



POLICY, GUIDANCE AND PROCEDURES

Abstract

The purpose of this manual is to provide the Board of Directors with policies, guidance, and procedures on how to control the Corporation's management functions as a charitable organization

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REVISION HISTORY

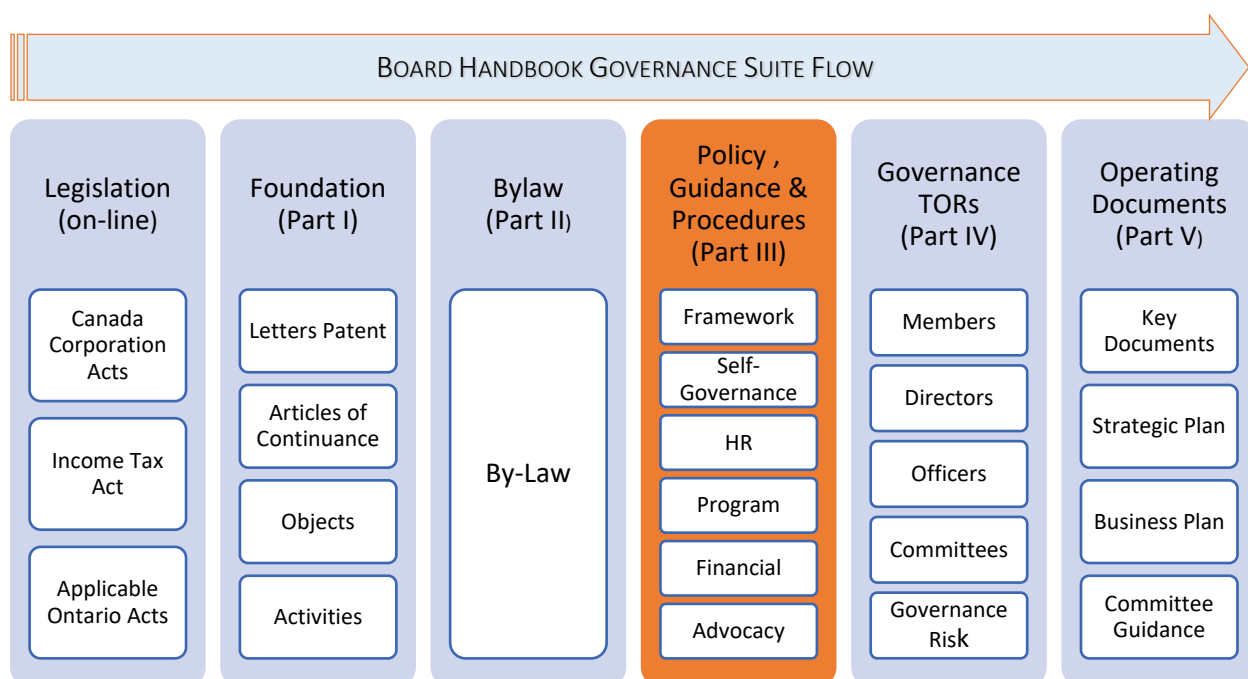
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4.0			

GOVERNANCE FLOW SUITE OF DOCUMENTS

This document is located as highlighted within the governance flow suite of documents.



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FOREWORD

This manual includes and replaces previous iterations of GUILD policies.

The Corporation's By-laws and this manual shall steer the GUILD of The Royal Canadian Dragoons governance activity. The GUILD and its Board of Directors shall take no action in conflict with any object, by-law, or policy of the Corporation. The By-laws and these policies shall be deemed automatically modified and amended so that they shall at no time conflict with *Canada Not for Profit Corporations Act* and the *Canada Income Tax Act* and with the guidance set out by the *Ontario Office of the Public Guardian and Trustee*.

The Board of Directors has fiduciary responsibility to its stakeholders for the Corporation's effective management. This responsibility is achieved through policies, guidance and procedures that consider the diverse stakeholder operating environment illustrated in **Figure 1** below.

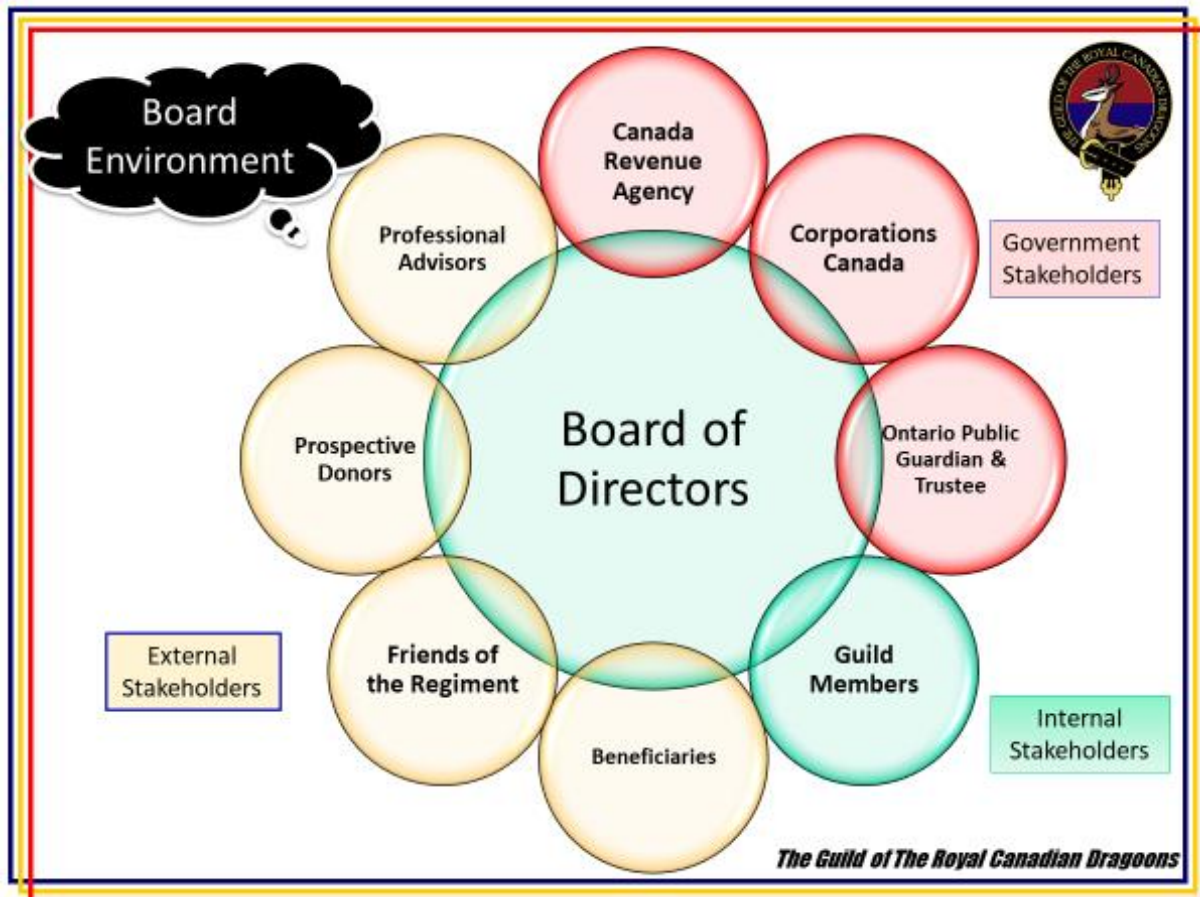


Figure 1 Board Operating Environment

PREFACE

PURPOSE

The purpose of this manual is to provide the Board of Directors with policies, guidance, and procedures on how to control the Corporation's management functions as a charitable organization.

POLICY CONTEXT

This manual is harmonized with the Corporation's By-law, key Canada Revenue Agency (CRA) regulations, rules set out by the Office of the Public Guardian and Trustee (OPGT), and best practices of charitable organizations. **Figure 2** below illustrates three (3) base elements supporting stakeholders (*from Figure 1*) that lead toward the policy context for board operations as a charity.



Figure 2 Board Operations

CONTEXT OVERVIEW

The manual is divided into six (6) chapters as follows:

- [Chapter 1](#) – The introductory operating idea with the **Framework Statements and Policies** to guide the GUILD's plans and actions.
- [Chapter 2](#) – The principal **Self - Governance Business Policies** to execute GUILD affairs.
- [Chapter 3](#) – The enabling **Human Resource Policies** and guidelines on the approach to managing the GUILD's members, volunteers and supporters.
- [Chapter 4](#) – The enabling **Program Policies** to guide plans and actions for the delivery of the GUILD's charitable work.
- [Chapter 5](#) – The enabling **Financial Policies** to conduct the GUILD's business affairs.
- [Chapter 6](#) – The enabling **Advocacy Policies** to control the GUILD's advocacy governance.

CONVENTIONS

The convention is to relate full or partial references with a policy statement and guidelines where applicable. Full or paraphrased reference texts are shown (*in italics*) with citation source footnotes where necessary. Where appropriate, each policy chapter has annexes and appendices amplifying policy statements with relevant information and procedures. Finally, [hyperlinks](#) are used to connect locations within the manual and selected external references where practicable.

GLOSSARY

BY-LAW DEFINITIONS

By-Law No 1 provides the following definitions and interpretation used throughout this manual.

"Act" means the *Canada Not-For-Profit Corporations Act*, S.C. 2009, c.23 including the Regulations made pursuant to the Act, and any statute or regulations that may be substituted, as amended from time to time.

"Articles" means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Corporation.

"Board" means the Board of Directors of the Corporation.

"By-laws" means this By-law and any other by-law of the Corporation as amended and which are, from time to time, in force and effect.

"Director" means a member of the Board.

"Meeting of Members" includes an annual meeting of members or a Special Meeting; **"Special Meeting"** includes a meeting of any class or classes of members and a special meeting of all members entitled to vote at an annual meeting of members.

"Member" means an individual that meets the requirements for membership set out in Section 11 of the by-law, has applied for and has been accepted into membership in the Corporation by resolution of the Board or in such other manner as may be determined by the Board.

"Officer" or **"Officers"** means any one or more persons, respectively, who have been appointed as officers of the Corporation in accordance with the By-laws.

"Ordinary Resolution" means a resolution passed by a majority of the votes cast on that resolution.

"Proposal" means a proposal submitted by a Member of the Corporation that meets the requirements of the Act.

"Regiment" means The Royal Canadian Dragoons.

"Regimental Family" means the Regiment of The Royal Canadian Dragoons, "the Regiment", serving, former and retired Dragoons and their families; Dragoons include any member of the Canadian Armed Forces of any rank and from any military occupation/classification serving with or who have served with the Regiment, employees and contractors of the Government of Canada who have worked with and for the Regiment, and the cadet corps affiliated with the Regiment

"Regulations" means the regulations made under the Act, as amended, restated or in effect from time to time.

"RCD Association" means The Royal Canadian Dragoon Association.

"Special Resolution" means a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast on that resolution.

ADDITIONAL DEFINITIONS

The following definitions supplement the By-law definitions throughout this manual.

“Canada Not-for-profit Corporations Act (CNCA)” is the Act respecting not-for-profit corporations (e.g., the GUILD) and certain other corporations.

“Blumberg” means Blumberg Segal LLP Barristers and Solicitors who provide a reference web site for non-profits and charities.

“Canada Revenue Agency (CRA)” administers tax laws for the Government of Canada and for most provinces and territories and oversees the registration of charities in Canada, and tax credit. Charitable organizations in Canada are regulated under the Canadian Income Tax Act through the Charities Directorate of the CRA. Related CRA terminology includes:

- a. **Object:** An Object is an aim or main intent of the GUILD. The GUILD was created to achieve its objects. Objects define the scope of the activities the GUILD will carry out to advance its charitable goals.
- b. **Item:** An Item is a sub-element of an Object that defines the scope of the object. Activities are often associated with specific Items of an Object.
- c. **Activity:** Activity is a statement that describes how the GUILD will accomplish its objects.

“Charity” The Income Tax Act does not define "charity" and Canada uses a common law definition, namely purposes that fall within the four "heads" of charity: the relief of poverty, the advancement of education, the advancement of religion, or other purposes that benefit the community in a way the courts have said are charitable.

“Conflict of Interest” means a situation where an individual, or the organization he/she represents or has an interest in, has a direct or indirect competing interest with the GUILD’s activities. This competing interest may result in the individual being able to benefit from the situation or in the GUILD not being able to achieve a result in the best interest of the GUILD.

“Corporations Canada” is the federal corporate regulator. It administers the laws that allow Canadians to create and maintain a corporation under the federal laws governing corporations in Canada.

Election Sub Committee manages the election process on behalf of the GUILD membership.

“Financial Year” is the GUILD’s annual operating period from October 1 to September 30 inclusive.¹

“Fundraising” means that, generally, CRA defines fundraising as any activity that includes a solicitation of present or future donations of cash or gifts in kind, or the sale of goods or services to raise funds, whether explicit or implied.

GUILD Charitable Program (GCP) means the collective term for all the projects and programs executed by the GUILD in order to achieve its objects.

“Governance” terms are:

- *Strategy* – a plan of action designed to achieve a vision.
- *Policy* – a principle of action or rule to guide decision making and achieve strategic outcomes.
- *Procedure* – a set of actions or operations that describe how each policy will be executed to obtain the same result under the same circumstances by outlining:
 - Who will do what?
 - What steps they need to take?
 - Which forms or documents to use?

¹ GUILD By-Law No 1, Section 7

“Ibid” is an abbreviation that means in the same book or passage previously cited in the preceding note.

“Office of the Public Guardian and Trustee (OPGT)” is part of the Ontario Ministry of the Attorney General and, *inter alia*, helps to protect charitable property and assets in Ontario. This role includes checking that the activities of the organization are, in fact, those which the law defines are "charitable". The program investigates complaints about alleged misuse of charitable property and is involved in court cases if necessary, to represent the charitable interest.

“op. cit.” is an abbreviation that means from a work already cited.

“Projects and Programs” for GUILD purposes mean:

- a. Project: a piece of planned work or an activity finished over a period and intended to achieve a particular purpose e.g., the refurbishment of one historical vehicle.
- b. Program: a set of related measures or activities with a particular long-term aim e.g., the ongoing maintenance of ceremonial uniforms or continuation of the bursary program. A program may include several projects.

“Qualified Donees” under the Income Tax Act are organizations that can issue official donation receipts for gifts they receive from individuals and corporations. Registered charities can also make gifts to them (CRA Guidance CG-010). A Canadian charity may transfer money or other resources to a qualified donee and have the qualified donee’s work be deemed to be their work.

“Regimental Family Advisory Council” means representatives from each element of the Regimental Family eligible to receive charitable benefits provided by the GUILD.

“The GUILD” means the GUILD of The Royal Canadian Dragoons, a non-for-profit corporation holding Charitable Status, established on March 17, 1980.

ABBREVIATIONS AND ACRONYMS

CASL – Canadian Anti-Spam Legislation

CEM – Commercial Electronic Message

CNCA – Canada Not for Profit Corporations Act

CRA – Canada Revenue Agency

FY – Financial Year

GCP – GUILD Charitable Program

OPGT – Office of the Public Guardian and Trustee

RCD – Royal Canadian Dragoons

RFAC – Regimental Family Advisory Council

CHAPTER 1

2 FRAMEWORK POLICIES

Purpose

Chapter 1 – the strategic statements of intent and related Framework policies that will guide the Corporation’s plans and actions.

Scope

Following the general idea from the approved corporate purposes, the Framework scope includes the:

- Mandate
- Objects
- Belief Statement
- Mission Statement
- Vision Statement
- Target Statement

2.1 THE MANDATE

The primary object of Corporation, as established by 1980 letters patent, was "to protect, preserve and further the traditions and heritage of The Royal Canadian Dragoons" as an expression of purpose of the Corporation. The subsequent strategic statements of intent and related Framework policies amplify the Corporation’s updated objects and activities ² relating to its belief, mission, vision, and target statements for guiding the plans and actions of

THE GUILD OF THE ROYAL CANADIAN DRAGOONS

(hereinafter referred to as the "Corporation" or the "GUILD")

2.2 OBJECTS

The objects of the Corporation are three-fold:

Object 1 – to promote, protect, preserve and further the traditions and heritage of The Royal Canadian Dragoons (hereinafter referred to as “the RCD” or “the Regiment”) as part of the Canadian Armed Forces:

- a. by displaying regimental artifacts to members of the RCD and the public;
- b. by collecting and preserving artifacts relevant to the history of the Regiment, and funding the operations of the Regiment’s archives;
- c. by holding or participating in ceremonies and educational activities to mark important events in the history of the Regiment;
- d. by fostering liaisons with civilian authorities at all levels in order to establish, maintain and operate museums, exhibitions or demonstrations of items of regimental historical significance, memorabilia, artifacts or property; and
- e. by collecting, disseminating, and publishing information concerning the Regiment, of interest and relevance to members of the Regimental Family and the public at large.

² CRA approved the updated purposes and activities on November 21, 2018 (CRA file 0594390). The Corporation’s activity statements are set out the Business Plan.

Policy Statement: The GUILD will champion the accomplishments of the Regiment and its family by participating in and sponsoring programs, activities, and events of historical significance to The Royal Canadian Dragoons.

Object 2 – To promote the well-being, morale, and quality of life of the Regimental Family by funding, supporting and undertaking projects that assist cadets and current and former soldiers and their families, including:

- a. executing projects that assist the families of injured soldiers and activities to support the families of deployed soldiers;
- b. making materials and resources available that connect and support soldiers of the Regiment and their families;
- c. maintaining and managing the memorials and places of remembrance dedicated to Dragoons;
- d. providing support and financial assistance for the Regiment’s current and former soldiers, and their families to pursue post-secondary education.

Policy Statement: The GUILD will fund quality of life resources that augment the actions of other government and non-government agencies.

Object 3 – to promote public awareness of the Regiment including:

- a. communicating the activities of the RCD to the public at large;
- b. strengthen the links between the RCD and the communities that surround and support it.

Policy Statement: The GUILD will focus on enhancing the bond between the distinct elements of the Regimental Family by demonstrating to the public that diverse association of Canadians who have and continue to serve Canada in local communities at home and abroad.

2.3 BELIEF STATEMENT

To achieve the three (3) mandated objects, the Corporation believes it will succeed only by interactive involvement through solid Regimental Family and community support to make meaningful contributions for bettering the applicable communities.

Policy Statement: Through strong name recognition, the GUILD will realise this belief by reaching out to the Regimental Family through various activities that contribute to community and national ideals.

2.4 MISSION STATEMENT

The GUILD will facilitate the desire of the Regimental Family to promote, protect, preserve, and further the Regiment’s traditions and heritage; promote and improve the quality of life for Regimental Family members; and promote public awareness and regimental morale.

Policy Statement: This mission is broad reaching; therefore, the GUILD will pursue the intent by encompassing an expansive target audience of Regimental Family members living and working globally in the service of Canada and in their local communities.

2.5 VISION STATEMENT

A Regimental Family with a heightened sense of unity, heritage, and quality of life.

