. There are distinctly different authorities and responsibilities associated with each title. The Terms of Reference for the President are found in Appendix 3 and the Terms of Reference for the CEO are found in Appendix 4.

## **2.5 Committees**

- (a) The Board may from time to time delegate certain activities to committees. Terms of reference for committees are outlined in Appendices 5- 8.
- (b) The standing committees are:
  - (i) Finance and Audit Committee,
  - (ii) Governance and Human Resources Committee, and
  - (iii) Nomination Committee.
- (c) Each shall be appointed by the Board. The terms of reference for the Finance and Audit Committee, Governance and Human Resources Committee, and Nomination Committee are outlined in Appendices 6, 7 and 8 respectively.

- (d) Pursuant to the by-laws, other committees may be established. Where so done, clear terms of reference will be established by the Board.

## **2.6 Annual Review**

These terms of reference shall be reviewed annually by the Governance and Human Resources Committee and presented to the Board to determine what, if any, changes are necessary.

## **3. POLICIES AND STRUCTURE**

### **3.1 Introduction**

Tennis BC is committed to the principles of independence and accountability. The CEO is responsible for the day-to-day conduct of the business and reports to the Board. The Board is responsible to oversee the conduct of the business and to supervise management, and it is accountable to the stakeholders.

### **3.2 Board Independence**

As a not for profit society, the Board should reflect the best interests of Tennis BC and be as independent as practical to management.

### **3.3 Standing Committees**

One of the principal purposes of the Finance and Audit Committee is to assist the CEO with budget preparation and to monitor and to review Tennis BC's revenues and expenses. Accordingly, the Finance and Audit Committee has primary responsibility for Tennis BC's financial reporting function, accounting systems and internal controls, is vested in management and is overseen by the Board. The Finance and Audit Committee reports to and recommends to the Board on Tennis BC's finances as required. Appendix 7 outlines the terms of reference for the Finance and Audit Committee.

One of the principal reasons for the Governance and Human Resources Committee is to ensure that the Board is able to function as independently as possible. The Governance and Human Resources Committee is a forum for concerns of individual directors about matters that are not readily or easily discussed at full Board meetings. Any member of the Board can request at any time, through the Governance and Human Resources Committee, a meeting with the committee for the purpose of discussing matters independently of management. The committee is responsible for all corporate governance issues. Appendix 6 outlines the terms of reference for the Governance and Human Resources Committee.

The purpose of the Nomination Committee is to recruit, evaluate and nominate individuals for the volunteer position of Director of Tennis BC's Board to the Tennis BC members. In order to develop a summary of the needed skills and experience for the Board, the Nomination Committee conducts an analysis of the goals, objectives, strategy and operations of Tennis BC. The process is led by the Board, with frequent consultation with the President and CEO. Where appropriate, the Nomination Committee will engage past board members and previous board candidates for input. Appendix 8 outlines the terms of reference for the Nomination Committee.



### **3.4 Board Composition**

Tennis BC operates with a Board of Directors of up to 9 members. The President is elected from among the Directors.

### **3.5 President and CEO Review Process**

One of the most important mechanisms that highlight the Board's ability to function independently is the assurance that there is a well-developed President and CEO annual review process in place. The review process is outlined in Appendix 9.

### **3.6 Terms of Office**

All directors are nominated to serve for three years. No Director may serve more than three consecutive years in an officer's role.

### **3.7 Director Compensation**

There is no compensation for serving as a director for Tennis BC.

### **3.8 Liability Insurance**

The Finance and Audit Committee will review the directors' Liability Insurance on an annual basis and make recommendations to the Board regarding changes to the policy and/or the amount of coverage. Tennis BC indemnifies all directors and officers and is liable in respect of directors and officers for claims payable under such insurance.

### **3.9 Executive Continuity Plans and the Board**

The Board is committed to ensuring competent management leads Tennis BC. An important responsibility of the CEO is to present to the Board, on an annual basis, a plan for CEO succession and development.

### **3.10 Strategic Planning and the Board**

- (a) The CEO, with the support of the Board, is responsible for leading Tennis BC's planning process and therefore must ensure there are longer-term goals and strategies in place. This occurs on an annual basis and is a key component to the Board's Forward Agenda.
- (b) The initiative for developing the corporate strategy comes from the CEO and management. The Board participates in the discussion of the strategy, responds to and contributes ideas, and approves the strategy. However, management leads this process. The Board gives final approval and is responsible for monitoring management's success in implementing the strategy.

## **4. BOARD INFORMATION**

### **4.1 Introduction**

The Board must have access to all the information needed to carry out its full responsibilities. The information must be available in a timely manner, in a format conducive to effective decision-making, and it must be tailored to directors' needs. Good quality information is a cornerstone for effective Board governance.

### **4.2 Meeting Frequency**

The Board shall meet at least four (4) times per year.

### **4.3 Location**

Meetings shall be held either at Tennis BC or such other location as determined by the President. Directors may attend meetings by telephone, teleconference or multimedia conferencing provided that notification is given to the President sufficiently in advance of the meetings to allow necessary arrangements to be made.

### **4.4 Board Meetings and Agendas**

(a) Forward Agenda:

- (i) A Forward Agenda outlines important issues that must be covered by the Board annually. An example of a Forward Agenda can be found in Appendix 2. Forward Agendas shall be prepared by the President and CEO and circulated to all Directors.

(b) Meeting Agenda:

- (i) The agenda for a Board meeting shall be drafted by the President, in consultation with the CEO and other officers as required,
- (ii) The meeting agenda and background material on agenda items shall be provided prior to each meeting so that Board members have an opportunity for advance review of the relevant materials. Information for Board meetings should be delivered to directors no later than one week before the Board meeting.

(c) Board Meetings:

- (i) For important discussions that demand a thorough debate of various courses of action, the CEO shall send out a summary describing the issues,
- (ii) The summary shall conclude with management's recommendations, including an acknowledgement and analysis of the risks. Directors must receive this information in time to clarify issues and facts if necessary,

- (iii) Whenever possible, important issues shall be dealt with over the course of two meetings. The first meeting allows for a thorough briefing of the directors and the second meeting provides for final discussion and decision.
- (d) CEO Report:
  - (i) A central feature of each Board meeting will be the CEO's report and discussion concerning the state of Tennis BC and events affecting the organization since the previous meeting.

#### **4.5 Board Access to Management**

It is expected that Board members will use judgment when contacting employees to be sure that this contact is not distracting to the business operation, and it is expected that in most instances the Board member will contact the CEO prior to contacting the employees.

### **5. BOARD NOMINATING PROCESS**

#### **5.1 Establishing Director Criteria**

- (a) Section IV, G of Tennis BC's by-laws provides general criteria for the composition of the Board of Directors.
- (b) There are other criteria that apply to all directors, such as integrity, good judgment, insight, independence, dedication and the ability to work with colleagues in a setting that requires collective decision-making. Having the time available to meet the demands of the job is an extremely important criterion. Directors also need the energy and courage to act when necessary.
- (c) When establishing director criteria, beyond the general criteria described, consideration must be given to the director's ability to contribute to Tennis BC's current and future business interests, to participate in the deliberation of issues impacting strategic direction, and to reinforce Tennis BC's public image and reputation.
- (d) The Nomination Committee shall, on an annual basis, and well before each Annual Meeting of stakeholders, undertake a comprehensive review of the composition of the Board and make recommendations to the Board regarding any perceived necessary changes.
- (e) An outline of the process recommended for this review can be found in Appendix 8 - Nomination Committee.
- (f) The review process begins with an analysis of the goals, objectives, strategy and operations of Tennis BC. The purpose is to assess what implications this analysis might have for determining the composition of the Board. This process is followed by an examination of the skills, experience, and background which exist on the current Board. From these two steps, the specifications of an ideal Board mix can be developed that will be unique to Tennis BC. This profile will serve as a guideline and starting

point for the process of developing a summary of the needed skills and experience for the Board.