Policy Statement: To achieve the vision, there is a need to provide resources beyond those delivered by government and non-government organizations. Therefore, the GUILD will not attempt to replicate, but to enhance the contributions of other contributing organizations.

2.6 TARGET STATEMENT

The corporation's targets are to meet the mission needs for Regimental Family members located in the:

- a. greater Garrison Petawawa area;
- b. greater Garrison Gagetown area;
- c. various Canadian and international operational and training deployment areas;
- d. various non-operational Canadian and international settings; and
- e. non-military settings throughout Canada.

Policy Statement: The Regimental Family diaspora is represented over broad geographical areas; consequently, the GUILD's program activities must strive to ensure Regimental Family members are served regardless of their location.

CHAPTER 2

3 SELF-GOVERNANCE

Purpose

Chapter 2 – the policies, guidance and procedures relating to the conduct of self-governance affairs.

Scope

The Chapter follows the general construct of By-law No 1 setting out the management of:

- Business of the Corporation
- Membership in the Corporation
- Meetings of the Members
- Board of Directors
- Officers of the Corporation
- Remuneration of Directors and Officers
- Indemnification of Directors, Officers and Others
- Dispute Resolution
- General Policies

3.1 BY-LAW NO 1

These policies and procedures amplify the applicable sections of By-Law No 1 for conducting the self-governance business affairs (*less financial described in Chapter 5*) of

THE GUILD OF THE ROYAL CANADIAN DRAGOONS

(hereinafter referred to as the "Corporation" or the "GUILD")

3.2 INTRODUCTION

Figure 3 below illustrates an overview of the GUILD corporate structure. Shown is the interrelationship of the Regimental Family (*the Beneficiary of the charity*); the GUILD membership, its Board of Directors and professional advisors, the Corporate Officers and Board standing committees. The scope of this chapter provides the corporate organizational policy and procedures.

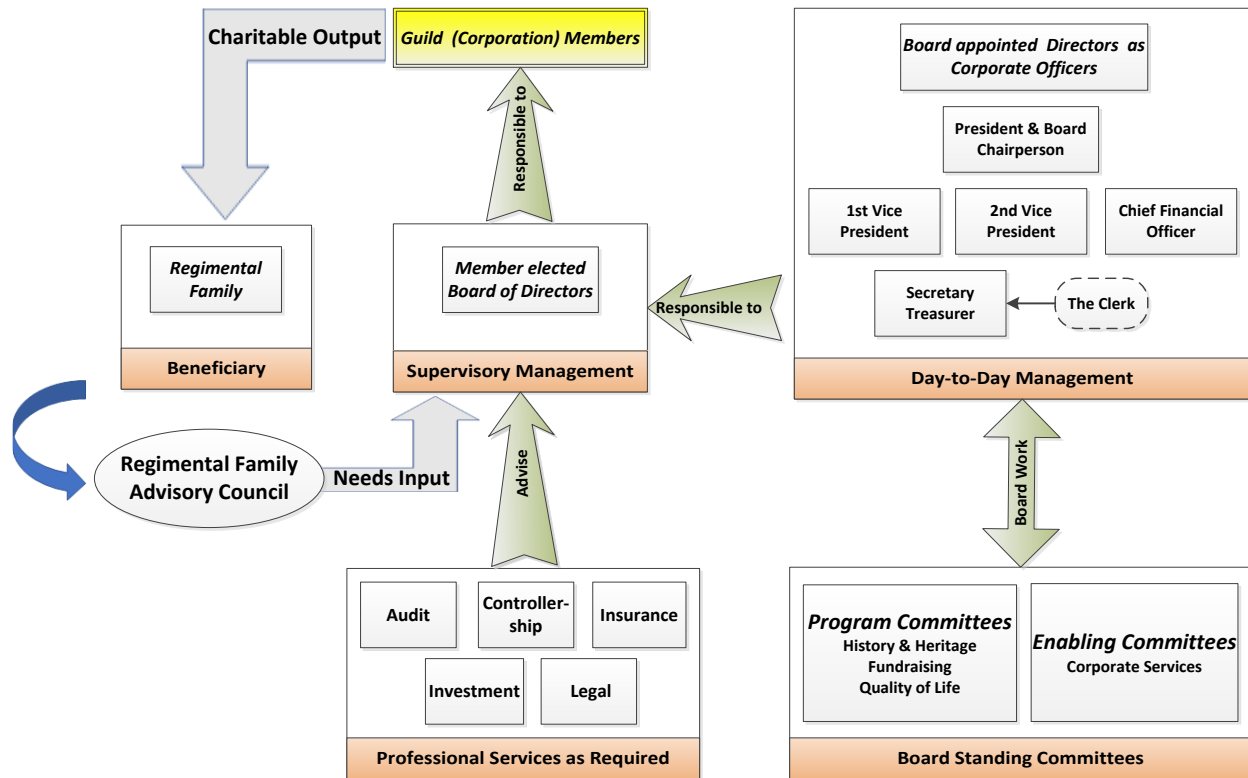


Figure 3 Corporate Structure

3.3 BUSINESS OF THE CORPORATION (LESS FINANCIAL SET OUT IN CHAPTER 5)

3.3.1 CORPORATE SEAL

By-law Section 3: *The Corporation may have a corporate seal in the form approved from time to time by the Board. If a corporate seal is approved by the Board, the Secretary of the Corporation shall be the custodian of the corporate seal.*

Policy Statement: The Corporation will continue to use its existing corporate seal. If Corporation requires a new corporate seal, it will be in the form approved from time to time by the Board.

3.3.2 REGISTERED OFFICE

By-law Section 4: *The head office of the Corporation shall be in the Town of Petawawa, in the Province of Ontario.*

Policy Statement: The head office civic postal address is 24 Worthington Road, Petawawa, Ontario K8H 2X3. The Board of Directors shall approve any required relocation.

3.3.3 BOOKS AND RECORDS

By-law Section 5: *The Board shall ensure that all necessary books and records of the Corporation required by the By-laws or by any applicable statute or law are regularly and properly kept.*

Policy Statements:

- Location. All necessary books and records shall be maintained and kept at the Corporation's registered office with electronic backups held on cloud -based storage.

- **Minute Book.** The corporate minute book shall be updated at least annually for approval by the Corporate Services Committee and shall be available for review by any corporate member upon request in writing to the Secretary-Treasurer. The extract below from Corporations Canada provides the guidance on records.

A corporation is required to keep certain records at its registered office or at some other location in Canada chosen by the board of directors. These records must include the following:

- all articles of the corporation, (for ex., articles of incorporation, articles of continuance or articles of amalgamation); by-laws and their amendments; and unanimous members agreements
- minutes of meetings of members and committees of members
- resolutions of members and committees of members
- if any debt obligations are issued by the corporation, a debt obligations register showing: the name and residential or business address of each debt obligation holder; an email address, if the debt obligation holder has consented to receiving information or documents electronically; the date on which each person named in the register became a debt obligation holder; the date on which each person named in the register ceased to be a debt obligation holder; and the principal amount of each of the outstanding debt obligations of each debt obligation holder
- a directors register showing: the name and residential address of each director; an email address, if the director has consented to receiving information or documents electronically; the date on which each person named in the register became a director; and the date on which each person named in the register ceased to be a director
- an officers register showing: the name and residential address of each officer; an email address, if the officer has consented to receiving information or documents electronically; the date on which each person named in the register became an officer; and the date on which each person named in the register ceased to be an officer
- a members register showing: the name and residential or business address of each member; an email address, if the member has consented to receiving information or documents electronically; the date on which each person named in the register became a member; the date on which each person named in the register ceased to be a member; and the class or group of membership of each member, if any.

3.3.4 EXECUTION OF DOCUMENTS

By-law Section 6: *Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring execution by the Corporation may be signed by any two (2) Officers or Directors. In addition, the Board may from time to time direct the manner in which and the person or persons by whom a particular document or type of document shall be executed. Any person authorized to sign any document may affix the corporate seal (if any) to the document. Any signing officer may certify a copy of any instrument, resolution, by-law or other document of the Corporation to be a true copy thereof.*

Policy Statement: The designated signing officers are the President, the First Vice-President, the Second Vice-President, and the Secretary-Treasurer. The Secretary-Treasurer shall ensure the corporate seal is affixed to any documents executed by the Corporation.

3.4 MEMBERSHIP IN THE CORPORATION

3.4.1 MEMBERSHIP CONDITIONS

By-law, Section 11 in part states that *There shall be one class of Members in the Corporation. The term of a membership in the Corporation shall be for a period of three (3) years. Membership in the Corporation shall be available only to individuals that are (a) interested in furthering the Corporation's purposes; (b) who have applied for membership and been accepted into membership in the Corporation by resolution of the Board; and (c) that are Directors. Subject to the foregoing, at any time the Corporation may have up to twenty (20) Members. Each Member shall be entitled to receive notice of, attend and exercise one (1) vote at all meetings of the Members of the Corporation.*³

Policy Statements:

- **Minimum Requirement.** To promote and encourage a broad spectrum of eligible individuals, the Corporate Services Committee Membership Team, chaired by the President, will recruit interested individuals who meet the criteria to fill impending Corporation vacancies. As a minimum, the need is for twelve (12) GUILD members. [Annex A](#) to these Self Governance Policies (*Participation in the Organization*) provides the policy and procedural details for membership along with related details concerning volunteers and donors.
- **Membership Renewal.** Notwithstanding the three (3) year time limitation, a member may apply for another term of membership.

3.4.2 MEMBERSHIP DUES

By-law Section 12: *Members shall be notified in writing of the membership dues at any time payable by them and, if any are not paid within one (1) calendar month of the membership renewal date the Members in default shall automatically cease to be Members of the Corporation.*

Policy Statement: There shall be no membership dues unless voted upon by ordinary resolution at a Members' Annual Meeting.⁴

3.4.3 TERMINATION OF MEMBERSHIP

By-law, Section 13 in part sets out six (6) conditions for terminating membership in the Corporation.⁵

Policy Statement: Should a membership in the Corporation be terminated, the Board of Directors may, if practicable, nominate a qualified replacement to complete the term of the terminated member. A quorum of the Board is necessary to approve the nominated replacement.

3.4.4 EFFECT OF TERMINATION OF MEMBERSHIP

By-law Section 14: *Subject to the Articles, upon any termination of membership, the rights of the Member, including any rights in the property of the Corporation, automatically cease to exist.*

Policy Statement: Should a membership in the Corporation be terminated, the termination notice to the affected member shall include the By-law statement.

³ By Law No 1, Section 11 sets out the conditions for fundamental change in accordance with CNCA.

⁴ *Ibid*, Section 12 permits membership dues.

⁵ *Ibid*, Section 13 sets out the conditions for termination of membership.

3.4.5 DISCIPLINE OF MEMBERS

By-law, Section 15 in part states that *the Board shall have authority to suspend or expel any Member from the Corporation.*⁶

Policy Statement: The decision to notify a member of a disciplinary issue and finding shall be taken through a Board deliberation and vote at a regular or Special Board meeting. Upon request of any Board member present, the vote shall be by secret ballot.

3.4.6 MEMBERSHIP TRANSFERABILITY

By-law, Section 16 in part states that *a membership may only be transferred to the Corporation.*⁷

Policy Statement: The interest of a Member in the Corporation is not transferable to another person outside the Corporation.

3.5 MEETINGS OF MEMBERS

3.5.1 NOTICE OF MEMBERS MEETING

CNCA Article 162 (9) in part states *All business transacted at a special meeting of members and all business transacted at an annual meeting of members, except consideration of the financial statements, public accountant's report, election of directors and re-appointment of the incumbent public accountant, is special business.*

By-law Section 17: *Notice of the time and place of a Meeting of Members shall be given to each Member entitled to vote at the meeting by the following means:*

- a. *by mail, courier or personal delivery to each Member entitled to vote at the meeting, not less than 21 and not more than 60 days before the day on which the meeting is to be held; or*
- b. *by telephonic, electronic or other communication facility to each Member entitled to vote at the meeting, during a period of 21 to 35 days before the day on which the meeting is to be held.*

Policy Statements:

- **Frequency of Meetings.** As a minimum, there shall be at least one (1) Annual Meeting of Members normally held in January.
- **Meeting Business.** The notice of meeting shall have the following agenda items:
 - for an annual meeting, the items set out in the CNCA reference to include:
 - draft summary record of previous annual meeting,
 - President's annual report,
 - financial statements,
 - appointment of auditor,
 - election of directors, and

⁶ *Ibid, Section 15 sets out the conditions for discipline of members and the general processes to be undertaken.*

⁷ *Ibid, Section 16 sets out the conditions for fundamental change in accordance with CNCA.*

- special resolutions (if any);
 - for a meeting of members at which special business is to be transacted, the notice shall:
 - state the nature of that business in sufficient detail to permit a member to form a reasoned judgment on the business, and
 - state the text of any special resolution to be submitted to the meeting.
- Means of Communication. The Secretary-Treasurer will normally communicate the Notice of Meeting and information to Members via electronic means. However, other means of written communication may be used as required to meet the notification objective.

By-law: Section 18 in part states that *a Special Resolution of the Members is required to make any amendment to the By-laws of the Corporation to change the manner of giving notice to Members entitled to vote at a Meeting of Members.*⁸

Policy Statement: Should GUILD Members wish a change; the Board of Directors shall ensure the Members are advised of the by-law requirements to cause change.

3.5.2 MEMBERS CALLING A MEMBERS MEETING

By-law Section 19: *The Board shall call a Special Meeting of Members in accordance with the Act, on written requisition of Members carrying not less than 5% of the voting rights. If the Directors do not call a meeting within twenty-one (21) days of receiving the requisition, any Member who signed the requisition may call the meeting.*

Policy Statement: In the unavailability of the President or a Vice-President, any two members of the Board may call the meeting.

3.5.3 ABSENTEE VOTING AT MEMBERS MEETINGS

By-law, Section 20 in part states that *a Member entitled to vote at a Meeting of Members may vote by mailed-in ballot or by means of a telephonic, electronic or other communication facility if the Corporation has a system that:*

- (a) *enables the votes to be gathered in a manner that permits their subsequent verification, and*
- (b) *permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each Member voted.*⁹

Policy Statement: The Corporation shall set out a system that:

- (a) enables the votes to be gathered in a manner that permits their subsequent verification, and
- (b) permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each Member voted.

[Annex B](#) to these Governance Policies provides the procedural details.

⁸ *Ibid, Section 18 set out the full requirement for fundamental change in accordance with the CNCA.*

⁹ *Ibid, Section 20 sets out the full requirement.*

3.5.4 AMENDMENTS TO ABSENTEE VOTING

By-law, Section 21 in part states that a Special Resolution of the Members is required to make any amendment to the *By-laws* of the Corporation to change the above method of voting by Members not in attendance at a Meeting of Members.¹⁰

Policy Statement: Should GUILD Members wish a change; the Board of Directors shall ensure the Members are advised of the by-law requirements to cause change.

3.5.5 PROPOSALS NOMINATING DIRECTORS AT MEMBERS MEETINGS

By-law, Section 22 in part states that *Any Proposal at members' meetings may include nominations for the election of Directors if the Proposal is signed by not less than 5% of Members entitled to vote at the meeting at which the Proposal is to be presented.*¹¹

Policy Statements:

- **General.** From the By-law, it follows that an established nomination process will produce a slate of candidates for election to vacant Board positions. Therefore, the GUILD leadership should take every opportunity to foster a culture for identifying leaders with diverse backgrounds for potential election to the Board. To promote the idea of succession planning, it is desirable to limit an incumbent Director to a maximum of two (2) consecutive terms of office for a maximum of six (6) consecutive years. This does not preclude an individual from seeking re-election to the Board after a minimum one-year break.
- **Nominations.** [Annex B](#) to these Governance policies set out the nomination guidance and procedures which align with the requirements of the GUILD By-law. In any discrepancy, the By-law will take precedence. [Section 2.6.1](#) below outlines the policy respecting proposal for nominating Directors who meet the qualification.
- **Election.** The election of GUILD members to the Corporation's Board of Directors is an integral component of self-governance. Therefore, the Board will appoint an ad hoc Election Chairperson to conduct the election for Directors and who will manage the GUILD Election using the guidance and procedures set out in [Annex C](#) to Governance policies.

3.5.6 COST OF PUBLISHING PROPOSALS AT ANNUAL MEMBER'S MEETINGS

By-law Section 23: *The Member who submitted the Proposal shall pay the cost of including the Proposal and any statement in the notice of meeting at which the Proposal is to be presented unless otherwise provided by Ordinary Resolution of the Members present at the meeting.*¹²

Policy Statement: The President shall ensure the Annual Member's Meeting agenda contains an Ordinary Resolution to waive the cost of publishing proposals to a member.

3.5.7 PLACE OF MEMBER'S MEETING

By-law Section 24: *Meetings of the Members may be held at any place within Canada determined by the Board or, if all of the Members entitled to vote at such meeting so agree, outside Canada.*¹³

¹⁰ *Ibid*, Section 21 sets out the full requirement for fundamental change in accordance with the CNCA.

¹¹ *Ibid*, Section 22 sets out the full requirement in accordance with CNCA.

¹² *Ibid*, Section 23

¹³ *Ibid*, Section 24 sets out the full requirement in accordance with CNCA.

Policy Statement: Members' meetings will take place at the location of the Corporation's Registered Office.

3.5.8 PERSONS ENTITLED TO BE PRESENT AT MEMBERS' MEETINGS

By-law Section 25: *The only persons entitled to be present at a Meeting of Members shall be those entitled to vote at the meeting, the Directors and the public accountant of the Corporation and such other persons who are entitled or required under any provision of the Act, Sections or By-laws of the Corporation to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or by resolution of the Members.*

Policy Statement: As a matter of practice, the President may invite other interested members of the Regimental Family to observe the meetings unless attendance is restricted by a resolution of the Members.

3.5.9 CHAIR OF MEMBER'S MEETINGS

By-law Section 26: *In the event the President and the First Vice-President of the Board are absent, the Members who are present and entitled to vote at the meeting shall choose one of their numbers to chair the meeting.*

Policy Statement: The President, or the First Vice-President in the absence of the President, will chair Members' meetings. In the absence of both, the Secretary Treasurer shall recommend to the members present that the Second Vice-President be chosen as the meeting chairperson. In the absence of the Second Vice-President, members will select a chair from those present.

3.5.10 QUORUM AT MEMBER'S MEETINGS

By-law Section 27: *A quorum at any meeting of the Members (unless a greater number of members are required to be present by the Act) shall be a majority of the Members entitled to vote at the meeting. If a quorum is present at the opening of a Meeting of Members, the Members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting.*

Policy Statement: Quorum is defined as at least fifty-one (51) per cent of the elected membership.