- (g) It is implicit that as part of this review the committee should take into consideration each director's contribution to the Board utilizing Appendix 2 as a guide.

## **5.2 Developing Candidates Who Meet the Criteria**

Once the Board has agreed on criteria, the Nomination Committee must develop a pool of potential candidates. The committee's responsibility is to ensure annually that there is a pool of potential candidates who meet the established criteria.

## **5.3 Consultation with the President and CEO**

The process for nominating, selecting and appointing new directors must be led by the Board and be in accordance with Tennis BC's By-Laws. It is imperative that there be frequent consultation with the President and CEO during this process. In this way, Board independence is maintained, while the importance of a collegial and supportive relationship between the Board, the President and the CEO is recognized.

## **5.4 Consultation With Past Board Members and Previous Board Candidates**

Where appropriate, the nomination committee will engage past board members and previous board candidates for input.

# **6. CORPORATE BOARD GOVERNANCE SYSTEM**

## **6.1 President and CEO Evaluation**

- (a) The Board has the responsibility to oversee and monitor the effectiveness of the President and the CEO. One of the roles of the Governance and Human Resources Committee is to ensure there is an appropriate President evaluation process in place. The committee will evaluate annually the performance of the President of the Board.
- (b) The Governance and Human Resources Committee has the responsibility to undertake the CEO review on behalf of the Board.
- (c) This comprehensive process enhances communication among the Board, the President, and the CEO and is consistent with the terms of reference of the Board.

## **6.2 Board Evaluation**

- (a) Introduction:
  - (i) A process for reviewing the performance of the Board as a whole and the directors individually shall be established.
- (b) Board Evaluation Process:

- (i) An annual review of the Board's activities by the entire Board enables all directors to contribute their ideas for improvement.
- (ii) The Board Review Process outlined in Appendix 10 is designed to evaluate the Board's contribution as a whole and to review areas in which the Board members believe a better contribution can be made. Its purpose is to increase the effectiveness of the Board.

### **6.3 Individual Director Assessment Process**

Individual director evaluations should take place as part of the Board nominating process. Individual terms of reference for a director are outlined in Appendix 2.

### **6.4 New Director Orientation**

A formal orientation program shall be established to familiarize new directors with the organization and operation of Tennis BC, to assist them in understanding their responsibilities, and to enhance their ability to contribute. The first priority should be to familiarize newly-elected directors with their role, responsibilities, and liabilities; it should also be to provide them with an overview of Tennis BC and with the role of Tennis BC in the tennis community.

### **6.5 Board Governance Manual**

The Governance Manual is a resource that must be kept current and practical for easy reference. The Governance and Human Resources Committee shall review the manual annually and make recommendations for any revisions to the Board.

**END OF MANUAL**

**APPENDIX 1**  
**TERMS OF REFERENCE FOR THE BOARD OF DIRECTORS**

**1. INTRODUCTION**

- 1.1 The primary responsibility of the Board is to foster the long-term success of Tennis BC consistent with the Board's fiduciary responsibility to the stakeholders in order to maximize stakeholder value.
- 1.2 The Board operates by delegating certain of its authorities, including spending authorizations, to management and by reserving certain powers to itself. Subject to the Articles and by-laws of Tennis BC, the Board retains the responsibility for managing its affairs, including planning its composition, selecting a President, nominating candidates for election to the Board, appointing committees, and determining director compensation. Its principal duties are contained in the following:

**2. SELECTION OF CEO AND OFFICERS OF THE BOARD**

- 2.1 The Board has the responsibility:
- (a) for the appointment and replacement of a CEO, for monitoring CEO performance, approving CEO compensation and providing advice and counsel to the CEO in the execution of his or her duties;
  - (b) to act with the advice of the CEO in approving the appointment of all officers of Tennis BC; and
  - (c) to ensure that plans have been made for management succession.

**3. MONITORING AND ACTING**

- 3.1 The Board has the responsibility:
- (a) to monitor Tennis BC's progress towards its goals, and to revise and alter its direction through management in light of changing circumstances;
  - (b) for the identification of the principal risks of Tennis BC's business and ensuring the implementation of appropriate systems to manage these risks;
  - (c) for ensuring the implementation and integrity of Tennis BC's internal control and management information systems; and
  - (d) for the approval of Tennis BCs' Annual Operating Budget and the Capital Expenditures Program.

**4. STRATEGY DETERMINATION**

- 4.1 The Board has the responsibility to review and approve management's stated mission of the business, its objectives and goals, and the strategy by which it proposes to reach those goals.

## **5. POLICIES AND PROCEDURES**

5.1 The Board has the responsibility:

- (a) to approve and monitor compliance with all significant policies and procedures by which Tennis BC is operated; and
- (b) to ensure that Tennis BC operates at all times within applicable laws, contractual obligations, and regulations, and to the highest ethical and moral standards.

## **6. REPORTING TO STAKEHOLDERS**

6.1 The Board has the responsibility:

- (a) to ensure that the financial performance of Tennis BC is adequately reported to stakeholders on a timely and regular basis;
- (b) to ensure that the financial results are reported fairly and in accordance with generally accepted accounting practices;
- (c) to ensure the timely reporting of any other developments that have a significant and material impact on the value of Tennis BC;
- (d) to report annually to the membership on its stewardship for the preceding year; and
- (e) to ensure that Tennis BC has systems in place that accommodate feedback from the members of Tennis BC.

## **7. LEGAL REQUIREMENTS**

7.1 The Board is responsible for ensuring that legal requirements have been met, and documents and records have been properly prepared, approved and maintained.

7.2 Canadian law identifies the following as legal requirements for the Board:

- (a) to oversee the management of the business and affairs of Tennis BC;
- (b) to act honestly and in good faith in the best interests of Tennis BC and its members;
- (c) to exercise the care, diligence and skill that reasonably prudent people would exercise in comparable circumstances;
- (d) to act in accordance with its obligations contained in the Society Act, other relevant legislation and regulations, and Tennis BC's by-laws; and
- (e) in particular, it should be noted that the following matters must be considered by the Board as a whole and may not be delegated to a Committee:
  - (i) any submission to the members of a question or matter requiring the approval of the members,

- (ii) the filling of a vacancy among the directors or in the office of the external auditor,
- (iii) the approval of the financial statements and the annual report of Tennis BC,
- (iv) the recommendation of the adoption, amendment or repeal of by-laws of Tennis BC,
- (v) the appointment of all committees and the approval of their terms of reference.

**8. BOARD OF DIRECTORS FORWARD AGENDA**

8.1 The Board shall meet at least four (4) times per year to deal with the matters as listed in the following table. Ad hoc meetings shall be called at the request of the President or other Board members.

	Jan	March	June	Sept	Oct	Dec	AGM
Approve AGM Agenda			X				
Nominate Candidates for the Board			X				
Approve Annual Report of CEO, approve AGM agenda and notice of meeting Financial Statements			X				
Elect Officers				X			
Review and approve the Strategic Plan, Forward Plan and Succession Plan					X		
Approve the nomination criteria and the process	X						
Director's Orientation					X		
Review and approve Operating Budget for the current year		X					
Review and approve capital Budget for the current year							
Receive and consider report of Governance and Human Resource Committee							
Receive and consider External Auditor's report of the Finance and Audit Committee			X				
Conduct quarterly review of Financial Statements, progress vs objectives in Strategic and Forward Plans		X	X	X		X	



	<b>Jan</b>	<b>March</b>	<b>June</b>	<b>Sept</b>	<b>Oct</b>	<b>Dec</b>	<b>AGM</b>
Other Business							

8.2 Board meetings will be scheduled by the President and/or the CEO.

8.3 Attendance may be in person, by videoconference or telephone conference.

**END OF APPENDIX 1**

**APPENDIX 2**  
**TERMS OF REFERENCE FOR A DIRECTOR**

**1. GOALS AND OBJECTIVES**

1.1 As a member of the Board, each director shall:

- (a) fulfill the legal requirements and obligations of a director that include a comprehensive understanding of the statutory and fiduciary roles;
- (b) represent the interests of all stakeholders in the governance of Tennis BC, ensuring that the best interests of Tennis BC are paramount; and
- (c) participate in the review and approval of Tennis BC policies and strategy and in monitoring their implementation.