3.5.11 VOTES TO GOVERN AT MEMBER'S MEETINGS

By-law Section 28: *At any Meeting of Members every question shall, unless otherwise provided by the Articles or By-laws or by the Act, be determined by an Ordinary Resolution. In case of an equality of votes either on a show of hands or on a ballot or on the results of electronic voting, the chair of the meeting in addition to an original vote shall have a second or casting vote.*

Policy Statement: Normally, voting for all Ordinary Resolutions shall be by show of hands from the members attending the meeting including those attending by Electronic means (*see Paragraph 2.5.13 below*). If requested by at least ten (10) per cent of the Quorum, votes shall be cast by secret ballot.

3.5.12 PARTICIPATION BY ELECTRONIC MEANS AT MEMBER'S MEETINGS

By-Law, Section 29 sets out the conditions for members to participate electronically at Members' meetings. In **part**, the section states that *a person participating in a meeting by such means is deemed to be present at the meeting.*¹⁴

Policy Statement: If the Corporation chooses electronic participation, the Secretary-Treasurer will arrange for member participation entirely in person, as a combination of in person and by electronic means ensuring that the requirements of the CNCA, regulations and By-law 29 are met.

3.5.13 MEMBERS'S MEETING HELD ENTIRELY BY ELECTRONIC MEANS

By-Law, Section 30 in part states that *if the Directors or Members call a meeting of Members pursuant to the Act, those Directors or Members, as the case may be, may determine that the meeting shall be held entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.*¹⁵

Policy Statement: If the Directors or Members consent to an electronic meeting, the Secretary Treasurer will arrange for all authorized persons to participate in the meeting entirely through electronic means ensuring that the requirements of the CNCA regulations and by-law 29 are met.

3.6 BOARD OF DIRECTORS

3.6.1 NUMBER OF DIRECTORS

By-law Section 31: *The Board shall consist of the number of Directors specified in the Articles. If the Articles provide for a minimum and maximum number of Directors, the Board shall be comprised of the fixed number of Directors as determined from time to time by the Members by Ordinary Resolution or, if the Ordinary Resolution empowers the Directors to determine the number, by resolution of the Board.*

¹⁴ *Ibid, Section 29 sets out the requirements.*

¹⁵ *Ibid, Section 30 sets out the requirements.*

Policy Statements:

- Number of Directors. The Articles set the number of Directors at minimum of ten (10) and a maximum of twenty (20) persons. Unless special circumstances arise, the Directors will be found from the GUILD membership.
- Role. The role of the Board is to provide leadership and oversight on the activities of the GUILD. In both areas the Board will strive to represent the interests of the GUILD members and the broader Regimental Family community.
- Duties and Responsibilities. Details are set out in a separate governance document entitled “Director Involvement in the Corporation”.

3.6.2 TERM OF OFFICE OF DIRECTORS

By-law Section 32: *The Directors shall be elected to hold office for a term of three years expiring not later than the close of the annual Meeting of Members at the end of the Directors term. Directors are eligible for re-election for additional three-year terms. Nominations shall be put forward by a Nominating Committee established for the purpose of identifying new Directors or through proposals in accordance with these By-laws.*

Policy Statements:

- Election of Directors. GUILD members elect the Directors at the annual Meeting of Members. Annex A describes the Election process.
- Succession Planning. The Corporate Services Committee Membership Team shall perform the nominating processes. Annex B to this chapter describes succession planning.
- Re-election Process. Should a Director wish to stand for office for a subsequent term, the rationale must be provided to the GUILD membership for consideration at least 10 working days before the Annual Members Meeting. The Immediate Past-President shall not stand for re-election as a Director for at least one (1) year beyond the appointment of a successor President; however, the immediate Past President may, with the concurrence of the President, function as volunteer with one of the GUILD committees.
- Attendance. Directors are expected to be actively involved in the charity's decision-making process. They should be selected based on their experience, skills, and knowledge. They will be ensuring that the charity operates effectively and within the law.¹⁶ Therefore, if a Director fails to attend at least sixty (60) per cent of Board meetings annually, the Board will consider the retention of a Director on the Board.

3.6.3 VACATION OF OFFICE

By-Law, Section 33 describes the conditions by which the office of a Director shall be automatically vacated.¹⁷

Policy Statement:

- Committee Action. Should a vacation situation exist other than the resignation or death of a Director, the Corporate Services Committee shall investigate the circumstances with the applicable Director and recommend a course of action to the Board within thirty (30) calendar days of the situation occurring.

¹⁶ OPGT responsibilities <https://www.attorneygeneral.ius.gov.on.ca/english/family/pgt/charbullet/bullet3.php>

¹⁷ By-law op.cit. Section 33 sets out the full requirement.

- **Decision Action.** If the Board decides to remove the Director, the President shall advise the affected member forthwith in writing with an explanation of the reasons.

3.6.4 VACANCIES

By-Law, Section 34 describes how a vacancy for the office of Director may be filled.¹⁸

Policy Statement: Should a vacancy on the Board of Directors occur, the Corporate Services Committee shall recommend a course of action to the Board within thirty (30) calendar days of the vacancy occurring.

3.6.5 CALLING OF MEETINGS OF BOARD OF DIRECTORS

By-law Section 35 in part states that *Meetings of the Board may be called by the President or any two (2) Directors at any time.*¹⁹

Policy Statement: The President may delegate his authority to call meetings to the First Vice President or the Second Vice President in the event of expected absence by the President.

3.6.6 LOCATION OF MEETING OF THE BOARD OF DIRECTORS

By-law Section 36: *Meetings of the Board may be held at any time and place within or outside of Canada to be determined by the Directors.*

Policy Statement: Normally, the Directors' meetings will take place at the location of the Corporation's Registered Office.

3.6.7 PARTICIPATION IN MEETINGS BY ELECTRONIC MEANS

By-law Section 37: *If a majority of the Directors consent thereto, a Director may participate in a meeting of the Board or a committee of the Board by means of such conference telephone, electronic or other communications facilities as permit all persons participating in the meeting to communicate adequately with each other and a Director participating in a meeting by such means shall be deemed to be present at the meeting.*

Policy Statement: If Directors consent to electronic participation, the Secretary-Treasurer will arrange for Director(s) participation entirely in person, as a combination of in person and by electronic means ensuring that the requirements of the CNCA, regulations and By-law 37 are met.

3.6.8 BOARD MEETING HELD ENTIRELY BY ELECTRONIC MEANS

By-Law Section 38: *If the Directors call a meeting of the Board pursuant to the Act, those Directors may determine that the meeting shall be held entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting.*²⁰

Policy Statement: If Directors consent to an electronic Board meeting, the Secretary Treasurer will arrange for Directors to participate in the meeting entirely through electronic means ensuring the requirements of the CNCA, regulations and the by-law are met.

¹⁸ *Ibid, Section 34 sets out the full requirement.*

¹⁹ *Ibid, Section 35 comments on the circumstance of only one Director which does not apply to the GUILD.*

²⁰ *Ibid, Section 38 sets out the complete conditions in accordance with the CNCA.*

3.6.9 NOTICE OF MEETING OF BOARD OF DIRECTORS

By-Law No 1, Section 39 in part states that *Notice of the time and place for the holding of a meeting of the Board shall be given in the manner provided in this By-law to every Director of the Corporation not less than 10 days before the time when the meeting is to be held if sent by mail and not less than 48 hours if sent by telephonic, electronic or other communication facilities. Notice of a meeting shall not be necessary if all of the Directors are present, and no one objects to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting. Notice of an adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting. A notice of meeting of Directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified.*²¹

Policy Statements:

- **Notice Practice.** Notwithstanding the options set out in the by-law regarding notices of meeting and agenda, the normal practice will be for the Secretary-Treasurer to issue a notice of meeting electronically within the specified time frames and to issue an agenda under the conditions described in the By-law.
- **Member Responsibility.** Each Board member has the responsibility to inform the President through the Secretary Treasurer if the member is unable to attend the meeting as soon as possible following receipt of the Notice of Meeting.

3.6.10 FIRST MEETING OF NEW BOARD

By-law Section 40: *Notwithstanding the foregoing, provided a quorum of Directors is present, each newly elected Board may without notice hold its first meeting immediately following the Meeting of Members at which such Board is elected.*

Policy Statements:

- **Convening.** The President shall convene the first meeting of the new Board as soon as practicable following the annual election of members to the Board of Directors.
- **Agenda.** The agenda may be limited to perfunctory items such as the:
 - Confirmation of the Standing Committees, their Terms of Reference and appointment of respective Directors as Chairpersons (see paragraph 2.6.14 below).
 - Appointment of officers (see paragraph 2.7.1 below).
 - For policy, guidance and procedures not affected by the coming into force of a new By-law, the Board may approve the retention of those non-affected policies, guidance and procedures at its first meeting governed by the ratified By-law (see paragraph 2.11.6 below).
 - The Board of Directors shall endorse its policies, guidance and procedures at its first Board meeting in each new financial year (see paragraph 2.11.6 below).

3.6.11 REGULAR MEETINGS SECTION

By-law Section 41: *The Board may appoint a day or days in any month or months for regular meetings of the Board at a place and hour to be named. A copy of any resolution of the Board fixing the place and time of such regular meetings of the Board shall be sent to each Director forthwith after being passed, but no*

²¹ *Ibid*, Section 39 sets out the complete conditions including the requirement for specifying proposals.

other notice shall be required for any such regular meeting except if the Act requires the purpose thereof or the business to be transacted to be specified in the notice.

Policy Statement: As a minimum the Board shall meet semi-annually in April and November at the Corporation's Registered Office. From time-to-time, the President may call additional regular meetings at the Corporation's Registered Office and/or by electronic means to address urgent or routine matters.

3.6.12 QUORUM AT MEETINGS OF THE BOARD OF DIRECTORS

By-law Section 42: *A majority of the Directors in office from time to time shall constitute a quorum at any meeting of the Board.*

Policy Statement: Should a Quorum not be attained, the Directors present may conduct the meeting, but they will be restricted to consensus actions that do not require binding decisions but require ratification from the Board quorum.

3.6.13 VOTES TO GOVERN AT MEETINGS OF THE BOARD OF THE DIRECTORS

By-law Section 43: *At all meetings of the Board, every question shall be decided by Ordinary Resolution. In case of an equality of votes, the chair of the meeting in addition to an original vote shall have a second or casting vote.*

Policy Statements:

- **Voting at Meetings.** Normally, voting for all Ordinary Resolutions shall be by show of hands from the Directors attending the meeting including oral votes from those attending by electronic means. If requested by at least ten (10) per cent of the Quorum, votes shall be cast by secret ballot.
- **Electronic Voting for Urgent Matters.** When an Ordinary Resolution is requested outside the confines of a scheduled Director's meeting to resolve an urgent issue, the President shall have the Secretary-Treasurer send electronic communications to all Directors containing:
 - an explanation of the issue,
 - a motion that includes the names of the *Mover* and the *Seconder*,
 - a request for a vote within a specified time period that must allow a reasonable time window for electronic discussion before the vote is scheduled, and
 - the results of the vote when completed listing those Directors which voted "for", "against" and "abstentions".

3.6.14 COMMITTEES OF THE BOARD OF DIRECTORS

By-law Section 44: *The Board may from time to time appoint any committee or other advisory body, as it deems necessary or appropriate for such purposes and, subject to the Act, with such powers as the Board shall see fit. Any such committee may formulate its own rules of procedure, subject to such regulations or directions as the Board may from time to time make. Any committee member may be removed by resolution of the Board.*

Policy Statements:

- **Committee Confirmation.** The Board shall employ a combination of standing and ad hoc committees to manage the functional activities. At its first meeting, each new Board shall confirm the Standing Committees and their terms of Reference. The President may appoint ad hoc committees as required to address short-term issues.

- **Appointments.** The President shall appoint each Board member to a standing committee and to ad hoc committees where appropriate. At the first meeting of each new board, the President shall appoint Directors as Chairpersons for each standing committee. A Board member may be appointed to more than one committee. The appointment of non-board members to committees is encouraged to help foster greater interest and/or to provide expertise not resident in other committee members.

3.7 OFFICERS OF THE CORPORATION

3.7.1 APPOINTMENT OF OFFICERS

By-Law, Section 45 in part states that *unless otherwise specified by the Board which may, subject to the Act modify, restrict or supplement such duties and powers, the offices of the Corporation, if designated and if Officers are appointed, shall have the following duties and powers associated with their positions. Officers need not be Directors or Members.*²²

Policy Statements: The Policy statements below amplify the By-law and provide additional detail:

- **Offices.** The by-law describes the offices of the President, First Vice-President, Second Vice-President, and the Secretary-Treasurer. As by-law (45.6) permits other offices, the Board created a fifth principal office – the Chief Financial Officer, to be occupied by a person with the appropriate education and experience in financial leadership. The Board reassigned selected Secretary-Treasurer responsibilities to the Chief Financial Officer.
- **Principal Appointments.** The Board shall appoint Officers by ordinary resolution at the first Board meeting following the Meeting of the Members at which the Directors are elected until their successors are appointed.²³ For convenience, the business for the first Board following the Meeting of the Members may be limited to the appointment of Officers and other perfunctory items.
- **Other Appointments.** *The Board may appoint such other Officers with such other roles, duties or terms of reference as they deem appropriate.*²⁴ Other officers may serve for the period of the extraordinary circumstances or for a maximum of three (3) years whichever comes first. To meet special requirements, the Board may appoint other officers who are not Directors or Members of the Corporation.
- **Duties and Responsibilities.** A separate governance document entitled “Officer involvement in the Corporation” sets out the Officers’ detailed duties and responsibilities.

3.7.2 VACANCY IN OFFICE

By-Law, Section 46 describes the conditions by which a vacancy occurs and how the Board may remove, with or without cause, any Officer of the Corporation.²⁵

Policy Statements:

²² *Ibid*, Section 45 designates the Officers of the Corporation and their responsibilities; and permits the appointment of other Officers.

²³ *Ibid*, Section 45.5.

²⁴ *Ibid*, Section 45.6.

²⁵ *Ibid*, Section 46 describes the normal conditions which may cause a vacancy to occur and how to fill the vacancy.

- **Course of Action.** Should a vacancy for any Officer position occur, the Corporate Services Committee shall recommend a course of action to the Board within fifteen (15) calendar days of the vacancy occurring.
- **Removal from Office.** Should a situation arise to consider removal of an Officer, the Board will appoint an ad hoc committee to investigate the circumstances and make recommendations for removal or retention of the affected Officer. The Board shall consider the recommendations and make judgement on further action.
- **Filling Vacancy.** The Board shall fill any principal Officer vacancy within fifteen (15) calendar days of receiving the Corporate Services Committee recommendations.

3.8 REMUNERATION OF DIRECTORS AND OFFICERS

3.8.1 REMUNERATION OF DIRECTORS AND OFFICERS

By-Law Section 47: *The Directors and Officers of the Corporation shall not be remunerated for their services.*²⁶

OPGT Duty 5: Generally, a charity cannot pay a Director to act in the capacity of a Director. Also, a Director cannot be paid for services provided in any other capacity unless permitted by a court order.²⁷ In appropriate circumstances, payment for services other than as a Director may be allowed by Court Order or by an Order made under section 13 of the Charities Accounting Act where it is in the charity's best interest to do so.²⁸

Policy Statements:

- **Unpaid Services.** The Directors and Officers of the Corporation shall not be remunerated for their services as a Director or an Officer.
- **Paid Services.** A Director or connected person can be paid for certain services provided to the GUILD, subject to the Corporation's fulfillment of specific requirements. Before considering the latter option for special circumstances, the Corporation may seek legal advice.
- **Reimbursements.** The GUILD may reimburse individuals for authorized out-of-pocket expenses as set out in [Chapter 5.2.1](#) of this guide.

3.9 INDEMNIFICATION OF DIRECTORS AND OFFICERS AND OTHERS

3.9.1 INDEMNIFICATION

By-Law, Section 48 in part states that *Every Director or Officer of the Corporation or other person who has undertaken or is about to undertake any liability on behalf of the Corporation or any corporation controlled by it, and their heirs, executors and administrators, and estate and effects, respectively, shall, so long as they have acted honestly and in good faith, from time to time and at all times be indemnified and saved harmless out of the funds of the Corporation.*²⁹

²⁶ *Ibid*, Section 47.

²⁷ *OPGT Guidelines – Duties, Responsibilities and Powers of Directors and Trustees of Charities*
<https://www.attorneygeneral.jus.gov.on.ca/english/family/pgt/charbullet/bullet3.php>

²⁸ *Payments to Directors and Connected Persons*
https://www.attorneygeneral.jus.gov.on.ca/english/family/pgt/authorization_of_payments.html

²⁹ *Ibid*, Section 48 describes the range of indemnification and funding including willful personal neglect or default.

Policy Statements:

- Indemnification. Every Director of the Corporation or other person who has undertaken or is about to undertake any liability on behalf of the Corporation or any corporation controlled by it, and their heirs, executors and administrators, and estate and effects, respectively, shall, so long as they have acted honestly and in good faith, from time to time and at all times be indemnified and saved harmless out of the funds of the Corporation.
- Insurance. The Secretary-Treasurer shall ensure that corporation's indemnification insurance is adequate to meet any reasonable risk that may arise in concert with the annual policy renewal.
- Exercise of Power. In exercising their powers and discharging their duties, Directors shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and take such measures as are necessary to ensure the GUILD complies with all charitable legal requirements.
- Advance of Funds. Should a Director or other applicable person require an advance of funds to defend an action, claim, suit, or proceeding because of actions of the Corporation, the Board may approve such an advance within the Corporation's liability insurance provisions or, alternatively and less desirably from within the Corporation.

3.10 DISPUTE RESOLUTION

3.10.1 DISPUTE RESOLUTION MECHANISM

By-Law, Section 49 describes the mechanism for resolving a dispute or controversy among Members, Directors, Officers, committee members or volunteers of the Corporation arising out of or related to the articles or by-laws, or out of any aspect of the operations should the issue not be resolved in private meetings between the parties.³⁰

Policy Statements:

- Resolution. Every effort will be made to resolve issues in private meetings between the parties with a record of the meetings recorded, sealed and deposited with the Secretary-Treasurer.
- Mediation. The Corporate Services Committee shall recommend the appointment of any mediator representing the Board in a dispute for approval by the Board. The recommended mediator may be a member of the Corporation or may be obtained from outside the Corporation.

3.11 GENERAL POLICIES

3.11.1 METHOD OF GIVING NOTICE

By-Law, Section 50 in part states *Any notice (which term includes, without limitation, any communication or document or other information) to be given (which term includes, without limitation, sent, delivered, received or served) pursuant to the Act, the Articles, the By-laws or otherwise to a Member, Director,*

³⁰ *Ibid*, Section 49 provides the complete details including costs.

Officer or member of a committee of the Board or to the public accountant shall be sufficiently given ³¹ *when various conditions are met.*

Policy Statement: The Secretary-Treasurer shall take all measures necessary to ensure notice is given under the provisions of Section 50 and under the provisions of related [Policy Section 2.5.1](#) and [Section 2.6.9](#).