**2. DUTIES AND RESPONSIBILITIES**

2.1 Board Activity

- (a) As a member of the Board, each director shall:
  - (i) exercise good judgment and act with integrity,
  - (ii) use his or her ability, experience and influence constructively,
  - (iii) be an available resource to management and the Board,
  - (iv) respect confidentiality,
  - (v) advise, where appropriate, the President or the CEO when introducing significant and/or previously unknown information or material at a Board meeting,
  - (vi) understand the difference between governing and managing, and not encroach on management's area of responsibility,
  - (vii) be aware of potential conflict areas –real or perceived – and adopt an objective position,
  - (viii) when appropriate, communicate with the President or the CEO between meetings,
  - (ix) demonstrate a willingness and availability for one-on-one consultation with the President or the CEO,

- (x) evaluate the CEO and Tennis BC performance,
- (xi) assist in maximization of stakeholder value.

## 2.2 Preparation and Attendance

- (a) To enhance the effectiveness of Board and committee meetings each director shall:
  - (i) prepare for Board and committee meetings by reading reports and background materials prepared for each meeting,
  - (ii) maintain excellent Board and committee meeting attendance,
  - (iii) have acquired adequate information necessary for decision-making.

## 2.3 Communication

- (a) Communication is fundamental to Board effectiveness and therefore each Board member shall:
  - (i) participate fully and frankly in the deliberations and discussions of the Board,
  - (ii) encourage free and open discussion of the affairs of Tennis BC by the Board and its members,
  - (iii) ask probing questions focused on policy and strategy,
  - (iv) question officers in an appropriate manner and at proper times on strategy, implementation and results,
  - (v) inform all Board members immediately upon receipt of knowledge of any event or circumstance where applicable laws, contractual obligations, regulations, or ethical or moral standards are compromised by Tennis BC, or employees of Tennis BC, as related to the business or image of Tennis BC.

## 2.4 Conflict of Interest

As a member of the Board, each director who is a party to a material contract or has an interest in any person who is a party to a material contract shall disclose in writing to the President. The President and the Director will comply with the by-laws.

## 2.5 Independence

- (a) Recognizing that the cohesiveness of the Board is an important element in its effectiveness, each director shall:
  - (i) be a positive force with a demonstrated interest in the long-term success of Tennis BC,

- (ii) speak and act independently.

## 2.6 Board Interaction

As a member of the Board, each director shall establish an effective, independent and respected presence and a collegial relationship with other Board members.

## 2.7 Committee Work

- (a) To ensure that the Board committees are effective and productive, each director shall:
  - (i) reasonably participate on committees when asked and become knowledgeable with the purpose and goals of the committee,
  - (ii) understand the process of committee work, and the role of management and staff supporting the committee.

## 2.8 Business, Society and Industry Knowledge

- (a) In order to make decisions, Board members must be well informed. Each director shall:
  - (i) remain knowledgeable of Tennis BC's mandate, values, services and strategic plan,
  - (ii) develop a thorough understanding of the unique role of Tennis BC within the community,
  - (iii) maintain an understanding of the regulatory, legislative, business, social and political environments within which Tennis BC operates,
  - (iv) become acquainted with the officers of Tennis BC,
  - (v) remain knowledgeable about Tennis BC's facilities and visit them when appropriate,
  - (vi) be an effective ambassador and representative of Tennis BC.

**END OF APPENDIX 2**

## **APPENDIX 3**

### **TERMS OF REFERENCE FOR THE PRESIDENT**

#### **1. PRESIDENT RESPONSIBILITIES INTRODUCTION**

The President of the Board of Directors, as the presiding Board member, must ensure that the Board's relationships with management and stakeholders are effective and efficient and further the best interests of Tennis BC. In performing this role, the President must work with the CEO and senior management, must manage the Board, and must ensure effective relations with nominators, stakeholders and the public.

##### 1.1 The Board's Interface with Management

- (a) The President shall:
  - (i) act as the Chair of the meetings of the Board of Directors and at any meetings of the members of Tennis BC,
  - (ii) ensure the CEO is aware of concerns of the Board, stakeholders and other interested parties or individuals who have a vested interest in tennis in BC,
  - (iii) ensure that management strategy, plans and performance are appropriately conveyed to the Board,
  - (iv) negotiate the CEO's compensation, to be approved by the Board,
  - (v) ensure the Board has exposure to the senior management team.

##### 1.2 Managing the Affairs of the Board

- (a) The President shall:
  - (i) in consultation with the CEO, set the agenda for the Board meetings,
  - (ii) chair all meetings of the Board and meetings with the Stakeholders,
  - (iii) ensure that the mechanisms for effective governance are in place and the Board is aware of its obligations to Tennis BC, nominators, stakeholders, management, other interested parties, and individuals, who have an interest in Tennis BC's operations and under the law,
  - (iv) provide strong leadership to the Board and assist in reviewing and monitoring the vision, strategy, and policies of Tennis BC and the achievement of its objectives,

- (v) as a member of the Governance and Human Resources Committee, participate in recommending the committees of the Board and their composition, reviewing the need for, and the performance and suitability of, those committees and recommending such adjustments as are deemed necessary from time to time,
- (vi) as a member of the Governance and Human Resources Committee ensure that the director selection process and Board composition are appropriate and serve the needs of Tennis BC,
- (vii) conduct Board meetings in an efficient, effective and focused manner,
- (viii) in the event of an equality of votes, the President, in addition to the President's original vote, shall not have a second or casting vote.

## **2. PRESIDENT'S AUTHORITY**

The President has Tennis BC's authority to take action as necessary to carry out his/her responsibilities.

**END OF APPENDIX 3**

**APPENDIX 4**  
**TERMS OF REFERENCE FOR THE CHIEF EXECUTIVE OFFICER**

**1. RESPONSIBILITIES**

1.1 Answering to the Board of Directors, the CEO oversees initiatives, communications and public relations, financial management, and other general duties and shall be responsible for the following:

- (a) the leadership and management of Tennis BC;
- (b) the development of corporate strategy and plans to achieve the objectives agreed upon for Tennis BC. The CEO shall submit and discuss their plans in the September Board meeting for approval;
- (c) the implementation of the agreed upon plan includes the organizational structure, operational policies and staffing;
- (d) the direction of the overall marketing and public relations approach for Tennis BC;
- (e) the preparation of reports for the information of the Board and the company's management, including, where appropriate, Key Performance Indicators (KPIs), analysis , ensuring the Board has sufficient and timely information to permit it to fully discuss potential issues and to make decisions;
- (f) the development and maintenance of succession plans for all management positions and the development of necessary management personnel including the CEO's successor; and
- (g) the attainment of the financial and other targets established for Tennis BC.

1.2 The above responsibilities shall include, but not be limited to, the following:

**Strategic Initiatives:**

- (a) Lead the review and implementation of any Tennis BC Strategic Plan, and interact with regional and national partners to ensure strategic alignment.
- (b) Work with public and private partners to ensure a diversified and sustainable financial model, provide accountability for the funds by ensuring the return on investment meets or exceeds expected financial and social KPIs, and report back to funders.
- (c) Establish, maintain and/or enhance effective, efficient, and transparent relationships with key internal and external stakeholders.

- (d) Apply entrepreneurial expertise and creativity to develop programs and initiatives that maximize opportunities for revenue generation based on a self-sustaining business model.

**Communications and Public Relations:**

- (e) Develop, lead, and manage the organization's communications, media relations, marketing, website and social media plans/strategies.
- (f) Act as a spokesperson to the media to maximize positive media exposure.

**Financial Management:**

- (g) Prepare, manage, and report against the annual operating budget; determine appropriate financial metrics for performance measurement.
- (h) Report intra-year variances and re-forecast as necessary to ensure operational changes and revisions to service/program offerings can be accomplished within the funding capacity.
- (i) Lead fund development activities and deliver on established revenue targets.
- (j) Authorize, as directed by the Board, the commitment of resources including agreements, contracts, licenses etc., and ensure all major commitments, exposures, and risks are pre-approved by the Board and reported against as required.

**Operations:**

- (k) Develop, monitor, and implement the Board-approved annual business plan with a sound, disciplined management approach.
- (l) Work with the Board to ensure effective personnel strategies and plans are in place for staff, volunteers, and partners.
- (m) Manage the board support systems to ensure current and accurate information is available for board deliberations.
- (n) Manage and develop the organization's team, ensuring each employee has annual objectives, a detailed scope of work and regular, documented performance reviews.
- (o) Develop, in conjunction with the Tennis BC employees, short- and long-term program, service, and facility/infrastructure strategies by conducting needs, growth and evaluation assessments; determine planning frameworks and liaise with stakeholders.

**General Duties:**



- (p) Implement best practices and technologies for the organization and work closely with the technical, management, and administrative staff to deliver the exemplary programs and services required to fulfill the values and mandate of the organization.
- (q) Ensure all aspects of Tennis BC's activities are developed and implemented in a manner consistent with its values of leadership, integrity, teamwork, excellence, and innovation, and that they adhere to the highest standards of ethical conduct.
- (r) Build a culture of excellence and professionalism in the delivery of services, programs, and initiatives for athletes, coaches, parents, volunteers, and other key stakeholders.
- (s) Actively participate in Tennis BC's Board meetings and ensure appropriate and timely staff follow-up to implement Board policies.

## **2. AUTHORITIES**

2.1 To attain the objectives as set out herein, the CEO shall have the following authority:

- (a) to prepare all capital and operating budgets for submission and approval to the Board;
- (b) to lead the development of the one-year and five-year corporate strategy and operating plans for submission to the Board;
- (c) to approve the appointments, hiring and firing of all regular staff;
- (d) to direct the activities of all personnel answering to the CEO; and
- (e) to take action as required carrying out the CEO's responsibilities.

**END OF APPENDIX 4**

**APPENDIX 5**  
**TERMS OF REFERENCE FOR COMMITTEES**

**1. COMMITTEE RESPONSIBILITIES**

- 1.1 Committees shall analyze, in depth, policies and strategies developed by management, which are consistent with their terms of reference. They examine proposals, and where appropriate, make recommendations to the appropriate full Board. Committees do not take action or make decisions on behalf of the Board unless specifically mandated to do so.

**2. NEW OR AD HOC COMMITTEES AND TERMS OF REFERENCE**

- 2.1 All committees act at the pleasure of the Board and there will be occasions when the Board may form a new committee or disband an existing committee or ad hoc committee depending upon the circumstances.
- 2.2 Each committee shall undertake a comprehensive review of its terms of reference each year and recommend any appropriate revisions to the Governance and Human Resources Committee for review and recommendations to the Board.
- 2.3 The Governance and Human Resources Committee at the beginning of each year shall:
- (a) review the terms of reference of all committees to ensure that together they meet the needs of Tennis BC; and
  - (b) recommend the addition or deletion of committees to the Board.

**3. LEADERSHIP AND MEMBERSHIP**

- 3.1 The Governance and Human Resources Committee is responsible for recommending Board members to various committees.
- 3.2 The policy of the Board is to periodically rotate committee members.
- 3.3 The CEO participates in the meetings of committees by invitation as a non-voting member.
- 3.4 Committee chairs are selected by the full Board on the recommendation of the Governance and Human Resources Committee and President.
- 3.5 The chair of a committee presides at meetings and is responsible to ensure the work of the committee is well organized and proceeds in a timely fashion. The chair shall ensure that an agenda and required background information is circulated in advance of all meetings. If planning to be absent, the committee chair shall arrange for an alternate chair.

**4. COMMITTEE MEETINGS AND AGENDAS**

- 4.1 The committee chair, in consultation with the committee, the President and/or the CEO, will determine the agenda, frequency, and length of the meetings.
- 4.2 A committee may request the assistance of external advisors to research, investigate and report on matters within a committee's terms of reference. This request should be coordinated through the President and the CEO.
- 4.3 Each committee shall include as part of its terms of reference a timetable of its major annual activities.

**5. REPORTING**

- 5.1 Each committee has the duty to report to the full Board all matters that it considers important for full Board consideration.

**END OF APPENDIX 5**

**APPENDIX 6**  
**TERMS OF REFERENCE FOR THE GOVERNANCE AND HUMAN**  
**RESOURCES COMMITTEE**

**CORPORATE GOVERNANCE**

**1. PURPOSE**

- 1.1 “Corporate governance” means the process and structure used to oversee the management of the business affairs of Tennis BC with the objective of enhancing stakeholder value, which includes ensuring the financial viability of the business. The process and structure define the division of power and establish mechanisms for achieving accountability by the Board and management.
- 1.2 The purpose of the Governance and Human Resources Committee (the “Governance Committee”) is to provide a focus on Board governance that will enhance overall Tennis BC performance. The Governance Committee’s purpose is to assess and make recommendations regarding Board effectiveness and to establish a process for identifying, recruiting, appointing and providing ongoing development for directors.
- 1.3 The Governance Committee also reviews and monitors Human Resource plans and policies of Tennis BC and reports and recommends to the Board as needed.

**2. COMPOSITION AND TERM OF OFFICE**

- 2.1 The Governance Committee shall consist of three members of the Board, plus the President, and the CEO as a non-voting member. The Governance Committee shall serve as a standing committee of the Board. Members of the Governance Committee are eligible for reappointment at the will of the Board. Two directors constitute a quorum of the Committee.

**3. DUTIES AND RESPONSIBILITIES**

- 3.1 The Board hereby delegates to the Governance Committee certain powers and duties to be performed by the Governance Committee on behalf of and for and in the name of the Board. The Governance Committee shall perform the following functions:

**Governance**

- 3.2 Draft, for the Board approval, a Governance Manual that includes policies regarding the following:
- (a) the size and composition of the Board;
  - (b) general responsibilities and functions of the Board and its members;

- (c) the organization and responsibilities of Board committees; and
  - (d) the operations and procedures for Board meetings.
- 3.3 Recommend to the Board an appropriate evaluation process for the Board as a whole and directors individually.
  - 3.4 Function as a forum for concerns of individual directors about matters that are not readily or easily discussed at full Board meetings. This ensures the Board can operate independently of management when necessary.
  - 3.5 Prepare recommendations to the Board regarding any reports required or recommended on corporate governance.
  - 3.6 Review the terms of reference for the Board, the committees of the Board, the President, and the CEO.
  - 3.7 Review the adequacy of records management and adopt a Forward Agenda matrix.
  - 3.8 Review the directors' and officers' liability insurance coverage.
  - 3.9 Develop, on an annual basis, a Forward Agenda that outlines the important issues that must be covered by the Board.
  - 3.10 Have such other powers and duties as delegated to it by the Board in order to carry out its responsibilities.