3.11.2 INVALIDITY OF BY-LAW PROVISIONS

By-Law Section 51: *The invalidity or unenforceability of any provision of this By-law shall not affect the validity or enforceability of the remaining provisions of this By-law.*

Policy Statement: Should elements of the By-Law appear invalid or unenforceable, the Corporate Services Committee shall recommend to the Board any corrective action necessary to resolve the issue. If a By-law change is recommended, the Board must seek approval from the corporate membership through an ordinary or special resolution as required by the Act.

3.11.3 OMISSIONS AND ERRORS

By-law Section 52: *The accidental omission to give any notice to any Member, Director, Officer, member of a committee of the Board or public accountant, or the non-receipt of any notice by any such person where the Corporation has provided notice in accordance with the By-laws or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.*

Policy Statement: To minimize accidental errors or omissions for notices, the Secretary-Treasurer should, whenever possible, obtain the services of another person to cross-check the document details for accuracy and completeness before issuance of the documentation to the intended recipients.

3.11.4 BY-LAWS AND EFFECTIVE DATE

By-Law Section 53: *Subject to matters requiring a Special Resolution, this By-law shall be effective when approved by the Board.*

Policy Statement: To parallel the By-Law, supporting policies, guidance, and procedures, along with potential amendments, will be effective on the date (s) approved by the Board.

3.11.5 AMENDMENT OF BY-LAWS

By-Law, Section 54 in part *states the Board may, by resolution, make, amend or repeal any by-laws that regulate the activities or affairs of the Corporation. Any such by-law, amendment or repeal shall be effective from the date of the resolution of Directors until the next Meeting of Members where it may be confirmed, rejected or amended by the members by Ordinary Resolution.* ³²

Policy Statement: The stability of the Corporation's By-Law is essential for the effectiveness of long-term governance. Amendment of the By-law, therefore, must be considered as the last resort to resolve governance issues that cannot be resolved through policy, guidance, and procedures.

3.11.6 REPEAL OF PRIOR BY-LAWS, POLICY AND PROCEDURES

³¹ *Ibid, Section 50 specifies the conditions.*

³² *Ibid, Section 54 specifies the complete requirement and limitations in accordance with the CNCA.*

By-Law Section 55: *All previous by-laws of the Corporation are repealed as of the coming into force of this By-law. Such repeal shall not affect the previous operation of the previous by-laws or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred prior to its repeal.*

Policy Statements:

- Previous Actions. To parallel the By-Law, all previous policies, guidance and procedures are revoked resulting from a ratified By-law coming into force and shall not affect the previous policies, guidance and procedures or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred prior to its revocation.
- Non-affected Actions. For policy, guidance and procedures not affected by the coming into force of a new By-law, the Board may approve the retention of those non-affected policies, guidance and procedures at its first meeting governed by the ratified By-law.
- New Actions. New or revised policy and procedures resulting from a ratified By-law should be developed and implemented within six (6) months of the ratified By-law coming into effect.
- Endorsement. The Board of Directors shall endorse its policies, guidance and procedures at its first Board meeting in each new financial year.

Applicable Definitions

Member means an individual that meets the requirements for membership set out in the [By-law Section 11](#), has applied for and has been accepted into membership in the Corporation by resolution of the Board or in such other manner as may be determined by the Board.

Donor means an individual or organization that gives a donation of a tangible asset.

Volunteer means a person who provides skill and knowledge for any type of work that is free of charge.

Regulatory Implications

MEMBER RIGHTS

The GUILD is subject to the Canada Not for Profit Corporation Act (CNCA) which specifies the rights of a Member in a not-for-profit corporation. While the CNCA describes a host of rights, generally, the Member has the right to do the following:

- Vote at a meeting of the Members.
- Receive notice of Members meetings.
- Add items to the agenda of Members meetings.
- Request the Directors to call a meeting of the Members and to call a meeting themselves if the Directors do not.
- Elect Directors and remove them from the Board.³³
- Approve or confirm by-laws.
- Examine corporate records (i.e., minute book).
- Receive financial statements and accountant/auditor's report.
- Approve major or fundamental changes (e.g., change to the objects/purposes of the corporation).
- Appoint the accountant/auditor.

If a Member of a not-for-profit corporation believes there is a denial of membership rights, the Member can ask the Court to enforce a right or to address a problem with the corporation.

MEMBER RESPONSIBILITIES

A Member, in addition to receiving membership rights, agreed to the responsibility for adhering to the articles, by-laws, or written policies of the Corporation which include *inter alia* [membership conditions](#)

³³ Canada Not for Profit Corporations Act **Removal of directors, Article 130 (1)** *The members of a corporation may by ordinary resolution at a special meeting remove any director or directors from office.*

such as continuing interest in furthering the Corporation’s purposes and provisions such [avoiding a conflict of interest](#). The Corporation may [discipline Members](#) where necessary.

Policy Direction

Charities, in the main, depend upon *donors* for funding whereas not for profits depend upon *members* for funding. To sustain a charity, three (3) key participants who believe in the mission are necessary; donors, volunteers, and members to provide the key life blood elements of money and time. The table below illustrates each participant’s primary contribution a charity’s life blood albeit some participants may offer both money and time in varying degrees. The third element is the amount of control exercised by both the Corporation and the participants over the interaction.

Participant	Principal Motivation	Primary Contribution		
		Money	Time	Control
Member	Participate in the charity direction	Some	Some	Most
Donor	Give money	Most	Least	Least
Volunteer	Give time	Least	Most	Some

Table 1 Corporate Participants

The table below sets out various conditions for participation as a GUILD Volunteer and Member.

Condition	Volunteer	Member
Qualify under the Membership criteria	No	Yes
Agree with the Code of Conduct	No	Yes
Minimum donation	No	No

Table 2 Participant Conditions

Statement of Participant Recruitment Strategy

It is essential that the GUILD develop and maintain a diverse blend of all three participant types who may contribute funds and time to the Corporation. Given the Corporations’ history, the GUILD members are tri-contributors as members, donors, and volunteers. However, with the regulatory implications and the associated management and control demands, it is desirable to seek donors as the first priority with volunteers as the second priority as the latter contribute to ongoing GUILD operations and special events.

Procedures

Recruitment Attraction.

The diversity of social motivations, age groups, working status and geographical location will determine the GUILD appeal for attracting volunteers, donors, and members. To promote and encourage a broad spectrum of donors, volunteers, and eligible members nationally, the Fundraising Committee will develop the necessary attractors to encourage national involvement with the charity. This process must be an ongoing effort and revitalized on a continuing basis while using a variety of communication tools.

Application.

A person wishing to become a Member must complete the application form and submit it to the Secretary-Treasurer. On receipt of the application, the Board will vote to accept or deny the application at the Board’s next meeting.

Governance Approach

Authority Table

The table below identifies the designated groups/individuals and their assigned authority for implementing the policy and procedures.

The	has/have the authority to...
Board of Directors	<ul style="list-style-type: none"> • Approve the strategy, policy, and procedures. • Approve the membership application.
Corporate Services Committee	<ul style="list-style-type: none"> • Recruit new GUILD and Board members and volunteers. • Screen the application forms. • Maintain data bases for donors, volunteers, and members. • Administer currency of the Participant Terms of Reference,
Fundraising Committee	<ul style="list-style-type: none"> • Recruit donors. • Maintain the content of application forms and related explanatory details for volunteers and Members. • Coordinate with the other committees. • Develop the donor communications products. • Implement donor support activities.

Table 3 Participation Governance Table

Reporting

The Corporate Services Committee Chair will report the quarterly status to the Board of Directors.

Applicable Definitions

Board means the Board of Directors of the Corporation.

Director means a member of the Board.

Member means an individual that meets the requirements for membership set out in Section 11 of the By-law, has applied for and has been accepted into membership in the Corporation by resolution of the Board or in such other manner as may be determined by the Board.

Nominations Committee means the Membership Team appointed by the President that manages the nominations process.

Regulatory Implications

CANADA NOT FOR PROFIT CORPORATIONS ACT (CNCA)

The CNCA *inter alia* states that *Members shall, by ordinary resolution at each annual meeting at which an election for Directors is required, elect Directors to hold office for a term expiring with the prescribed period.* The CNCA also specifies a range of other requirements dealing with Directors.

OFFICE OF THE PUBLIC GUARDIAN AND TRUSTEE (OPGT)

The Ontario OPGT guidance *states Directors and trustees are expected to be actively involved in the charity's decision-making process. They should be selected on the basis of their experience, skills and knowledge. They will be ensuring that the charity operates effectively and within the law.* The guidance also describes the duties of a Director which will be set out in a separate GUILD document.

POLICY DIRECTION

STATEMENT OF LEADERSHIP AND SUCCESSION STRATEGY

To sustain the mission and vision, the GUILD must produce a diverse and strong leadership at the Board governance and the operational committee levels. This need is achieved through developing and maintaining a culture of effective succession planning through talent management. Producing an essential leadership stream is critical to GUILD's survival as an effective champion of its belief statement.



OUTCOME

Succession planning guidance and procedures will produce the slate of prospective candidates for election to the Board of Directors and identify the required talent for appointment to key leadership positions.

GUIDANCE PRINCIPLES

While adhering to Corporation's By-laws and the CNCA, the GUILD policy and procedures should follow key best organizational practices employed by industry and other leading charitable organizations. When seeking leadership talent, the two fundamental concepts are 'to buy' or 'to make from within.' For the GUILD, the latter concept is the desired approach to sustain the inherent camaraderie within a volunteer organization, but also will consider bringing in talent where appropriate.

*Succession Planning*³⁴ is used by best practice organizations who:

- a. recognize that succession management needs to be a core leadership competency,
- b. recognize members based on their ability to attract and retain key individuals,
- c. ensure succession management is owned by the President, the Board of Directors and committee chairpersons respectively,
- d. make decisions that ensure current and future leadership requirements drive the business strategy,
- e. strengthen the competencies of future pools of leadership candidates, and
- f. build succession plans through the leadership levels and down into individual contributor levels.

*Succession Management*³⁵ goes beyond organizational planning for GUILD activities in that the leadership should strive to:

- a. build a culture that recognizes the value of identifying, developing, and retaining top leaders and managers,
- b. identify roles critical to the current and future success of the GUILD,
- c. focus on strategies aimed at building a pipeline of high-potential candidates who will be capable of filling future leadership roles,
- d. concentrate development activities on specific individuals with high potential for future leadership roles, and
- e. provide a focus for the investment in leadership development initiatives.

³⁴ *Best Practices: Organizational Development: Sandra Weeks, Thomson Reuters Canada Limited, updated December 2013, Chapter 2.5*

³⁵ *Adapted from Best Practices, Op. Cit., Chapter 2.5*

PROCEDURES

The figure below illustrates seven (7) steps, each explained in the subsequent paragraphs.

Step 1 – Membership Team

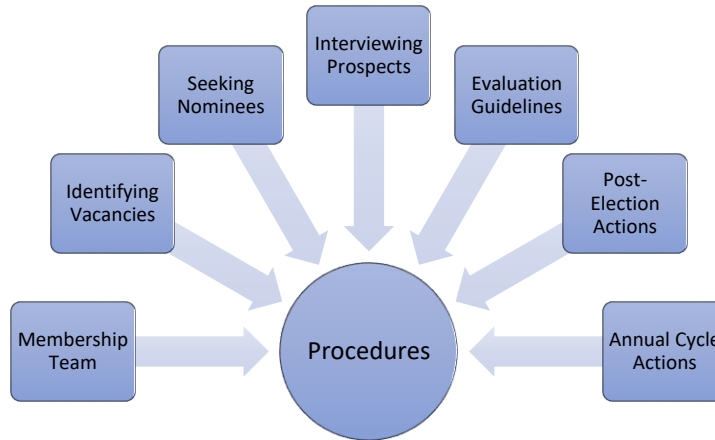


Figure 4 Nomination Steps

The Mandate is directed by [By-law Section 22](#) regarding proposals for nominating Directors at Members' meetings. The President shall activate the Membership Team at least three (3) months prior to the Annual Meeting of Members. The Membership Team should consist of not less than three (3) GUILD members and, if possible, a majority should be members with a minimum of one (1) year as a GUILD member. The Membership Team is to provide the Board of Directors with a slate of nominees for election at least three (3) weeks before the Annual Meeting of Members.



Selection of the Membership Team members is important to facilitate effective succession planning. Therefore, to offer potential Board nominees the best applied knowledge and experience on the demands of Corporate Directors the following steps should take place:

- a. Select Membership Team members from the roster of current GUILD members who have some knowledge of potential leadership candidates.
- b. As Membership Team members may have different backgrounds, the chairperson should provide an orientation for Membership Team, so they have the latest GUILD governance knowledge when interviewing potential leadership candidates. The orientation should include:
 - 1 an overview on the GUILD, goals, policies, and guidelines,
 - 2 details on roles and responsibilities of the Nomination Committee, and
 - 3 details on the roles and responsibilities of potential GUILD Board members.



Actions of the Membership Team are determined by the Committee Chairperson but should follow the guidelines in this document. As a minimum, the committee should meet to:

- a. attend the orientation as described in the previous paragraph,
- b. identify and interview prospective board members, and
- c. discuss and evaluate the interview results of potential candidates (discussed below).



Step 2 – Identifying Vacancies

Vacancies on the Board of Directors for the next financial year are determined through scheduled end-of-term expectations, and through other vacancies that may be created by incumbents who do not wish to continue within their elected term of office. Accordingly, the President should canvass incumbent Directors to fix the number of open Board positions at least three (3) months before the Annual Meeting of Members. Incumbent standing committee chairpersons should make recommendations to the President on respective committee successors for the next financial year.

Step 3 – Seeking Nominees

Knowing the number of open Board positions will provide the Membership Team with a recruiting target. Suitable nominees may come from four sources:

- a. incumbent Directors whose terms are expiring and who are interested in running for another term,
- b. members proposed by other GUILD members, and
- c. the solicitation of individuals who wish to be nominated.

To encourage GUILD interest and participation in its leadership process, the Membership Team should seek nominees through various means including the following:

- a. soliciting GUILD members' advice through one-on-one approaches, and
- b. direct contact of good potential candidates based on recommendations from the membership.

Step 4 – Interviewing Prospects

In fairness to a prospective candidate and subsequently to the GUILD membership, a candidate must understand the expectations should the person be elected. Accordingly, the Membership Team – or the proposer/seconded putting a name forward for nomination – must interview the prospective candidate to ensure, as a minimum, the individual understands the:

- a. length of the mandate term commitment for the nominated position,
- b. monthly time commitment,
- c. legal implications of board membership concerning personal responsibilities and liabilities,
- d. general responsibilities for the position being sought, and

- e. basic contents of the prospective candidate’s CV will be released to the members as part of the pre-election information.

[Annex 1](#) contains suggested points of information so prospective nominees can make an informed decision before they commit to standing for a significant volunteer role.³⁶

[Annex 2](#) contains a Statement of Consent for a prospective Board member to acknowledge their commitments should that person be elected.

Step 5 – Evaluation Guidelines

A basic assessment of the prospective candidate’s suitability for office³⁷ should include whether the individual:

- a. expresses clearly what personal attributes can be brought to strengthen the Board,
- b. has experience to manage volunteers,
- c. has experience in strategic planning and/or establishing organizational goals,
- d. has experience delivering objectives with minimum supervision,
- e. is willing to participate as a team member,
- f. understands the required time commitment,
- g. identifies potential for conflict of interests between personal and professional life and duties of director on the GUILD Board, and
- h. has personal experience in at least one of the following disciplines: business development, marketing, communications, finance, and operations.

Step 6 – Post Election Procedures

Lessons learned are important to help conduct efficient and effective nomination activities for future elections. The Membership Team gathers observations (positive and negative) from its members and any other GUILD contributor. The Committee assesses the observations to identify lessons for learning and suggest any valid change for process improvement.

A *Post-Election Report* is prepared by the Membership Team Chairperson and submitted to the Board of Directors within three weeks of the election results. The Membership Team should include details of recommendations for lessons learned from the nomination process. If approved, the Board of Directors will provide lessons learned details to the Governance Director to update the Succession Planning document for the following year



Step 7 – Annual Cycle Actions

³⁶ Ideas adapted from Institute of Corporate Directors, *Board Recruitment, Development and Assessment – 20 Questions Directors of Not-For-Profit Organizations Should Ask About*, 2010.

³⁷ Ideas are adapted from best practices used by the Project Management Institute Ottawa Chapter, a not-for-profit corporation of about 2100 members, governed by the Province of Ontario.

Success planning and talent management is a “top down” process. The incumbent leadership should establish ideas for mentoring potential leaders who occupy junior positions. The table below illustrates the annual cycle actions.

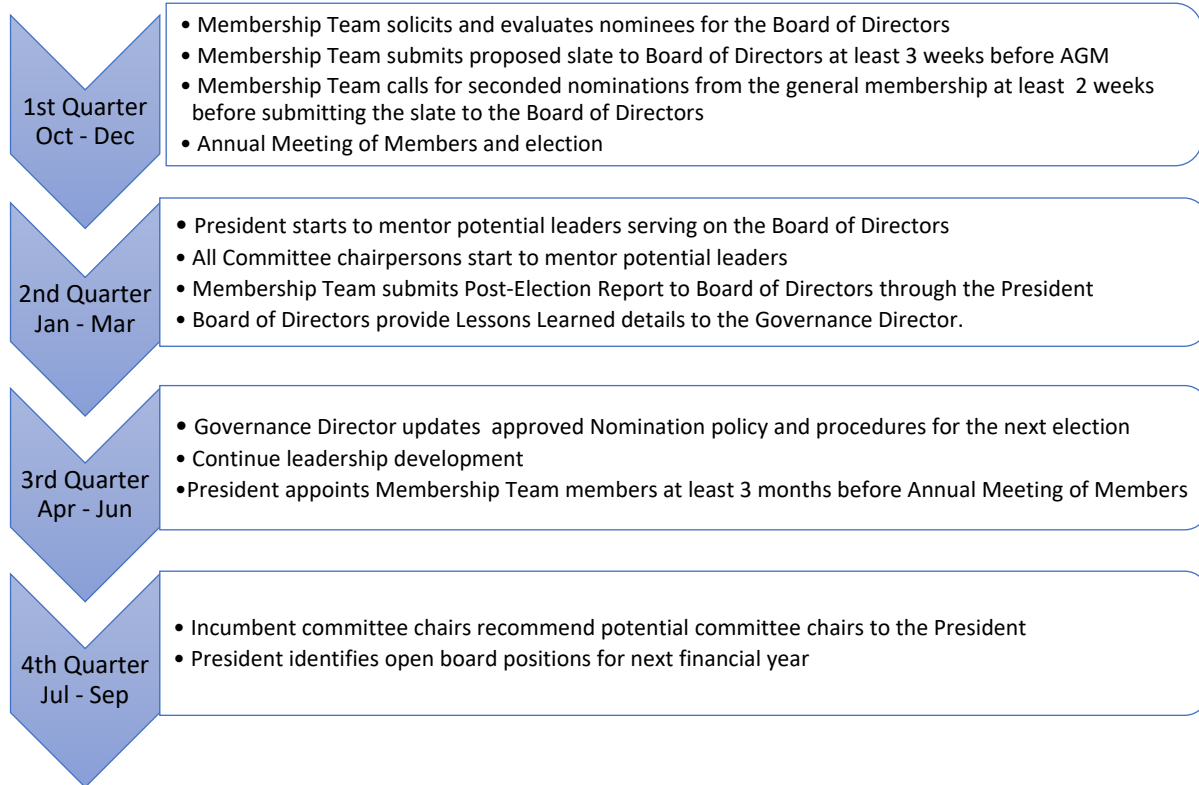


Table 4 Nomination Annual Cycle

Governance Approach

Authority Table

The table below identifies the designated groups/individuals and their assigned authority for implementing the policy and procedures.