#### **Human Resources**

- 3.11 Review and assess the performance of the President and CEO.
- 3.12 Assist in the development of long-term management policies and plans and recommend policies to the Board.

#### **4. ACCOUNTABILITY**

- 4.1 The Committee shall report to the Board at its next regular meeting all such action it has taken since the previous report.

**5. COMMITTEE TIMETABLE**

5.1 The major annual activities of the Committee are outlined in the schedule below.

**COMMITTEE TIMETABLE**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Review Policies in the Board Manual									X			
Review Terms of Reference for the Board, Committees, Chair and CEO									X			
Review President and CEO Performance											X	
Board Evaluation Process												
Begin Evaluation Process								X				
Evaluations completed by Directors								X				
Summarize Evaluation Responses								X				
Make Recommendations to Board									X			
Review Governance Reporting Requirements for Annual Report						X						
Finalize “Forward Agenda”									X			

**END OF APPENDIX 6**

**APPENDIX 7**  
**TERMS OF REFERENCE FOR THE FINANCE AND AUDIT COMMITTEE**

**1. PURPOSE**

- 1.1 The Finance and Audit Committee (“the Finance and Audit Committee”) assists the CEO in budget preparation and monitors and reviews company revenues and expenses. The Finance and Audit Committee reports and recommends to the Board with respect to finances as required.
- 1.2 The Finance and Audit Committee meets at least every three months (or more frequently as called by its Chair or as defined in its Forward Agenda) and shall report its proceedings at the following meeting of the Board.
- 1.3 The Finance and Audit Committee has primary responsibility for Tennis BC’s financial reporting function, accounting systems, and internal controls is vested in management and is overseen by the Board.

**2. COMPOSITION AND TERM OF OFFICE**

- 2.1 The Finance and Audit Committee shall consist of at least two Board members as well as the Treasurer and the CEO (ex-officio).
- 2.2 The Finance and Audit Committee, on behalf of the Board, shall:
  - (a) provide oversight on issues related to long term financial planning with the CEO and make recommendations to the Board;
  - (b) assist the CEO in the preparation of Tennis BC’s annual budget, and review the budget in detail prior to the CEO’s recommendation of the budget for Board approval;
  - (c) following the Board approval of the annual budget, the Finance and Audit Committee monitors budget implementation by reviewing and approving expenditures and contracts beyond the CEO’s spending authorities as set by the Board and reports to the Board; and
  - (d) every three years, issue a request for proposal with respect to auditing services, commencing effective 2015.
- 2.3 The primary purpose of the Finance and Audit Committee is to assist the Board in discharging its oversight responsibilities with respect to:
  - (a) the integrity of Tennis BC’s financial statements, and other financial information that will be provided to the public and others;

- (b) the external auditor's qualifications and independence;
  - (c) the performance of the external auditors;
  - (d) the performance of Tennis BC's internal audit function;
  - (e) Tennis BC's compliance with legal and regulatory requirements;
  - (f) Tennis BC's financial risk management practices; and
  - (g) Tennis BC's compliance with the ground lease.
- 2.4 The chair of the Finance and Audit Committee shall be appointed by the Board.
- 2.5 The President of Tennis BC's Board may not be the chair of the Finance and Audit Committee.
- 2.6 The members of the Finance and Audit Committee shall be familiar with basic accounting principles and be able to read and understand financial statements.
- 2.7 At least one member of the Finance and Audit Committee shall be a member in good standing of an institute or association of certified professional accountants incorporated by or under an Act of the Province of British Columbia.
- 2.8 A non-Board member may be appointed as a member of the Finance and Audit Committee if necessary to comply with 2.7.
- 2.9 A majority of Committee members constitutes a quorum.

### **3. DUTIES AND RESPONSIBILITIES**

- 3.1 With respect to Financial Accounting and Reporting:
- (a) review and discuss with management and the external auditors the annual audited financial statements and recommend their approval to the Board;
  - (b) review the Annual Report and all other external financial reports which require Board approval and recommend their approval to the Board;
  - (c) review and approve all changes in accounting principles followed by Tennis BC;
  - (d) discuss with the external auditors the quality and acceptability of Tennis BC's accounting principles; and
  - (e) discuss with management, the external auditor and, if necessary, legal counsel, any litigation, claim or contingency that could have a material effect upon the financial position or results of operation of Tennis BC, and the manner in which these matters may be, or have been, disclosed in the financial statements.



3.2 With respect to Oversight of the External Audit:

- (a) take reasonable steps to ascertain the independence of the external auditor;
- (b) recommend to the Board the appointment, retention or replacement of the external auditor, with due regard to best practices with respect to auditor rotation;
- (c) review the terms of the external auditor’s engagement and the appropriateness and reasonableness of the proposed audit fee;
- (d) review the audit plan with the external auditor and senior management, including timelines for completion;
- (e) determine whether management has provided full and open disclosure to the auditor’s inquiries;
- (f) review the formal representation letter provided by the CEO and Finance Manager to the external auditors as to the accuracy, fairness and completeness of financial reporting;
- (g) review with the external auditor any significant estimates used by management in the preparation of the financial statements;
- (h) oversee the resolution of any disagreement between management of Tennis BC and the external auditor;
- (i) review the post audit or management letter containing the recommendations of the external auditor and review management’s response and subsequent follow-up to all recommendations; and
- (j) adopt specific policies and procedures for the engagement of the external auditor for the purposes of the provision of non-audit services, or, pre-approve all non-audit services to be provided by the external auditor.

3.3 With respect to the System of Internal Controls:

- (a) through discussions with management and the external auditor the Committee will obtain reasonable assurance that Tennis BC’s accounting systems are reliable and internal controls are adequate. For this purpose the Committee may wish to direct the auditor’s examination to particular areas and may request the auditor to undertake special examinations;
- (b) the Finance and Audit Committee will review the external auditor’s recommendations regarding any matters, including accounting procedures and internal control and management information systems, and management’s responses thereto; and
- (c) the Finance and Audit Committee will review the need for an internal audit function for Tennis BC.

- 3.4 With Respect to Legal and Regulatory Compliance:
- (a) the Finance and Audit Committee will consider the need for mechanisms to ensure that Tennis BC meets its statutory obligations and conducts its affairs in accordance with legal and regulatory requirements (including WorkSafe BC regulations, and employment and labour laws) and Board approved policies;
  - (b) mechanisms will include an annual report from management certifying compliance with provincial and federal statutory requirements, including compliance with prescribed deadlines, with respect to:
    - (i) withholding and remitting prescribed amounts from employee pay with respect to CPP, EI, and provincial and federal income tax,
    - (ii) issuing official tax information slips to employees and others, and
    - (iii) collecting GST/HST as applicable on the sale of taxable goods and services and remitting taxes collected to the Canada Revenue Agency (CRA).
- 3.5 With Respect to Management of Tennis BC's Financial Risks:
- (a) review, monitor and report to the Board the policies and procedures that management has developed to identify and manage the principal risks of Tennis BC's business; and
  - (b) review annually the insurable risks and insurance coverage of Tennis BC including Directors' and Officers' Liability coverage.

#### **4. COMMITTEE MEETINGS**

- 4.1 The chair of the Finance and Audit Committee may call a meeting of the Finance and Audit Committee at any time but must call a meeting at the request of the auditor or a member of the Finance and Audit Committee.
- 4.2 The Finance and Audit Committee may meet as often as required but not less than four times per year. The members of the Finance and Audit Committee must meet in person at least two times per year.
- 4.3 The Finance and Audit Committee must provide the auditor a copy of approved minutes from Finance and Audit Committee meetings.
- 4.4 The auditor has the right to attend every meeting of the Finance and Audit Committee except when the Finance and Audit Committee is discussing the auditor's performance or compensation.
- 4.5 The auditor must attend any meeting of the Finance and Audit Committee held during the auditor's term of office if so requested by a member of the Finance and Audit Committee.

- 4.6 An auditor attending a meeting of the Finance and Audit Committee is entitled to be heard and to have his or her reasonable fees and expenses paid by Tennis BC.
- 4.7 Full meeting minutes of the Finance and Audit Committee shall be kept by the Secretary. Draft and final versions of the minutes shall be sent to all members of the Finance and Audit Committee for their comment and record within a reasonable time after a meeting.
- 4.8 The Finance and Audit Committee shall report to the Board following each Finance and Audit Committee meeting.
- 4.9 The Finance and Audit Committee shall give to the Board and the auditor a copy of all resolutions of the Finance and Audit Committee.

**5. COMMITTEE GOVERNANCE/LIAISON**

- 5.1 The Finance and Audit Committee will liaise with the Governance Committee, and other Board Committees as required to maintain effective governance arrangements for Tennis BC.

**6. COMMITTEE TIMETABLES**

**FINANCE TIMETABLE**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Budget Process	X											
Budget Review			X									
Review of Financial Report	X		X			X			X			X
Recommend appointment of auditor						X			X			
Present annual auditor report to AGM									X			
Prepare RFP for auditor												X

### AUDIT TIMETABLE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Review the Annual Report and all other external reports that require Board approval & recommend their approval to the Board												
Review and approve all changes in Tennis BC's accounting policies, including the implementation of new accounting standards												
Review the quality and acceptability of Tennis BC's accounting policies and practices.												
Review the accounting and disclosure of significant transactions												
Inquire as to any litigation, claim or contingency that could have a material effect on Tennis BC's financial position or results of operations, and the manner in which these have been disclosed in the financial statements												
Inquire of management the rationale for financial accounting or reporting matters where judgement was used in determining a particular choice among options												
Select and recommend annually the public accountants for appointment as auditors for the ensuing year									x			
Review the terms of the external auditor's engagement and the appropriateness and reasonableness of the proposed audit fee and management including timelines for completion					x							
Review the external auditor's on the financial statements					x							

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Receive privately the external auditor's opinion on various matters including significant accounting principles and practices; unresolved material differences in opinion or disputes; and whether management has provided full and open disclosure to auditor's inquiries					x							
Review the auditor's post-audit management letter and management responses					x							
Annually review and assess the independence and performance of the external auditors					x							
Adopt and oversee specific policies and procedures for the engagement of the external auditor for the purposes of the provision of non-audit services												
Attempt to obtain reasonable assurance that Tennis BC's accounting systems are reliable, and that internal controls are adequate					x							
Receive reports from management on the occurrence of any significant audits of Tennis BC's operations or activities carried out by governments, regulatory agencies, or others												
The Finance and Audit Committee will review the need for an internal audit function for Tennis BC (TBD)												
The Finance and Audit Committee will consider the need for mechanisms to ensure that Tennis BC meets its statutory obligations in accordance with legal and regulatory requirements and Board approved policies												

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Review, monitor, and report to the Board the policies and procedures that Management has developed to identify and manage the principal risks of Tennis BC's business												
Review annually the insurable risks and insurance coverage of Tennis BC, including Directors' and Officers' Liability coverage												
The Finance and Audit Committee completes a self-assessment process on an annual basis												

**END OF APPENDIX 7**

**APPENDIX 8**  
**TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE**

**1. PURPOSE**

To recruit, evaluate and nominate individuals for the volunteer position of Director of the Tennis BC Board to the Tennis BC members.

**2. COMPOSITION AND TERM OF OFFICE**

The Directors whose term do not expire, together with the CEO who will be an ex-officio non-voting member of the Nomination Committee. The committee will be chaired by the past president.

**3. DUTIES AND RESPONSIBILITIES**

3.1 The Board hereby delegates the Nomination Committee certain powers and duties to be performed by the Nomination Committee on behalf of and for and in the name of the Board. The Nomination Committee shall perform the following functions:

- (a) annually review the composition of the Board and its appropriateness to the current and future needs of Tennis BC;
- (b) prepare a nominations report to the members 60 days prior to the AGM;
- (c) issue an expression of interest to the members for the position of director;
- (d) develop a director's criteria focused on the skills required to implement the strategic plan;
- (e) interview those who have expressed interest and nominate candidates for the position; and
- (f) prepare a Board Matrix of directors' background and interests.

**4. ACCOUNTABILITY**

4.1 The Nomination Committee shall report to the members of Tennis BC.

4.2 The Board is consulted regarding the expertise required from Directors at its next regular meeting all such action it has taken since the previous report.

**5. MEETINGS**

5.1 The Nomination Committee will hold a minimum of one meeting per quarter and shall meet more frequently as required in order to fulfill its mandate. Meetings will be at the call of the chair of the Nomination Committee.

## 6. COMMITTEE TIMETABLE

6.1 The major annual activities of the Committee are outlined in the schedule below.

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Confirm with incumbent directors whose term will expire the coming year their intention to let their name stand for election to the Board			X									
Prepare Board criteria for the director's nominations for the coming AGM election				X								
Issue an expression of interest to the member clubs highlighting the criteria desired to be closed end of April					X	X	X					
Interview those who have expressed interest and select candidates to be nominated								X	X			
Prepare the nomination report for the AGM meeting notice in July									X			
Monitor the nominations from clubs in addition to the Nomination Committee reports 45 days prior to the AGM. If no further nominations received declare the nominee's director's elect. If further nominations are received prepare for a private ballot election at the AGM including the distribution of all of the nominees' CVs at least 14 days prior to the AGM										X	X	
Monitor the election of the directors												X

## 7. PROCESS

7.1 The process outlined below illustrates steps for the Nomination Committee to follow in establishing new director criteria:



STEP ONE	Tennis BC Strategic Objectives	What are Tennis BC’s strategic objectives and what are their implications for the composition of the board?  Refer to Appendix 2. Are revised “terms of reference” necessary?
STEP TWO	Current Board Summary	Review the background, experience and skills of each director. What observations can be made about the composition of the current Board?
STEP THREE	Board Composition Target	Review information developed in steps one and two and consolidate in a Board composition target document.
STEP FOUR	New Director Criteria	Develop criteria for new directors that will complete the current Board and assist in achieving the Board composition targets.

**END OF APPENDIX 8**

## **APPENDIX 9 CHIEF EXECUTIVE OFFICER REVIEW PROCESS**

### **1. INFORMATION**

- 1.1 The following documents constitute the benchmarks against which the CEO review takes place:
- (a) the “Responsibilities and Authorities” for the CEO included in Tennis BC’s Operating Manual AND are provided in Appendix 4;
  - (b) the Strategic and Forward Plan;
  - (c) the Annual Operating Budget;
  - (d) the Annual Capital Expenditure Program; and
  - (e) Succession Plan.
- 1.2 Any specific targets or goals discussed with the Board at the beginning of the year but not included in the above material including weighted goals set by the Board annually.

### **2. THE CHIEF EXECUTIVE OFFICER’S SELF-APPRAISAL**

- 2.1 The Board needs to know how the CEO evaluates her/his performance against the objectives established above and what the CEO sees as the priorities for the coming year.
- 2.2 This self-appraisal will be written, brief and in point form if the CEO prefers, and will be set against targets, which were established the previous year.
- 2.3 This self-appraisal will be submitted to the Chair of the Finance and Audit Committee and discussed with the committee after the Chair of the committee has summarized the individual evaluation of the performance of the CEO by the directors as outlined in Section 3, which follows.

### **3. DIRECTOR INVOLVEMENT**

- 3.1 Every director will be encouraged to provide his or her own assessment of the CEO’s performance. The Chair of the Governance and Human Resources Committee will provide a format for director input.
- 3.2 These assessments will be consolidated by the Chair of the Governance and Human Resources Committee into a coherent, prioritized statement from the Board to the CEO.
- 3.3 The Chair of the Governance and Human Resources Committee will discuss the statement with the CEO after all directors have had an opportunity to comment on its contents.