The	has/have the authority to...
Board of Directors	Approve the nomination policy and procedures.
Officers & Committee Chairs	Set the date for the election and coordinate actions between affected committees.
President	Appoint Membership Team
Membership Team	<ul style="list-style-type: none"> • Seek input from various GUILD members about potential leadership candidates for the Board of Directors and Committee Chairs. • Interview potential leadership candidates for Board of Directors and Committee Chairs. • Submit Post-election Nomination Report to the Board of Directors through the President.

Committee Chairs	Recommend successors as standing committee chairpersons to the President
Individual GUILD Members	<ul style="list-style-type: none"> • Recommend potential leaders to the Membership Team and to standing Committee Chairpersons. • Nominate potential Board Members to the slate. • Seek leadership opportunities.
Corporate Services Committee	Administer currency of the Nomination Policy and Procedures through the Board

Table 5 Participation Governance Table

Reporting

The Membership Team Chair will report the status of nomination activities to Board of Directors through the President.

APPENDIX 1 – INFORMATION FOR PROSPECTIVE DIRECTORS

A commonly used approach is to give prospective Directors a confidential briefing on the organization and its expectations of directors.

Organization information may include:

- vision, mission, values, and code of conduct,
- Board and committee mandates,
- programs and activities,
- financial statements, strategy, plans and major areas of risk and opportunity,
- stakeholders and accountabilities, and
- Board members, office staff and volunteers.



Director information may include:

- Director role descriptions,
- the term of service, term limits (if applicable) and the expected number of terms to serve,
- time commitments,
- dates, locations, and duration of scheduled meetings,
- committee service requirements — including serving as chair,
- how individual Directors might personally contribute to the Board through their experience and skills,
- any expectations about participation in fund-raising activities;
- orientation and continuing education opportunities,
- reimbursement of permitted expenses and, if applicable, per diems, and
- summary of Director and Officer liability insurance.



Time Commitment information on may include:

- in-person attendance at meetings,
- preparation for meetings,
- travel,
- participation in orientation, educational and strategic planning sessions,
- availability for unscheduled meetings and phone calls,
- attendance at events,
- serving as an ambassador for the organization, and
- special requests or initiatives on behalf of the organization.



APPENDIX 2 – STATEMENT OF CONSENT

As an elected official of THE GUILD Board of Directors, I, the undersigned, fully understand and do hereby agree to conform and abide by the following:

1. Attend all regular and special meetings of the Board when notified, unless prevented by circumstances outside my control.
2. Participate to the best of my ability in determination of policy and other matters coming before the Board; give full attention to problems of the organization and vote on all issues submitted or proposed for Board action.
3. Consider certain matters of business of and for the GUILD and its members to be confidential in nature.
4. Give all assistance possible to my Board and committee colleagues, appointed officers and GUILD management team in the discharge of the duties of their offices and positions.
5. Disclose to the Board and refrain from voting on issues related to any potential conflict should I ever find myself under obligation to any other group or organization that is in conflict with the GUILD.
6. Attend strategic planning and training sessions.
7. Continually seek to learn more about the GUILD and my individual responsibilities as a Board member through reading and preparation for all meetings and functions of business related to the GUILD.
8. Recognize that my responsibility equates to approximately 15-20 volunteer hours a month and is essential for the Board to function properly and to be successful in its endeavors.
9. Understand that failure to consistently perform my Board duties or abide by the above items may be used as reason for removal from the GUILD Board.

Date _____ Signed _____

Applicable Definitions

Board means the Board of Directors of the Corporation.

Director means a member of the Board.

Elections Committee means the group appointed by the President that manages the election process on behalf of the GUILD membership.

Financial Year means the annual operating period from 1 October to 30 September inclusive in accordance with [By-law Section 7](#).

Member means an individual that meets the requirements for membership set out in Section 11 of the By-law, has applied for and has been accepted into membership in the Corporation by resolution of the Board or in such other manner as may be determined by the Board.

Officer or **Officers** means any one or more persons, respectively, who have been appointed as Officers of the Corporation in accordance with the By-laws.

REGULATORY IMPLICATIONS

CANADA NOT FOR PROFIT CORPORATIONS ACT (CNCA)

The CNCA *inter alia* states that *members shall, by ordinary resolution at each annual meeting at which an election for Directors is required, elect Directors to hold office for a term expiring with the prescribed period*. The CNCA also specifies a range of other requirements dealing with Directors.

OFFICE OF THE PUBLIC GUARDIAN AND TRUSTEE (OPGT)

The Ontario OPGT Guidance states *Directors manage charitable corporations. Directors have full responsibility for the administration and management of charities and must always ensure compliance with all laws*.

POLICY DIRECTION

STATEMENT OF ELECTION AND APPOINTMENT STRATEGY

To ensure openness and transparency, the GUILD must have a clear and predicable methodology for electing Directors and the appointment of Officers. The Corporation shall:

- a. conduct annual elections in a manner that will guarantee every member has reasonable opportunity to vote during the Annual Meeting of Members; and
- b. Appoint Officers so that every Director has a reasonable opportunity to vote during the first Directors' meeting following the election of Directors.

OUTCOME

This election planning guidance and procedures will produce elected Directors and Officers to fill vacant positions on the Board of Directors.

GUIDANCE PRINCIPLES

To assure the process of fair elections, the GUILD should adhere to the following principles for the planning and execution of its elections:

- a. Ensure GUILD members have confidence in the transparency and openness of all election processes.
- b. Ensure election management is owned by the GUILD membership through the President.

ELECTIONS AND APPOINTMENTS

When potential leaders are identified and nominated for the Board, the election process takes place as a function of the Annual Meeting of Members in the first quarter of the financial year. Normally, the Board Officers are appointed by the Directors once the Board is elected.

Procedures

The Figure below illustrates four (4) Election Procedure steps, each explained in the subsequent paragraphs.

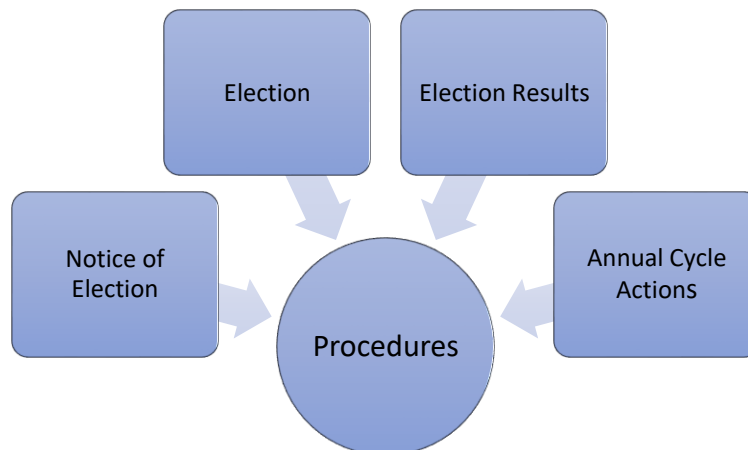


Figure 5 Election Steps

Step 1 – Notice of Election

The election of Directors shall be held at the Annual Meeting of Members. Therefore, as part of the meeting notice, the membership shall be given notice of the election as set out in this policy manual [Chapter 2.2.3](#). Notice of Annual Meeting of Members meeting.

The **Membership Team** shall cause to be published in the notice of the Annual Meeting of Members, the names of proposed nominees and the access to their respective CVs. [Annex B](#) on Nominations and Succession Planning describe the nomination details.

Step 2 - Election

The following procedures govern the election process:

- a. The President shall:
 - 1) Read the names of the nominees, and
 - 2) Call for the vote by a show of hands as set out in this policy manual [Chapter 2.5.12 Votes to Govern at Annual Meeting of Members](#).
- b. To ensure transparency, a Board Member appointed by the Board, other than a Board Officer, shall conduct the election for the appointment of officers as shown in the procedures above with the. The Chair shall:
 - 1) read the names of the nominees from the proposed slate;
 - 2) call three (3) times for any additional nominees and if additional nominees are proposed, seek a seconder for each proposed nominee;
 - 3) call for nominations to cease; and
 - 4) call for a vote by a show of hands from the Directors.

Step 3 – Election Results

Vote counting is by a show of hands for both the election of Directors and the election of Officers. The Chairperson shall confirm with the Secretary-Treasurer that each voter meets the criteria of being a Member in good standing.

Voting results are confirmed through consensus by the Members for the election of Directors and by the elected Directors for the appointment of Officers.



Step 4 – Annual Cycle Actions

Election planning and execution is a ‘top down’ process based on input from the GUILD membership. The figure below lists the annual cycle actions.

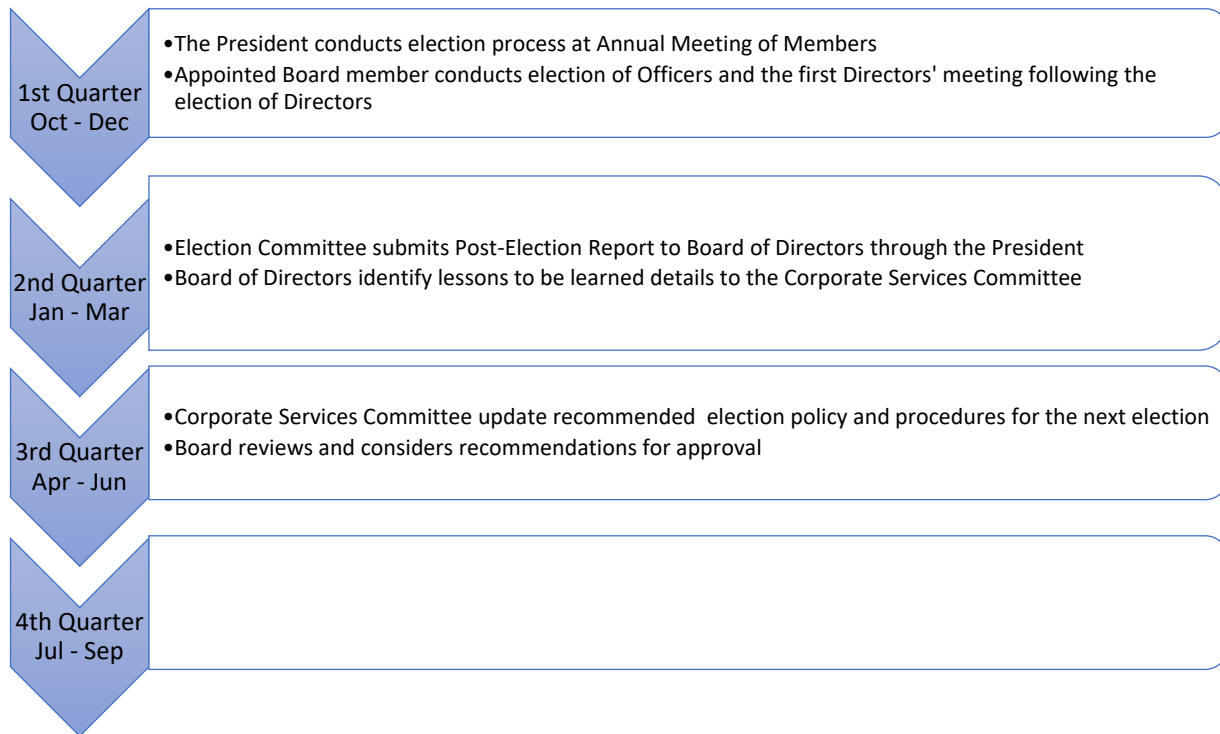


Figure 6 Election Cycle Activity

Governance Approach

AUTHORITY TABLE

The table below identifies the designated groups/individuals and their assigned authority for implementing the policy and procedures.

The	has/have the authority to...
Board of Directors	<ul style="list-style-type: none">• Approve the election policy and procedures.• Appoint a Director other than an officer to conduct the election for Officers at the first Directors' meeting following the Annual Meeting of Members.• Provide recommendations for process improvement.
President	Conduct the election for Directors at the Annual Meeting of Members.
Membership Team	Provide the Members with the finalized slate of prospective candidates.
Secretary	Provide support to the Election Committee.
Corporate Services Committee	Administer currency of the Election Policy and Procedures through the Board.

Table 6 Election Authority Table

REPORTING

The President will advise the Regimental family of the election results through the Website and other social media.

CHAPTER 3

4 HUMAN RESOURCE POLICIES

Purpose:

Chapter 3 – the enabling policies and guidelines on the approach to managing GUILD Members, volunteers and supporters.

Scope:

This Chapter sets out the Corporation’s management of:

- Board Development
- Board Members’ Code of Conduct
- Volunteers
- Conflict of Interest
- Privacy
- Anti Span
- Recognition and Awards

4.1 BOARD DEVELOPMENT

Situation: Given the transient nature of many of the Corporation’s members and the consequent stability effect on the Board of Directors, there is a need to ensure all Board members acquire and maintain at least a basic level of corporate governance knowledge. This knowledge shall be consistent with the Corporation’s by-laws and policies.

Policy Statement: The Board of Directors will conduct Board development training as required based on the turnover of the Directors and/or changes in law or regulatory policy that require specific attention.

4.2 BOARD MEMBER’S CODE OF CONDUCT ³⁸

To meet the expectations of its members, donors and volunteers, the Board of Directors must exhibit a cohesive approach to management of the Corporation.

Policy Statement: The Board is committed to effective decision-making and, once a decision has been made, speaking with one voice. Towards this end board members will:

- Reflect their understanding of member and stakeholder interests.
- Represent one’s own view as an individual view (“my own thinking on this is that...”).
- Endeavour to build on other’s ideas or offer alternative points of view as options to be considered and invite others to do so too.
- Refrain from trying to influence other Board members outside of board meetings that might have the effect of creating factions and limiting free and open discussion.
- On important issues, be balanced in one’s effort to understand other Board members and to make oneself understood.

³⁸ Code of Conduct adapted from Dalhousie University Non-Profit resources sample policy.

- Once made, support, indeed defend, Board decisions, even if one’s own view is a minority one.
- Not disclose or discuss differences of opinion on the Board outside of Board meetings, especially with staff or members (For this reason information on who votes for and against any particular motion will not be recorded in meeting minutes unless requested by a Director).
- Respect the confidentiality of information on sensitive issues, especially in personnel matters.
- Refrain from speaking for the organization unless authorized to do so by the Board.
- Disclose one’s involvement with other organizations, businesses or individuals where such a relationship might be viewed as a conflict of interest (see Conflict of Interest Policy).

4.3 VOLUNTEERS

To conduct the Corporations’ broad spectrum of activity, there is a need for a cadre of volunteers to assist committee persons in the execution of their assigned mandate.

Policy Statement: Volunteers may be obtained from the Regimental Family or from other persons interested in furthering the GUILD’S mission.

4.4 CONFLICT OF INTEREST ³⁹

GUILD members and some volunteers are party to contracts and transactions as a function of the charity operations.

Policy Statement: All Members and volunteers shall practice a standard of conduct to ensure that they act in the best interests of the GUILD and the Regimental Family and, in pursuing this goal, maintain standards relating to conflict of interest. These standards are intended to enhance public confidence in the integrity of the GUILD’S members and volunteers. The GUILD benefit from the expertise of individuals with a multiplicity of interests; however, those interests must not conflict with the interests of the GUILD nor impair the public support and respect necessary for the operation of the GUILD. This policy applies to all GUILD members and volunteers.

Guidelines and Procedures: [Annex A](#) to these Human Resource Policies contain the guidelines and procedures.

4.5 TRAINING

The corporation is committed to continuous operational improvement. From time-to-time Board members and GUILD volunteers may require training and education to supplement and enhance their work contributions within assigned GUILD positions. To access training and education delivery in the charitable sector, the GUILD may hold memberships in a variety of related organizations who provide *inter alia* associated training courses.

Policy Statements:

- Appropriate training and education will be supported financially within the approved budget.

³⁹ Conflict of Interest policy is adapted from hrcouncil.ca example provided by Newfoundland and Labrador Community Sector Council

- When considered advantageous to GUILD operations, Committee Chairs may approve the attendance of a committee member on applicable courses. The Board shall be the approving authority for funded training of a committee chair or Board officer.

4.6 PRIVACY ⁴⁰

Given the nature of the GUILD'S business, there is an expectation that donations or gifts in various forms will be received from persons or organizations who wish to keep those donations or gifts private. As well, other stakeholders may wish to keep their participation private except for the information that the GUILD must pass to the appropriate government agency.

Policy Statement: The GUILD is committed to protecting the privacy of the personal information of its volunteers, members, donors, and other stakeholders. We value the trust of our stakeholders, and of the public, and recognize that maintaining this trust requires that we be transparent and accountable in how we treat the information that stakeholders choose to share with the GUILD.

Practices: During the course of various projects and activities, the GUILD frequently gather and use personal information. Individuals from whom the GUILD collects such information should expect that the information will be carefully protected and that any use of, or other dealing with this information, is subject to consent. The privacy practices at [Annex B](#) are designed to achieve this protection.

4.7 ANTI-SPAM

Canada enacted Anti-Spam legislation (CASL) that regulates what kind of electronic messages people and organizations can send and under what circumstances which applies to email, text messages, social media, etc. but not to faxes or phone calls.

Policy: While the CASL focuses on commercial electronic messages, the GUILD, as a registered charity, enjoys exemption from certain CASL rules, the GUILD will comply with the spirit and intent of the anti-spam legislation. [Annex C](#) contains further details.

4.8 RECOGNITION AND AWARDS

Volunteers and donors are the backbone of any not-for-profit/charity. As an integral part of its program, the GUILD has identified certain awards and mementoes to acknowledge membership and the contributions of volunteers, directors, individual members, donors, and designated members of the public.

Policy: The Board of Directors will recognize GUILD (members) and other supporters for their contributions to the organization and its objectives. Recognition and Awards shall not have monetary value for the receiving individual unless the award is related to a financial gift specified by a Donor. [Annex D](#) provides details.

⁴⁰ Privacy policy and practices are adapted from an example provided by Imagine Canada Charity Tools.

CONFLICT OF INTEREST

Conflict of interest is a situation where an individual (i.e., Board member, or the organization the individual represents outside the GUILD), has a direct or indirect competing interest with the GUILD'S activities. This competing interest may result in the individual being able to benefit from the situation, or in the GUILD not being able to achieve a result in the best interest of the GUILD.

A conflict may arise where an individual is a party to a contract with the GUILD or has an interest in an enterprise or is related to a person who is party to such a contract; or where an individual receives payment for services rendered to the GUILD other than reimbursement for reasonable out-of-pocket expenses measured according to the GUILD'S policies on expense reimbursement. Conflict of interest for the GUILD also includes conduct which is not in keeping with the Fundamental Principles. In particular, the principles of neutrality and impartiality cannot be compromised.

Conflict of interest includes, but not limited to situations:

- where a member or volunteer's private affairs or financial interests' conflict with their work duties, responsibilities and obligations, or result in a public perception that a conflict exists;
- which could impair the member or volunteer's ability to act in the public interest; and
- where the actions of a member or volunteer would compromise or undermine the trust that the public places in the GUILD.

APPLICATION GUIDELINES

Conflict of Interest Agreement

Before or upon assuming their official duties, members and volunteers have a responsibility to review their obligations and agree to abide by these standards. All GUILD members and volunteers shall immediately disclose to their Committee Chairperson, in writing, any business, commercial or financial interest where such interest might be construed as being in real, potential or apparent conflict with their official duties.

Performance of Duties

An individual will not vote on, or participate in, any discussion about a resolution to approve a contract in which the individual has an interest, nor will any person approve and/or sign off on such circumstances.

In the performance of duties, individuals must not:

- place themselves in a position of obligation to persons who might benefit or appear to benefit from special consideration with respect to GUILD business;
- have a monetary interest that would conflict with the discharge of the duties owed to the GUILD;
- disclose, discuss, use, take advantage of, benefit or appear to benefit from the use of information not available to the public and which has been acquired during their official GUILD duties;
- communicate with any level of government, or with any elected or appointed government official in relation to the business of the GUILD, unless they have specific GUILD authorization;
- assist private entities or persons in their dealings with the GUILD where this could result in preferential treatment to any person; and

- directly or indirectly use, or allow the use of, GUILD property or information for anything other than officially approved activities.

Gifts

Individuals must avoid the appearance of favouritism in all their dealings on behalf of the GUILD and not accept personal gifts from those doing business or seeking to do business with the GUILD.

Financial

Individuals must not commit the GUILD to any unauthorized expenditure or other liability and must ensure that all commitments are approved in accordance with the appropriate by-law, regulations and policies including all appropriate consultations and approvals.

Vendor Relationships

Persons in leadership roles will not perform fee for service responsibilities for the GUILD in addition to their responsibilities as a leadership volunteer of the GUILD. Nor will members and volunteers sell goods to the GUILD, unless by specific approval of the Corporate Services Committee. Goods shall not be purchased from a volunteer or relative of a member without consultation with Corporate Services Committee and a determination made as to whether the correct processes were undertaken and the impact of the decision. Where there is doubt on the subject, the issue may be referred to the legal counsel.

Beneficiary Relationships

All members and volunteers are to understand the Regimental Family vulnerability and its dependence on the member/volunteer, and to act accordingly. This includes recognition that personal relationships outside the scope of their professional roles are not in the best interest of either party or the GUILD. Conflict of interest situations between GUILD members/volunteers and the Regimental Family are investigated immediately and resolved as appropriate.

Breach of Conflict of Interest

Committee members and volunteers must consult with their supervisor/committee chairperson whenever they have any question as to whether a particular circumstance may place them in a conflict of interest. Persons who fail to comply with these standards during their involvement with the GUILD will be subject to such appropriate measures as may be determined by the GUILD.

Reservation of Rights

When an individual does not disclose a conflict of interest according to this policy or according to other laws or regulations in Canada, the GUILD reserves all rights it may have to deal with the contract, conflict and individual involved.

DEFINING PERSONAL INFORMATION

Personal information is any information that can be used to distinguish, identify, or contact a specific individual. This information can include an individual's opinions or beliefs, as well as facts about, or related to, the individual. Exceptions: business contact information and certain publicly available information, such as names, addresses and telephone numbers as published in telephone directories, are not considered personal information.

Information in the public domain is not subject to privacy legislation and as such not included in this policy.

Where GUILD donors and clients use their home contact information as business contact information, the GUILD consider that the contact information provided is business contact information and is not therefore subject to protection as personal information.

The GUILD consider donor and volunteer information to be personal information and does not disclose information about donors or volunteers without consent.

The GUILD observes the following practices when collecting, maintaining, and using personal information.

Consent

An individual's consent is required regarding the collection and proposed use of personal information when information is collected. Consent can be either express or implied and can be provided directly by the individual or by an authorized representative. Express consent can be given orally, electronically or in writing. Implied consent is consent that can reasonably be inferred from an individual's action or inaction. An individual's consent is required before confidential information is released to outside parties.

Limited Collection

The collection of personal information is limited to that which is relevant and necessary to GUILD programs and fundraising efforts. The GUILD shall not make unwarranted or intrusive inquiries into a donor or prospect's gift history or personal life.

Limited Use, Disclosure and Retention

Personal information shall not be used or disclosed for purposes other than those for which it was collected, except with the consent of the individual or as required by law. Personal information shall be retained only as long as necessary for the fulfillment of those purposes.

Accuracy

Personal information shall be as complete, accurate and up to date as possible. Donors are encouraged to review, correct and update personal information.

Security Safeguards

Personal information gathered by the GUILD shall be kept in confidence. GUILD management personnel shall be authorized to access personal information based only on their need to deal with the information for the reason(s) for which it was obtained.

Appropriate physical and electronic measures shall be used to ensure personal information is secure. Access to donor and volunteer records shall be limited to those who require such information to fulfil their GUILD responsibilities. Special protection shall be given to all records pertaining to anonymous donors. The confidentiality of donor and volunteer records shall continue after the relationship with the individual has ended.

Confidentiality

Donors who request that their name and/or the amount of the gift not be released shall remain anonymous.

Openness

Upon request, individuals shall be given access to the information in their donor record.

Further information on privacy and individual rights in regard to personal information may be found on the website of the Privacy Commissioner of Canada at www.priv.gc.ca.

PURPOSE

To describe the GUILD Policy regarding the application of the Canada Anti Spam Legislation (CASL) in GUILD'S electronic correspondence.

DEFINITIONS

A **commercial electronic message** (CEM) is broadly defined as a message sent by any means of telecommunication, including text, sound, voice, or image that encourages participation in any conduct of a commercial character regardless of whether there is an expectation of profit.

Express consent is actual written or verbal authorization.

Implied consent exists where the sender and the recipient have an existing business (*contract, purchase, investment, etc.*) or non-business (*donation to a charity, volunteering, attending meetings organized by the charity, etc.*) relationship. Implied consent exists for two years from the last transaction or contact.

BACKGROUND

CASL protects Canadians from unsolicited, unwanted electronic messages appearing in their in-boxes while permitting businesses and consumers to maintain mutually beneficial relationships.

The initial legislative implementation required Canadian organizations which send “commercial electronic messages” (CEMs) to obtain “express” or “implied” consent from recipients prior to sending such messages.

With full implementation of CASL, agencies sending CEMs must have express consent from recipients prior to sending CEMs.

In general, CASL requirements for consent do not apply to messages sent by or on behalf of a registered charity as defined in subsection 248 (1) of the Income Tax Act when the message has as its primary purpose the raising of funds for the charity.

Messages which have no commercial element do not fall under CASL, nor would an informational electronic message containing an update about a charity's work as long as it contains no invitation to participate in a commercial activity.

COMPLIANCE PROCEDURE

The Fundraising Committee/Editorial Board will provide oversight with respect to the GUILD'S application of the CASL including maintaining an ongoing review of compliance with current and evolving requirements.

To comply with the spirit and intent of CASL, the GUILD will conduct electronic messaging as follows:

- a. GUILD electronic messages will have a functioning unsubscribe process;
- b. as far as possible, express consent regarding the receipt of GUILD electronic messages will be obtained from persons already on e-correspondence lists and from new individuals/groups as they are added to the GUILD e-message lists;

- c. all requests for express consent will clearly and simply provide the purpose for seeking consent as well as the identity of the person seeking consent;
- d. records of how and when consent was obtained will be maintained;
- e. messages will be consciously composed to provide appropriate information about the GUILD, its work, and activities and/or for the purpose of raising funds for its charitable purpose, including calls to doors and promotion of fundraising events (including ticket sales); and
- f. Directors, members, and volunteers shall not send e-messages of a commercial nature on behalf of GUILD including those that encourage participation in a commercial event or those which promote a sponsor's business, nor charitable events other than those initiated or endorsed by the GUILD, without the express prior written permission of the Board.

OBJECTIVES

The objectives of the GUILD Recognition and Awards program are to:

- a. publicize the GUILD program to members, volunteers, and Regimental Family stakeholders;
- b. encourage and retain current volunteers and attract new volunteers;
- c. recognize exceptional volunteerism;
- d. recognize long serving members; and
- e. recognize exceptional, ongoing, or other categories of donors.

RECOGNITION CATEGORIES



Figure 7 Recognition Categories

Volunteer and Community Service

BACKGROUND.

Established in perpetuity in 2014 by Lieutenant Colonel (Retired) Dean Tremblay, the GUILD of The Royal Canadian Dragoons Award for Volunteer and Community Service has the objective of acknowledging individuals who exemplify the strength of the military community, both in and out of uniform. This is reflective of the leadership and selfless service inherent within our community volunteers and more importantly that their commitment contributes directly to the mental and physical health of our GUILD and families. Family instability is often a reality of a life in uniform and those who dedicate their time, energy and often personal resources to creating a climate where stability is increased should be recognized appropriately. Their service is invaluable and is entirely aligned with the vision of The GUILD of The Royal Canadian Dragoons and promoting family Quality of Life.

PURPOSE.

The GUILD of The Royal Canadian Dragoons Award for Volunteer and Community Service recognizes a member of the Regimental Family who demonstrates outstanding commitment to community service through volunteer work, both in and/or out of uniform.

ELIGIBILITY.

All serving members of the Regimental Family - regardless of rank, occupation or years of service are eligible for nomination for this award. A person may be nominated for multiple years; however, individuals who have received this award within the previous five years are not eligible.

SELECTION COMMITTEE.

The Awards Selection committee will mirror that of the process currently in place for the Leliefontein Memorial Education Bursary, with the inclusion of Lieutenant-Colonel (Retired) Dean Tremblay as a voting member.

CRITERIA.

Nominated candidates will have demonstrated a commitment to the promotion of community service in the immediate vicinity of Garrison Petawawa and/or Garrison Gagetown. Factors to be considered by the Selection Committee will be: Evidence of leadership and/or innovation in volunteering with the public and/or community organizations for the well being of citizens and communities directly associated with the Military Community.

NOMINATION GUIDELINES.

Annual nominations may be submitted by peers, subordinates, or superiors alike. Nominations for serving members should be submitted via the Regimental Chain of Command for furtherance to the Selection Committee while those for the extended Regimental Family can be submitted directly to the Regimental Second in Command. A narrative that underscores the member's suitability for the award must accompany all nominations. The monetary award will be presented annually at a time deemed most appropriate by the Regimental Chain of Command and the GUILD's Board of Directors.

The GUILD Distinguished Service Award

BACKGROUND

As a charity whose work is reliant on volunteers, the GUILD determined the necessity of recognizing persons or organizations who give distinguished service over time to help the GUILD achieve success in its mission. When warranted, the Board of Directors will consider nominations for the Distinguished Service Award.

CRITERIA.

To be recognized for Distinguished Service, the nominee must have undertaken a significant action or actions that furthered the Guild's objects. Only serving Directors can submit nominations of any individual or organization.

The Leliefontein Memorial Bursary

BACKGROUND.

In 2000, The Guild of The Royal Canadian Dragoons initiated a program to recognize the 100th anniversary of the military action at Leliefontein by providing bursaries to deserving members of The Royal Canadian Dragoons Regimental Family (defined below). The bursaries will be awarded annually.

CRITERIA.

- a serving member of The Royal Canadian Dragoons who is not receiving any government compensation for educational advancement; or
- a former serving member of The Royal Canadian Dragoons; or
- a direct descendent of either a serving or former serving member of The Royal Canadian Dragoons; or
- a spouse of either a serving or former serving member of The Royal Canadian Dragoons;

- the applicant must demonstrate that the bursary would further a defined programme of self-improvement through advanced education;
- normally, but not exclusively, the bursary will be awarded to those applicants completing high school and attending their first year of post-secondary education; and
- applicants must provide proof of acceptance at a post secondary educational institution; and in competition with new applicants, the award is renewable to previous recipients provided the applicant is academically eligible to continue.

CHAPTER 4

5 THE GUILD CHARITABLE PROGRAM

Purpose:

Chapter 4 – the enabling Program policies to guide plans and actions for the delivery of the GUILD Charitable Program (GCP).

Scope:

This Chapter sets out the Corporation’s management;

- The Strategic Plan
- The Business Plan
- Regimental Family Needs,
- Annual Activity Cycle:
 - Needs Proposal
 - Proposal Evaluation
 - Program Delivery
- Effectiveness Report
- Governance

5.1 STRATEGIC PLAN

The Strategic Plan outlines the systematic process to achieve the GUILD’s mission and realize its vision. It plots the GUILD’s route to a successful future including a framework of strategic intent. It does not provide specific details on projects and programs but lays out boundaries within which the GUILD will operate.

5.2 BUSINESS PLAN

The annual Business Plan provides detail on individual programs and projects within the constraints of the Strategic Plan. The Business Plan is the authoritative tasking document and assigns responsibility for projects and programs to GUILD committees. The plan describes how those Committees will execute the Guild Charitable Program (GCP) during the next financial year and authorizes the expenditure of funds.

5.3 REGIMENTAL FAMILY NEEDS

Chapter 1 states the purpose of the Corporation *“to protect, preserve and further the traditions and heritage of The Royal Canadian Dragoons”*. Chapter 1 also describes the GUILD’s three (3) CRA approved objects – Heritage, Quality of Life and Public Awareness. The Regimental Family is the charitable program beneficiary; therefore, the GUILD must understand the beneficiary need from the “bottom up” to produce an effective charitable program. Figure 8 below illustrates the needs input and charitable output flow.

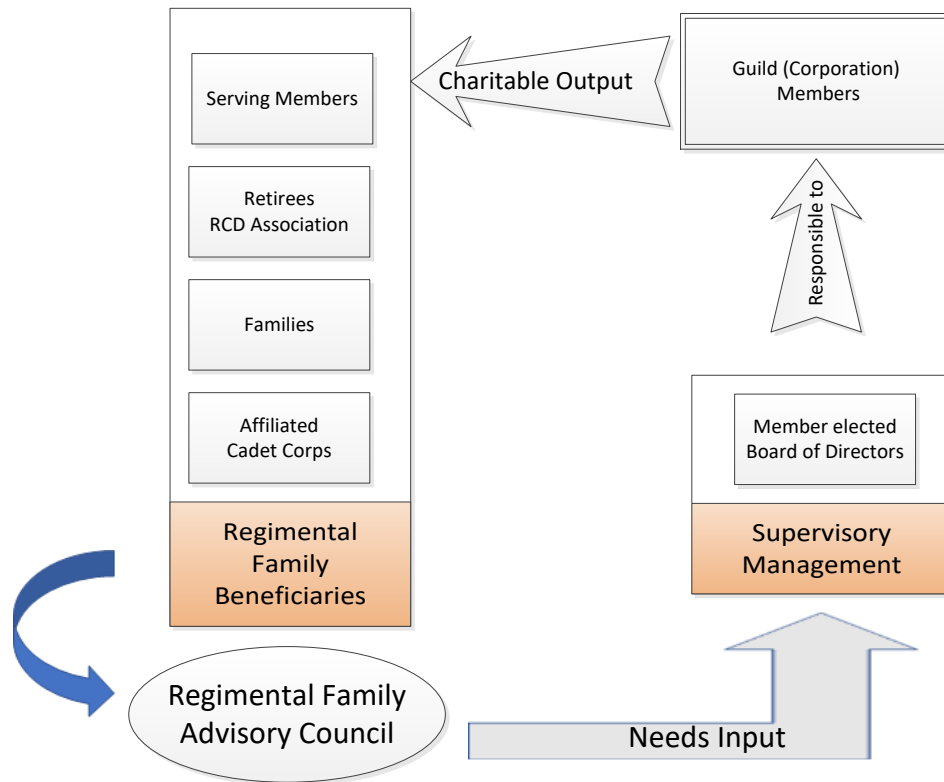


Figure 8 Beneficiary Needs Flow

Policy Statement: The GUILD shall seek primary input from the Regimal Family Advisory Council (RFAC) annually, or as required, to determine the spectrum of beneficiary needs to be satisfied through delivery of activities within the Corporation’s three (3) objectives.

5.4 ANNUAL ACTIVITY CYCLE

To be effective and timely, the ‘needs’ flow requires an annual process. The figure below illustrates the process where the RFAC, in consultation with the Regimal Family, submits a needs proposal to the appropriate Program Committee. The Program Committee evaluates the proposal’s value (legitimate need, not already included in other proposals, sufficiently developed to enable assessment). If the proposal is deemed appropriate it is included in the Program Committee’s proposals to the Business Planning Director. The Corporate Services Committee’s Business Planning Team consolidates all committee proposals and submits them to the Board. The Board evaluates the proposals for resource affordability and inclusion into the annual Business Plan, or into the short (2-3 years), medium (4-10 years) or long term (11-20 years) project outlook lists. Committees responsible for delivering products or services to the Regimal Family deliver the approved business plan thus realizing the proposed needs. To complete the cycle, the President, in consultation with the RFAC, evaluates the program effectiveness and reports the results to the GUILD and to the public.

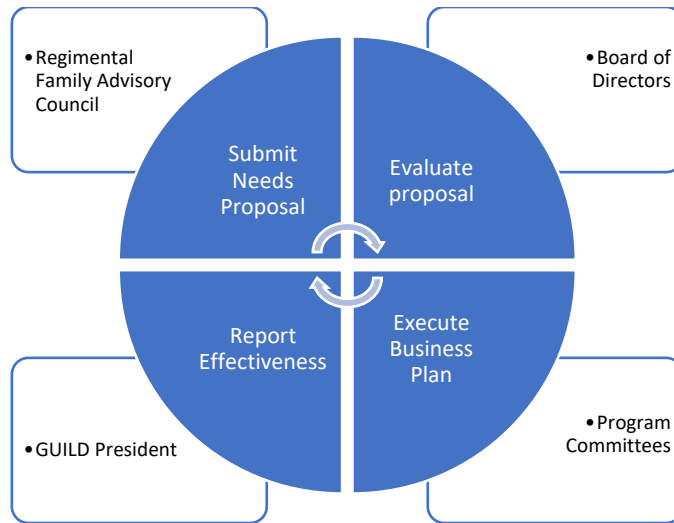


Figure 9 Charitable Program Activity Cycle

Policy Statement: The GUILD shall employ an annual cycle of activity to ensure the Regimental Family needs are satisfied effectively. This cycle will help the GUILD improve the charitable program based on experiential observations from the Program Committees and the RFAC during program planning and delivery activities.