3.4 The Chair of the Governance and Human Resources Committee will report to any outside members of the Board the results of his or her discussion with the CEO.

**4. TIMING AND RESPONSIBILITIES**

<b>Activity</b>	<b>Who?</b>	<b>When?</b>
CEO writes self-appraisal and objectives for next year	CEO	
Individual directors provide their assessments to the Chair of the Governance and Human Resources Committee	Individual Directors	
Input from the directors is summarized	Committee Chair	
CEO discusses self-appraisal with Chair of the Corporate Governance and Human Resources Committee	CEO and Committee Chair	
Consolidated input is discussed with the Committee members and then finalized	Governance and Human Resources Committee	
CEO Review	Governance and Human Resources Committee Chair and CEO	
Final Report to the members of the Board	Governance and Human Resources Committee	

**END OF APPENDIX 9**

## **APPENDIX 10 BOARD REVIEW PROCESS**

### **1. INTRODUCTION**

- 1.1 The Board review process is designed to provide directors with an opportunity once each year to evaluate how the Board is operating and to make suggestions for its improvement.
- 1.2 This is not an individual Board member assessment. It is designed to provide constructive input for the improvement of the Board as a whole.
- 1.3 This review process relates directly to the description of the duties and responsibilities of the Board.

### **2. PROCESS**

- 2.1 In July, the Chair of the Governance and Human Resources Committee will ask all directors to make comments as to whether the Board has fulfilled its objectives, using the attached questionnaire. Directors are asked to comment on the performance of the Board “as a whole”.
- 2.2 The Chair of the Governance and Human Resources Committee summarizes the input of all directors on an anonymous basis and reports to the full Board at the next Board meeting. Time will be provided at that meeting for a full comprehensive discussion of Board performance.
- 2.3 The questions raised in the questionnaire are suggestions of the types of issues directors may want to consider. Directors are encouraged not to be limited by the questionnaire and to comment on any issues regarding Board performance.

**END OF APPENDIX 10**

## **APPENDIX 11 QUESTIONNAIRE**

### **1. BOARD ORGANIZATION**

- 1.1 Is the Board organized effectively? Do you have any comments regarding:
- (a) the number of directors;
  - (b) the balance of skills, experience and backgrounds;
  - (c) the diversity of the Board.
- 1.2 Does the Board have the appropriate committees?
- 1.3 Are meetings of the Board organized effectively in number, timing and location?
- 1.4 Is the time at meetings utilized effectively?
- 1.5 Are the meetings of committees organized properly in number, timing and location?
- 1.6 Do Board members have the opportunity to provide input to the meeting agendas?
- 1.7 Are there agenda items that should appear on a regular basis that are not currently being included?
- 1.8 Are directors properly compensated? Have you any thoughts regarding the amounts or methods of director compensation?
- 1.9 Are there clear terms of reference for the Board and the committees? Could they be improved?

### **2. SELECTION OF MANAGEMENT**

- 2.1 Are you satisfied that the CEO terms of reference are clear and appropriate?
- 2.2 Could the CEO performance evaluation process be improved?
- 2.3 Is the process for reviewing and establishing management compensation levels satisfactory?
- 2.4 Are you satisfied with the management succession plan?

### **3. MONITORING AND ACTING**

- 3.1 Does the Board annually monitor Tennis BC's progress towards its goals, and revise and alter Tennis BC's direction through management in light of changing circumstances?
- 3.2 Does the Board have systems in place for the identification of the principal risks to Tennis BC's business, and to ensure the implementation of appropriate systems to manage these risks?
- 3.3 Does the Board ensure the implementation and integrity of Tennis BC's internal control and management information systems?
- 3.4 Does the Board have, or is it provided with, the proper tools and knowledge to fulfill its responsibilities?
- 3.5 Are the directors receiving adequate material in advance of Board or committee meetings?
- 3.6 Is the Board provided with current information on problem areas?
- 3.7 Is the Board provided with sufficient time to consider and discuss agenda items?
- 3.8 Does the Board have sufficient exposure to and knowledge of senior high potential employees in the organization?
- 3.9 Does the Board approve and monitor all significant policies by which Tennis BC operates?

### **4. STRATEGY DETERMINATION**

- 4.1 Does Management adequately develop strategic, operating and capital plans for the Board's consideration and review?
- 4.2 Are you satisfied with the strategy review process?
- 4.3 Are the Strategic, Operating and Capital Plans achievable and do they enhance shareholder value?

### **5. POLICIES AND PROCEDURES**

- 5.1 Does the Board ensure that Tennis BC operates at all times within applicable laws and regulations, and to the highest ethical and moral standards?

### **6. REPORTING TO STAKEHOLDERS**

- 6.1 Is the Board satisfied that Tennis BC's financial and other performance is adequately reported to stakeholders on a timely and regular basis?
- 6.2 Is the Board satisfied that the financial results are reported fairly and in accordance with generally accepted accounting standards?

- 6.3 Is the board satisfied that developments that have a significant and material impact on the value of the stakeholders' assets are reported in a timely fashion?
- 6.4 Is the Board satisfied with the annual reporting process to stakeholders?
- 6.5 Does the Board ensure that Tennis BC has systems in place, which accommodate feedback from stakeholders?

**7. LEGAL REQUIREMENTS**

- 7.1 Does management annually state that all corporate legal requirements have been met, and documents and records have been properly prepared, approved and maintained?

**8. OTHER**

- 8.1 On a scale of 1 to 10, using your own personal criteria, please rate Board performance for the past year.

Note: 1 is unacceptable, 10 is excellent.

- 8.2 Are there ways of enhancing Board performance?

**END OF APPENDIX 11 QUESTIONNAIRE**

## **APPENDIX 12**

### **ACCOUNTABILITY PRINCIPLES**

#### **1. CONFLICT OF INTEREST**

##### **1.1 Declaration**

- (a) Prior to accepting an appointment to the Board the nominee shall notify Tennis BC Board and his/her nominator in writing of any business activity by the nominee or his/her associate (as defined in the BC Business Corporations Act) which would pose an actual or perceived conflict of interest in his or her capacity as a director of Tennis BC. The nominator may then decide to withdraw the nomination and, in any event, the Board itself shall then decide whether the nominee should be disqualified from appointment to the Board of Tennis BC.
- (b) Similarly, if a change or anticipated change in circumstances creates for a director a continuing conflict of interest he or she shall inform The Board and his/her nominator in writing. The Board shall then consult the nominator and promptly decide thereafter whether the appointment should be revoked.

##### **1.2 Code of Conduct**

The Board shall maintain a Code of Conduct in its by-laws for directors, officers and employees, designed to prevent real and perceived conflicts of interest.

#### **2. AUDITS**

- 2.1 Tennis BC shall cue financial audits to be conducted in accordance with the generally accepted auditing practices.

#### **3. VARIANCES**

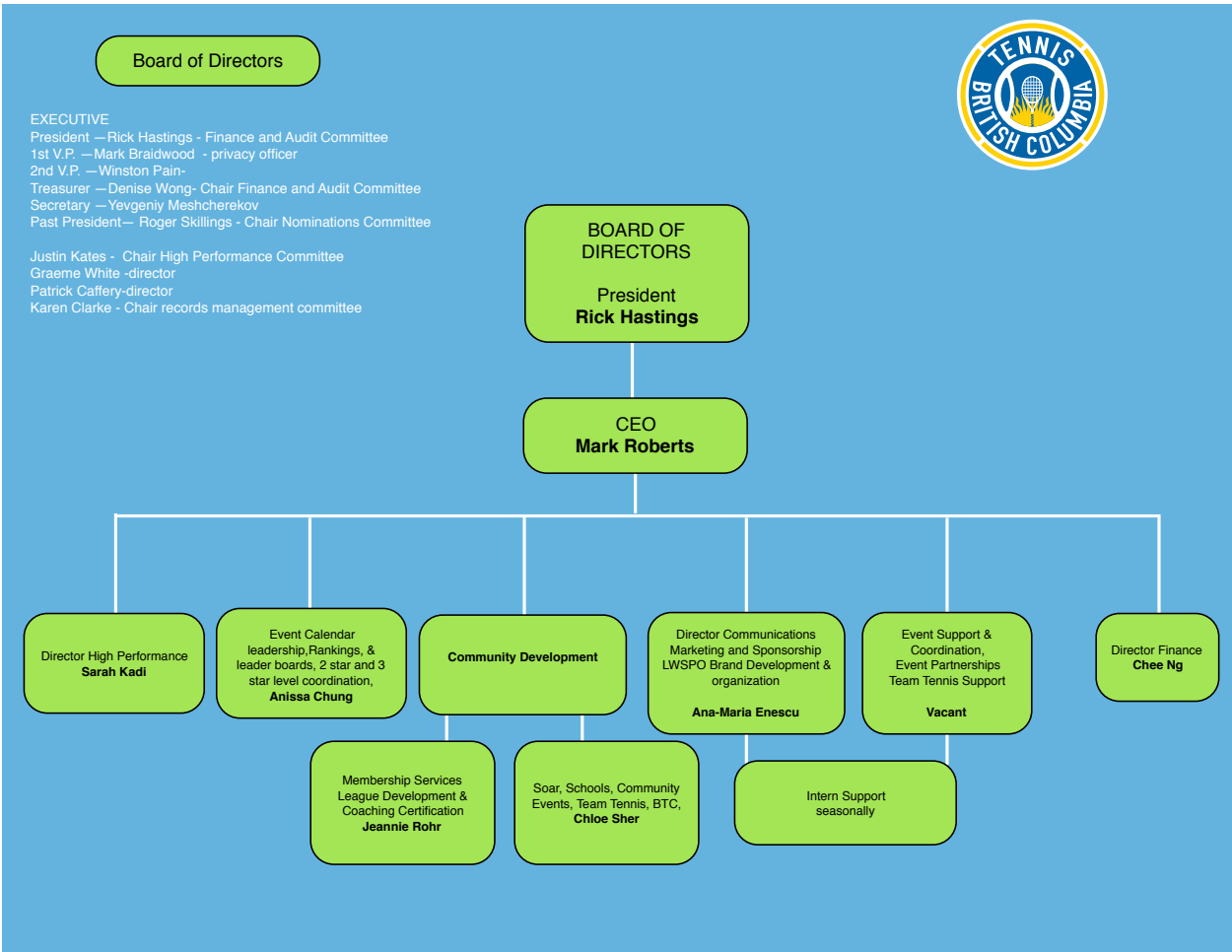
- 3.1 In advance of each annual general meeting Tennis BC shall publish an annual report which shall include the financial statements of Tennis BC, the annual auditor's report, a summary of its affairs during the previous fiscal year and it shall, as a minimum:
  - (a) report on performance relating to the business plan and objectives established by Tennis BC for the previous year and, as applicable, the past five year period;
  - (b) explain variances and corrective actions taken by Tennis BC;
  - (c) present for the up-coming year and for the forecasts five-year period a summary of its business plan including specific objectives (measurable where feasible) relating to the purpose of Tennis BC;



- (d) report on the remuneration provided to each of the members of the Board and either the salary or salary ranges of each of the senior officers of Tennis BC; and
- (e) report on Tennis BC's compliance and/or non-compliance with the Conflict of Interest principles (paragraph 9)

**END OF APPENDIX 12**

**APPENDIX 13  
ORGANIZATION CHART  
Tennis BC Governance Manual**



**END OF APPENDIX 13**

**ATTACHMENT 1  
BY-LAWS**

**CAUTIONARY NOTE TO READER:**

**THIS IS AN ELECTRONIC CONVERTED DOCUMENT FROM ORIGINALS RECEIVED  
FROM THE REGISTRAR OF COMPANIES.**

**CONSOLIDATED**

**THIS IS A CONSOLIDATED VERSION OF TENNIS – BRITISH COLUMBIA'S  
CONSTITUTION FILED SEPTEMBER 2, 1980 AND ITS BY-LAWS PASSED ON  
OCTOBER 15, 1988 (FILED MARCH 9, 1994), AMENDED PER:**

- 1. SPECIAL RESOLUTION OF THE SOCIETY TO AMEND THE CONSTITUTION  
DATED ON FEBRUARY 28, 1984 AND FILED DECEMBER 10, 1984;**
- 2. SPECIAL RESOLUTION OF THE SOCIETY TO AMEND THE BY-LAWS OF THE  
SOCIETY DATED SEPTEMBER 25, 1991 AND FILED ON OCTOBER 29, 1992;**
- 3. SPECIAL RESOLUTION OF THE SOCIETY TO AMEND THE BY-LAWS OF THE  
SOCIETY DATED OCTOBER 16, 1993; [DOES NOT APPEAR TO HAVE BEEN  
FILED WITH THE OFFICE OF THE REGISTRAR]**
- 4. SPECIAL RESOLUTION OF THE SOCIETY TO AMEND THE BY-LAWS OF THE  
SOCIETY DATED JULY 15, 1994 AND FILED IN 1994**
- 5. SPECIAL RESOLUTION OF THE SOCIETY TO AMEND THE CONSTITUTION  
OF THE SOCIETY DATED APRIL 19, 2001.**

**ATTACHMENT 2**  
**CONFLICTS OF INTEREST STATEMENT**  
**GUIDELINES FOR DIRECTORS, MEMBERS,**  
**OFFICERS AND EMPLOYEES**

1. If a director of Tennis BC has a direct or indirect material interest in:
  - (a) a contract or transaction, or a proposed contract or transaction, of Tennis BC, or
  - (b) a matter that is or is to be the subject of consideration by the directors, if that interest could result in the creation of a duty or interest that materially conflicts with that director's duty or interest as a director of Tennis BC.
  
2. A director to whom this section applies must:
  - (a) disclose fully and promptly to the other directors the nature and extent of the director's interest;
  - (b) abstain from voting on a directors' resolution or consenting to a consent resolution of directors in respect of the contract, transaction or matter referred to in subsection (1);
  - (c) leave the directors' meeting, if any,
    - (i) when the contract, transaction or matter is discussed, unless asked by the other directors to be present to provide information, and
    - (ii) when the other directors vote on the contract, transaction or matter, and
  - (d) refrain from any action intended to influence the discussion or vote.
  
3. A disclosure under subsection (2) (a) must be evidenced in at least one of the following records:
  - (a) the minutes of a meeting of directors;
  - (b) a consent resolution of directors; and
  - (c) a record addressed to the directors that is delivered to the delivery address, or mailed by registered mail to the mailing address, of the registered office of the society.
  
4. If all of the directors of Tennis BC have disclosed under subsection (2) (a) a direct or indirect material interest, described in subsection (1), in a contract, transaction or matter,

- (a) any or all of the directors may, despite subsection (2) (b), vote on a directors' resolution or consent to a consent resolution of directors in respect of the contract, transaction or matter; and
  - (b) subsection (2) (c) and (d) does not apply.
- 5. Despite subsection (1), this section does not apply to a director of a society in respect of a contract, transaction or matter that relates to any of the following:
  - (a) indemnification of or payment to the director for indemnification and payment of expenses; and
  - (b) the purchase or maintenance of insurance for the benefit of the director.

**END OF ATTACHMENT 2 – COI STATEMENT**