5.4.1 THE NEEDS PROPOSAL

The purpose of the annual Needs proposal is to identify shortfalls in support to the Regimental Family that the GUILD should address. Specifically, the RFAC proposal to the Board of Directors should include:

- identification of needs thematic and content issues;
- project implementation and sustainment costs where available;
- GUILD recognition details where applicable;
- media announcements where applicable; and
- reporting and accountability where applicable.

5.4.2 PROPOSAL EVALUATION

Upon receipt of the Needs proposal, the Board of Directors – through its three (3) standing program committees, develop programs and project proposals that satisfy the needs and evaluate the proposal for resource affordability. Only programs and projects not funded by the Government of Canada or other contributors are included in the Business Plan. Proposal evaluation responsibilities include:

- defining the associated projects, programs, and resource levels;
- inserting the Needs into the next financial year plan or into project outlook lists if not fully affordable in the short-term;
- developing the business plan for the next financial year;
- setting the method of financial disbursement to the recipient; and
- consideration of other responsibilities as applicable to include:
 - termination conditions,
 - confidentiality,
 - liability limitations,

- communications, and
- miscellaneous conditions.

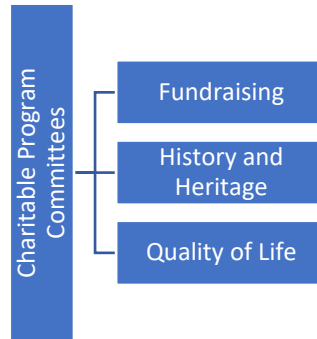


Figure 10 Program Committees

Policy Statement: The main operating instrument shall be an annual Business Plan as approved by the GUILD Board of Directors – ideally in place before the onset of the applicable GUILD spending year.

5.4.3 EXECUTE BUSINESS PLAN

The program committees execute the activities of projects or programs to achieve the GUILD Objects. Projects may result in achievement of a specific result or be part of an ongoing activity with a longer-term aim. The program committees deliver activities within the GUILD’s approved budget and within the CRA approved activities schedule. In addition, the GUILD may enter partnerships or contractual relationships with qualified donees and or other resources to conduct the GUILD’s work.

Policy Statements:

- Funds Distribution. The GUILD shall distribute charitable funds raised by public solicitation and investments to meet established GUILD program objectives in an efficient and cost-effective manner. All project funding must align with the GUILD’s objects.
- Management. The designated GUILD authorities (Para 4.5 below) shall process, record and account for all planned and actual expenditures, accounts payable and any other financial commitments in a diligent, open and accountable manner.
- Partnerships. See Chapter 5.2.5 below for related policy statements regarding Qualified Donees and Intermediaries.

5.4.4 EFFECTIVENESS REPORT

The President shall prepare a Program Effectiveness Report describing the results and impact from the applicable financial year charitable contribution to the Regimental Family.

Policy Statement: To achieve maximum benefit from the GUILD’s charitable contribution, the Board of Directors shall provide the full or abridged report of results to the GUILD membership, the Regimental Family and to the public through electronic media.

5.5 GOVERNANCE APPROACH

The table below identifies the designated GUILD governance groups and assigned authority for implementing the Charitable Program policy and procedures.

The	has/have the authority to...
Board of Directors	<p>Approve the Guild Strategy, annual Business Plan, policy, and procedures.</p> <p>Approve the annual charitable disbursement budget, program, and disbursement schedule within the Business Plan.</p>
Program Committees	<p>Review needs proposals for feasibility and recommend execution of appropriate projects and programs to the Board.</p> <p>Request continuation of existing and addition of new program activity within the parameters of the selection and review process.</p> <p>Control disbursement of funds to agreed projects based on approved budget allocation.</p> <p>Request removal of a program activity when deemed invalid or ineffective.</p>
Corporate Services Committee	<p>Report disbursement information to the Board of Directors per the payment schedule.</p> <p>Advise the Program Committees on the status of actual and expected funds available for disbursement.</p> <p>Administer the Charitable Program policy and procedures through the Board of Directors.</p>

Table 7 Designated Governance Authorities

CHAPTER 5

6 FINANCIAL

Purpose:

Chapter 5 – the enabling policies, guidance, and procedures to conduct the Corporation’s financial affairs.

Scope:

The Chapter follows the general construct of By-law No 1 plus other requirements for setting out management of the:

- Bylaw Policies:
 - Financial Year
 - Banking Arrangements
 - Borrowing Powers
 - Annual Financial Statements
- Supplementary Policies:
 - Charitable Fundraising
 - Managing Gifts Received
 - Investments
 - Resource Management
 - Charitable Purposes
 - Charitable Funds Distribution Guidance
 - Charitable Funds Disbursement Reporting
 - Budget Estimates
 - Audit

6.1 BY-LAW NO 1 FINANCIAL OPERATING POLICIES

6.1.1 BY-LAW 1

The policies and procedures amplify the applicable Sections of By-Law No 1 for conducting the financial business affairs of

THE GUILD OF THE ROYAL CANADIAN DRAGOONS

(hereinafter referred to as the "Corporation" or the "GUILD")

6.1.2 FINANCIAL YEAR

By-law Section 7: *The financial year end of the Corporation shall be September 30th in each year or as determined by the Board.*

Policy Statement: The Board shall align the Corporation’s business planning activities with the financial year to ensure accurate resource allocations.

6.1.3 BANKING ARRANGEMENTS

By-law Section 8: *The banking business of the Corporation shall be transacted at such banks, trust company or other firm or corporation carrying a banking business in Canada or elsewhere as the Board*

may designate, appoint or authorize from time to time by resolution. The banking business or any part of it shall be transacted by an Officer or Officers of the Corporation and/or other persons as the Board may by resolution from time to time designate, direct or authorize.

Policy Statements:

- The Bank. The Corporation will conduct its banking at the Canada Toronto-Dominion Bank located in the Town of Petawawa, Ontario. However, if circumstances dictate, the Board may approve another financial institution to transact its banking business.
- Authorized Personnel for Banking. The Secretary-Treasurer along with the Corporation's Officers and the Clerk are authorized to transact the Corporation's banking business. All payments must have two (2) authorized Corporate signatures. However, both the Secretary-Treasurer and/or the Clerk may transact routine business with a single signature if the expense pertains to the Corporation's routine administration and management with a transaction value not to exceed \$1000 / transaction. The CFO must be involved in the authorization of payments beyond \$1,000. The Secretary-Treasurer shall establish a register of authorized personnel to be held with the Corporate records.
- Account Status. The CFO shall ensure the Board of Directors receive a report at least quarterly of the account status to meet its fiduciary responsibilities.

6.1.4 BORROWING POWERS

By-law Section 9: *The Directors of the Corporation may, without authorization of the Members:*

- borrow money on the credit of the Corporation;*
- issue, reissue, sell, pledge or hypothecate debt obligations of the Corporation;*
- give a guarantee on behalf of; and*
- mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any debt obligation of the Corporation.*

Policy Statement: The Directors may execute borrowing powers as required through an ordinary resolution, but to exercise due diligence, may not delegate this authority to the Officers of the Corporation.

6.1.5 ANNUAL FINANCIAL STATEMENTS

CNCA Section 172 (1) in part states that *the directors of a corporation shall place before the members at every annual meeting.*

(a) *prescribed comparative financial statements that conform to any prescribed requirements and relate separately to:*

(i) *the period that began on the date the corporation came into existence and ended not more than six months before the Annual Meeting of Members or, if the corporation has completed a financial year, the period that began immediately after the end of the last completed financial year and ended not more than six months before the annual meeting, and*

(ii) *the immediately preceding financial year;*

(b) *the report of the public accountant, if any; and*

(c) any further information respecting the financial position of the corporation and the results of its operations required by the articles, the by-laws, or any unanimous member agreement.

By-law Section 10 in part states that *the Corporation may, instead of sending copies of the annual financial statements to the Members, publish a notice to its Members stating that the annual financial statements and documents are available at the registered office of the Corporation and any Member may, on request, obtain a copy free of charge at the registered office or by prepaid mail.*⁴¹

Blumberg Guidance: See [Annex A](#) for guidance on correct filing of the T3010 registered charity information return.

Policy Statements:

- **GUILD Members.** The Secretary-Treasurer shall send copies of the annual financial statements and other related documents to the Members at least twenty-one (21) calendar days before an Annual Meeting of Members. As a matter of practice, the Secretary-Treasurer will communicate the information to Members via electronic means.
- **CRA.** The CFO, in collaboration with the Secretary-Treasurer and the GUILD accountant, shall ensure the Corporate financial information returns to CRA are prepared, reviewed, and approved to meet the CRA timelines. Although the President approves the CRA T 3010 return on behalf of the Corporation, the Board of Directors should review the return before the filing to ensure accuracy of the submission. Each Board member must verify the accuracy of their personal information contained in the T1235 form (Directors/Trustees and Like Officials Worksheet) as part of the review.
- See Annex A for further guidance.

6.2 SUPPLEMENTARY POLICIES

6.2.1 CHARITABLE FUND RAISING

Regulatory Implications

The **CRA Charities Directorate** recognizes that registered charities in Canada often depend on donations to carry out their charitable activities, and that appropriate fundraising activities are often necessary for the sustainability of the charitable sector. For many charities, this means that a portion of their resources (including time, property, and money) will be used for fundraising to support their charitable work. While recognizing the necessity of fundraising, the CRA expects charities to be transparent and conduct all fundraising within acceptable legal parameters. Understanding CRA Guidance on this topic is essential.

⁴²

Blumberg Guidance: Canadian charities must be careful to abide by their legal and ethical obligations when they conduct any fundraising activities. In 2012, CRA released a revised Guidance on Fundraising by Registered Charities. Registered charities are not required to issue receipts. However, if charities decide to issue charitable receipts then they will need to ensure that every receipt issued is accurate and compliant with the requirements of the CRA.

⁴¹ *Ibid*, Section 10 sets out the complete requirements in accordance with the CNCA.

⁴² CG-013 *Fundraising by Registered Charities*, April 20, 2012 <https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/policies-guidance/fundraising-registered-charities-guidance.html>

Policy Statements:

- **Fundraising.** The GUILD shall raise charitable funds to support activities through four (4) methods:
 - (1) profits generated from investments,
 - (2) bequests and gifts,
 - (3) public solicitation, and
 - (4) profits generated from GUILD events.
- **Expense Control.** Fundraising activity will be undertaken in an efficient and cost-effective manner in accordance with the relevant laws and CRA Guidance.
- **Out of Pocket Expenses.** The GUILD will reimburse *Directors and volunteers* for reasonable out-of-pocket expenses necessarily incurred on approved GUILD business subject to the conditions outlined in this policy and CRA Guidelines⁴³. The Secretary-Treasurer will develop an expenses reimbursement schedule of payments for Board approval and review on a semi-annual basis. Travel and out of pocket expenses for the GUILD's beneficiaries are planned and executed separately within the related Charitable program (Chapter 4).

Annex B to these Financial Policies set out best practices guidance for fundraising strategy, policy direction and operations along with **Blumberg Guidance** at **Appendix 1** on *compliance with fundraising guidance, proper issuance of official donation receipts, and avoidance of unrelated businesses.*

6.2.2 MANAGING RECEIVED GIFTS

The **CRA Charities Directorate** is the primary regulator of registered Canadian charities under the Income Tax Act. CRA sets out several rules concerning the management of gifts to a charity.⁴⁴

Policy Statements:

- **Receipts.** The GUILD Accountant, in consultation with the Secretary-Treasurer, shall issue charitable tax receipts on behalf of the Corporation in accordance with CRA guidelines.⁴⁵
- **Gifts in Kind.** The GUILD may receive Gifts in Kind that constitutes property.⁴⁶ The topic is complex; therefore, the Secretary-Treasurer, in consultation with the CFO and the GUILD Accountant, shall refer to CRA guidance before the Corporation accepts the gift. **Appendix 2 to Annex B** sets out the policy and general guidance.

⁴³ CPC-012 *Out-of-Pocket Expenses*, revised April 28, 2009 <https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/policies-guidance/policy-commentary-012-pocket-expenses.html>.

⁴⁴ *Ibid*: <https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/operating-a-registered-charity/receiving-gifts/what-a-gift.html>

⁴⁵ CRA Guidance: <https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/operating-a-registered-charity/issuing-receipts/what-you-need-know-issue-official-donation-receipt.html>

⁴⁶ *Ibid*: <https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/operating-a-registered-charity/receiving-gifts/what-a-gift.html>

- Gifts of Services. In principle, a charity cannot issue a receipt for a gift of service except for certain conditions. ⁴⁷ The GUILD Accountant, through the CFO and Secretary-Treasurer, shall be consulted about any proposed Gift of Services. The Board of Directors shall have final approval for acceptance.
- Recognition. The Secretary-Treasurer, in collaboration with the President and CFO, shall ensure suitable and timely appreciation of the gift, within the constraints of privacy, through a letter of appreciation to the donor and through appropriate public recognition where warranted.

6.2.3 INVESTMENTS

CNCA Article 34 in part states that *a corporation may invest its funds as its directors think fit.*

Ontario Charities Accounting Act: The regulation under the Act allows charities to combine special purpose trust funds (money given to the charity to be used for a particular purpose) for investment purposes.

OPGT Guidance from the Ontario Trustee Act: *The Trustee Act provides a useful guide as to the factors a director or trustee should consider when investing in a charity's property. There are seven criteria that directors and trustees should consider in addition to any others that are relevant to the circumstances. The seven (7) criteria are:*

1. General economic conditions.
2. The possible effects of inflation or deflation.
3. The tax consequences of the investment decisions or strategies.
4. The role each investment or course of action plays within the charity's overall portfolio.
5. The expected total return from income and growth of capital.
6. Needs of the charity for liquidity, regularity of income and preservation or appreciation of capital.
7. An asset's special relationship or special value, if any, to the purposes of the charity.

Policy Statements: These investment policy statements are to set the path for formulating and executing investment decisions in accordance with various federal and Ontario Acts.

- Objective. To invest funds for the future and to grow the account so the GUILD can carry out its approved objectives.
- Portfolio Guidance. Incorporating the OPGT guidance above, investments shall be managed within a portfolio. This portfolio guidance includes:
 - a long-term desire for the GUILD to function on the interest earned;
 - not investing in any securities that could tarnish the reputation of the Regiment or the Canadian Armed Forces; and
 - maintaining ten (10) per cent of the investment in cash, short-term interest-bearing investment or other equivalent so the GUILD has an ability to react to any unforeseen requirement.

⁴⁷ Ibid: <https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/operating-a-registered-charity/receiving-gifts/gifts-services.html>

- **Fund Management.** A Corporate Services Committee investment team, President, CFO (**Chairperson**), and other designated Director(s), shall interact with the investment advisor to manage the GUILD’s investment business within this policy. The Secretary-Treasurer shall establish a register of authorized personnel to be held with the corporate records.
- **General Management Oversight and Approval.** The President, CFO (**Chairperson**) and any other designated Director(s) shall have investment authority and general management oversight.
- **Board Oversight.** The Board of Directors shall review the investment portfolio performance and general management at least quarterly, so the Board can comply with its fiduciary oversight responsibilities.

Guidance and Procedures: [Annex C](#) and the supporting appendices to these financial and Investment policies specify additional guidance on investment performance and reporting, and conflict of interest.

6.2.4 RESOURCE MANAGEMENT

The Office of the Public Guardian and Trustee is part of Ontario’s Ministry of the Attorney General and plays a role in protecting the public interest in charitable property.

OPGT Duty 2: *Directors and trustees must handle the charity's property with the care, skill and diligence that a prudent person would use. They must treat the charity's property the way a careful person would treat their own property. They must always protect the charity's property from undue risk of loss and must ensure that no excessive administrative expenses are incurred.*

OPGT Duty 3 in part states that *the charity's property can only be used for purposes of the charity. It cannot be used for any other purpose.*⁴⁸

OPGT Duty 6 in part states that *Directors and trustees are responsible for the charity's property. They must make sure that proper accounts are maintained and that invoices supporting the accounts are kept.*

Policy Statement: The Corporation shall establish and maintain a management system to ensure the

- a. accounting, safekeeping and (where applicable) the upkeep of GUILD resources, and
- b. GUILD property and other physical assets are only used for its charitable purposes.

6.2.5 CHARITABLE FUNDS DISTRIBUTION GUIDANCE

Canadian registered charities can carry out charitable activities by either gifting funds to qualified recipients or by carrying on its own activities through employees, volunteers, or intermediaries.

The Income Tax Act relies on common law to define “charity.”⁴⁹ When a charitable activity is approved for funding, the GUILD – as a registered charity – has only two (2) avenues for fund disbursement as set out in the CRA Guidance below.

- **CRA Guidance CG-004 Using an intermediary to carry out a charity’s activities within Canada** in part states *a registered charity can only use its resources in two ways: on its own activities (those which are directly under the charity’s control and supervision, and for which it can account for any*

⁴⁸ *OPGT Duties and Guidelines op. cit.*

⁴⁹ *CRA CPS-024 – Policy Statement, Guidelines for Registering a Charity – Public Benefit Test* <https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/policies-guidance/policy-statement-024-guidelines-registering-a-charity-meeting-public-benefit-test.html>

funds expended) or, on gifts to qualified Donees. A charity may use an intermediary to carry out the charity's activities, but under the control of the charity.⁵⁰

- **CRA Guidance CG-010 Qualified Donees in part** states that *under the Income Act, qualified Donees are organizations that can issue official donation receipts for gifts they receive from individuals and corporations. Registered charities can also make gifts to them.⁵¹ A Canadian charity may transfer money or other resources to a qualified donee and have the qualified donee's work be deemed to be their work.*

Policy Statement: In keeping with the CRA guidance, the GUILD will focus on using its own resources (volunteers and Directors) to carry out the GUILD's objects and activities. However, when appropriate, the GUILD may use an intermediary to execute specific activities or make gifts to qualified donees.

6.2.6 CHARITABLE FUNDS DISBURSEMENT REPORTING

When charitable funds are disbursed to qualified donees or intermediaries acting on behalf of the Corporation, there is a reporting requirement to CRA and to the GUILD Membership.

Policy Statement: In concert with the financial reporting requirements, the President will ensure details of the charitable disbursements are included in the reports.

6.2.7 BUDGET ESTIMATES

OPGT Duty 7 in part states that *Directors and trustees are responsible for the charity's funds and assets. They should not delegate this responsibility to employees or financial consultants, although they may rely on the advice and assistance of such people if it is prudent to do so.⁵²*

OPGT: *The charity's fundraising costs must be reasonable in relation to the amount of funds raised.⁵³*

Blumberg: *CRA considers the acceptable ratio of fundraising cost to fundraising revenue in a fiscal period to be less than 20 % cost and more than 80 % charitable funding.*

Policy Statement: The Corporation shall have a business planning method, so budget estimates and approval processes are in place before the start of the subsequent Financial Year. Annex D contains the Budget Planning Guidance. The budget estimate shall consider the following factors:

- a. fixed administration expenses including the annual audit and Corporate travel;
- b. anticipated fund-raising expenses,
- c. anticipated investment revenue for the current year-end based on the information from the investment reports;
- d. ongoing charitable disbursement commitments; and
- e. anticipated charitable disbursement commitments for the upcoming year.

⁵⁰ CRA Guidance CG-004 <https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/policies-guidance/using-intermediary-carry-a-charity-activities-within-canada.html>

⁵¹ CRA Guidance CG-010 <https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/policies-guidance/qualified-donees.html>

⁵² OPGT *op. cit.*

⁵³ OPGT <https://www.attorneygeneral.jus.gov.on.ca/english/family/pgt/charbullet/bullet8.php>

6.2.8 FINANCIAL APPROVAL LEVELS

[Annex E](#) to this Chapter contains the policy and guidance for financial approvals.

6.2.9 AUDIT

CNCA Part 12 specifies various articles concerning the appointment of a public accountant to perform audits or review engagements.⁵⁴

CNCA Article 178 (1) in part states that *the directors of a corporation shall approve the financial statements referred to in section 172 and the approval shall be evidenced by the manual signature of one or more directors or a facsimile of the signatures reproduced in the statements.*

CNCA Article 194 (1) states that *a corporation may have an audit committee and, if it does, the committee shall be composed of not less than three directors, a majority of whom are not officers or employees of the corporation or any of its affiliates.*

Policy Statements:

- **Public Accountant.** The Corporation shall engage a public accountant to conduct an audit or Financial Review as required under the Act.
- **Audit Committee.** The Corporation shall establish an ad hoc audit committee in accordance with the conditions set out in the CNCA, Article 194 to review the corporate financial statements before approval under CNCA Article 178.
- **Approval of Financial Statements.** The CFO will present the audited or unaudited financial statements from the public accountant to the Board for approval. When approved, the President and CFO shall sign the statements on behalf of the Corporation.

⁵⁴ CNCA <https://laws-lois.justice.gc.ca/eng/acts/C-7.75/page-19.html#h-23>

Related Extracts from Blumberg’s Top Canadian Charity Law compliance issues

CORRECT FILING OF THE T3010 REGISTERED CHARITY INFORMATION RETURN FORM

The T3010 is due six months after the charity’s year-end. Failure to file the T3010 within a few months of that date will result in a charity being deregistered and losing its charitable status, and consequently also losing its receipting privileges. It is important that Directors record the date on which their returns are due and ensure that the address the CRA has on file is current. Otherwise, CRA reminder notices may never arrive and a charity may be deregistered without any notification.

Charities must also make sure that they file the correct form, and all necessary schedules and financial statements must also be filed.

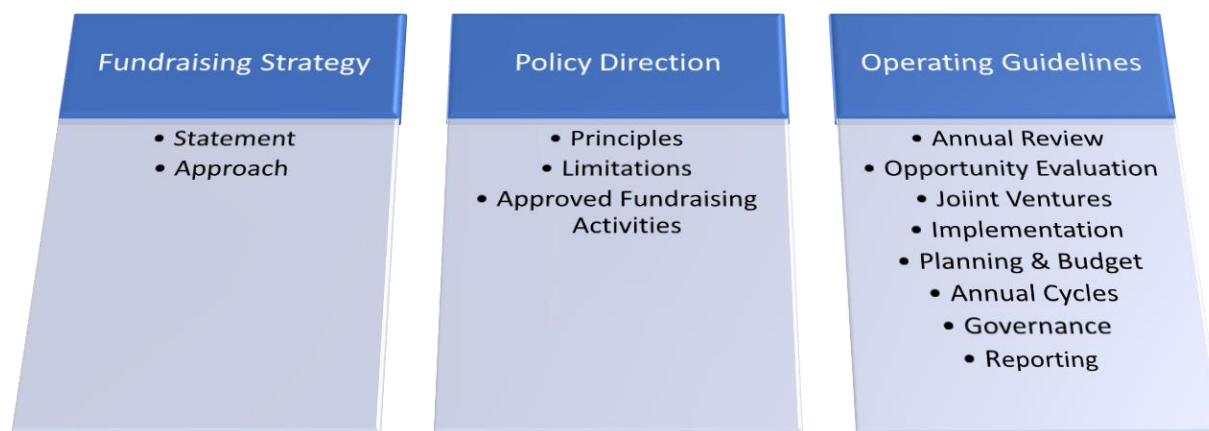


Figure 11 Fundraising Guidance Scope

FUNDRAISING STRATEGY

Statement

Chapter 1 describes the GUILD’s Framework for delivering its program of support to the RCD Regimental Family. The GUILD strives to be results-oriented and timely in the delivery of its services. Therefore, the GUILD must focus on delivery goals that are SMART (Specific, Measurable, Achievable, Realistic and Time Bound) in a limited number of charitable areas within a defined period.

Approach

To finance approved program activities through its charitable status, the GUILD, will:

- seek to raise funds through:
 - investment income,
 - gifted donations from interested persons,
 - planned estate giving,
 - strategic sponsorships, and
 - collaboration with like-minded organizations wherever practicable;
- raise funds in the current financial year for disbursement of such funds in the ensuing financial year (s);
- commit to charitable activities for which it has available funds and volunteer resources;
- accumulate funds for specific projects if necessary, within regulatory limitations; and
- reserve the right to accept or reject fundraising requests.

POLICY DIRECTION

Principles

Adhering to CRA policy and guidance on fundraising⁵⁵ and the procedures contained in this manual, the following principles apply to any activity that raises funds from public sources to support GUILD approved charitable programs.

Overarching Values

1. The GUILD reserves the right to refuse any proposed gift subjected by a donor, directly or indirectly, to any material restriction or condition that would prevent the organization from freely and effectively employing the gift, or the income derived there from, in furtherance of its purpose.
2. Fundraising events sponsored by the GUILD should net, less expenses, at least 50% of gross income based on pre-approved budget predictions to the GUILD. For new initiatives that require time to mature, achieving this principle may occur over a specified timeframe.
3. Fundraising cannot result in an unacceptable or undue private benefit to a person or organization that is not a charitable beneficiary.
4. As part of expanding its base of support, the GUILD is willing to consider partnerships with and gifts from the corporate sector. The GUILD recognizes that corporations, as profit-centered organizations, have obligations to their shareholders, boards, and employees to be successful. The GUILD also recognizes that companies support the non-profit sector, not only out of a desire to be helpful, but also with a hope of a return or benefit to the companies. Given these realities along with the legal and ethical considerations, the GUILD is willing to negotiate partnerships and accept support from the corporate sector in ways that will benefit and recognize the supporting companies while enabling the GUILD to achieve its mission better without compromising its principles.
5. The GUILD will maintain complete control, consistent with any donor restrictions acceptable to the GUILD, of all funds provided by corporations, organizations, and individuals.
6. All fundraising requires prior approval by the Board of Directors through the annual planning and budget process. The fundraising plan must outline the proposed activity, its management, assessment of results, and the suggested reporting and monitoring procedures from the Fundraising Committee to the Board.

Limitations

The GUILD will:

1. use all donations solicited from the public to further the GUILD's charitable purposes;
2. issue written business or charitable tax receipts for all donations;
3. respect CRA fundraising guidance CG-013 (footnote 42);
4. deposit fundraising proceeds directly into bank accounts approved by the Board of Directors held in the name of the GUILD.
5. honour all donor restrictions and detail those restrictions in a donor's gift or pledge commitment letter;
6. review non-cash gifts before acceptance;

⁵⁵ CG-013 *Fundraising by Registered Charities*, April 20, 2012 <https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/policies-guidance/fundraising-registered-charities-guidance.html>

7. develop recognition of major corporate support in cooperation with the corporate donors; consistent with the level of support and the GUILD’s mission and purposes; and approved in advance by the Board of Directors;
8. seek to develop appropriate and meaningful recognition opportunities; and
9. exercise transparency regarding its fundraising activities and disclose the results of such activities to the public at least annually.

The GUILD will **not**:

1. share any information supplied to the GUILD by donors to fulfill their donation for any reason unless permission is granted by the donor to share such information;
2. compensate GUILD members for time involved in fundraising activities;
3. accept any support that implies or requires product endorsement;
4. be involved in fundraising activities that it considers deceptive; and
5. promotionally recognize any corporation issued with a tax receipt for a charitable gift. (CRA considers any recognition, beyond an alphabetical listing with other donors as a marketing benefit to the donating corporation. If a company chooses a non-charitable or business receipt, potential ramifications otherwise present concerning for the GUILD’s charitable registrations are minimized as it relates to such recognition.)

Approved Fundraising Activities

The Secretary-Treasurer will maintain a list of all approved funding activities in a format as shown in the example form below.

Activity	Corporate Sponsors/Partnerships	Volunteer Requirements	When

Table 8 Current Fundraising Activity Form

PROCEDURES AND GUIDELINES

ANNUAL REVIEW

Existing fundraising activities require annual review to confirm those activities remain valid against desired fundraising outcomes. In addition, there is a need to check existing charitable activities represent best value for the efficient expenditure of charitable funds to conduct fundraising, along with best use of volunteer resources.

All GUILD program committees may bring forward ideas for new projects. When a new fundraising proposal arises, an evaluation is necessary to ensure the idea fits within the guidelines described below.

OPPORTUNITY EVALUATION GUIDELINES

The President shall form of an ad hoc committee of affected standing committees to examine the fundraising opportunity and conduct an evaluation. To respond systematically to proposals, the ad hoc committee, as a minimum, will answer at least the following questions prior to seeking Board approval for a fundraising project:

- a. What are the demands on volunteer time?
- b. Are volunteers available to work on the event or program?
- c. What is the public relations value to the GUILD?

- d. Is this a one-time or recurring activity, and if recurring, at what frequency?
- e. What are the estimated fixed and/or recurring costs to produce the event or program?
- f. Is this event or program like others in the greater Petawawa and/or Gagetown area?
- g. How much is financially at risk?
- h. What are the profit expectations?
- i. Does the sponsor(s) expect a donation to another charitable organization in return for sponsorship?
- j. Has the detailed budget been prepared as part of the proposal?

JOINT VENTURE EVALUATION GUIDELINES

In addition to the evaluation guidelines above, the GUILD, in pursuing a fundraising event where a partner or partners are involved, shall execute a Board approved partner agreement stipulating, as a minimum:

- a. Who is sponsoring the event?
- b. Who bears the liability for the event?
- c. Who is the beneficiary of the funds raised?
- d. What organization(s) is issuing tax receipts?
- e. Who is authorized to sign contracts with vendors and suppliers?
- f. Who is the official spokesperson for the event?
- g. Has the publicity using the GUILD's name in connection with the event been cleared by all affected organizations?
- h. Who is authorized to release publicity material?
- i. Are there any restrictions regarding possible event sites, specific sponsors, and/or donor recognition?
- j. How and who will monitor the event activities and report to the GUILD Board of Directors?
- k. How will the post-event evaluation be conducted?

IMPLEMENTATION GUIDELINES

After Board approval, the Fundraising Committee implements the approved fundraising activity within the following guidelines:

- a. conduct the fundraising activity within the approved parameters;
- b. conduct all interaction with the approved sponsor organizations;
- c. coordinate fundraising goals with other affected committees; and
- a. be the lead committee representing the GUILD at cheque presentations.

Planning and Budget Guidelines

Expected fundraising expenses form part of the GUILD's annual budgeting process. The figure below illustrates the recurring project approval approach for the fundraising and spending years.

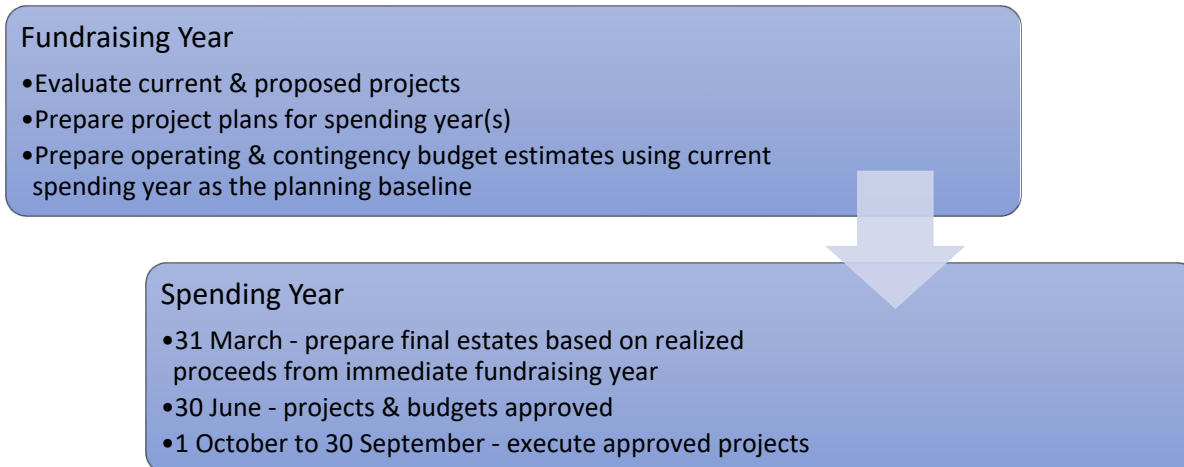


Figure 12 Planning and Budgeting Approach

Annual Cycle Actions

Project planning is a “bottom up” process. The Fundraising Committee in concert with the Program Committees establishes ideas for retaining, removing, or creating programs consistent with known resources from all previous financial year fundraising activities and projected human resource availability. The table below describes the annual cycle actions.

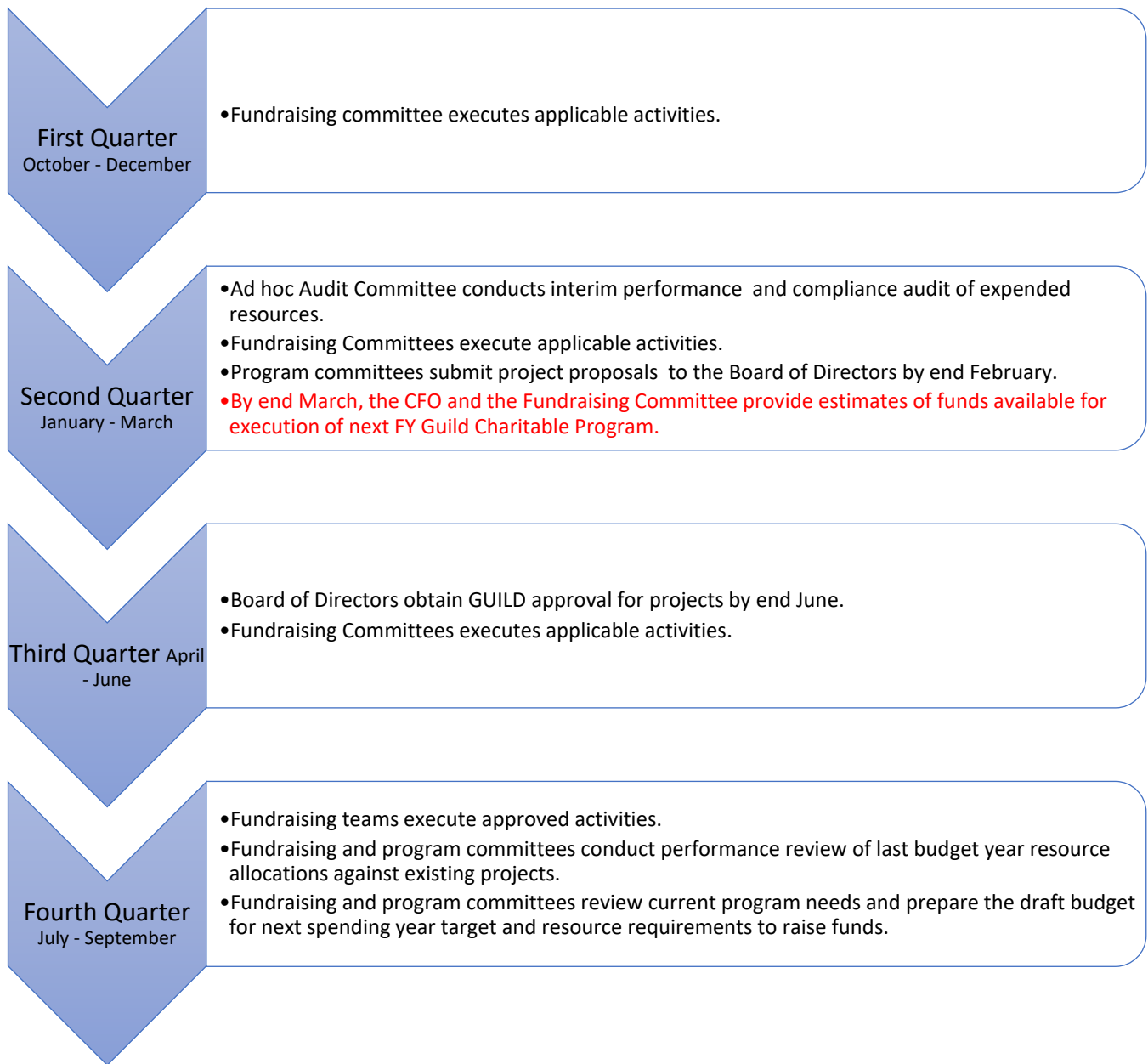


Table 9 Annual Cycle Activity

GOVERNANCE APPROACH

AUTHORITY TABLE

The table below identifies the designated governance groups and their assigned authority for implementing these fundraising policy and procedures.

The	has/have the authority to...
Board of Directors	<p>Approve the strategy, plans, policy, and procedures.</p> <p>Recommend fundraising activity for approval by GUILD membership</p>
Corporate Services Committee	Administer the Charitable Fundraising strategy, plans, policy and procedures through the Board of Directors.
Fundraising Committee in collaboration with Program Committees	<p>Request continuation of existing and addition of new fundraising activity within the parameters of this policy</p> <p>Consider fundraising requests to meet the assigned program objective within the parameters of approved budget allocations.</p> <p>Disburse funds to approved suppliers and sponsors based on approved fundraising budget allocation.</p> <p>Request removal of a program activity when the activity is deemed invalid or ineffective.</p> <p>Coordinate with the Corporate Services Committee for the availability of volunteers to support projects.</p> <p>Provide estimate of funds available for execution of next FY Guild Charitable Program</p>

Table 10 Authority Table

PROJECT REPORTING

The Fundraising Committee will report the status of its respective activities quarterly to the Board of Directors.

Related Extracts from Blumberg’s Top Canadian Charity Law compliance issues

COMPLIANCE WITH THE FUNDRAISING GUIDANCE

Canadian charities must be careful to abide by their legal and ethical obligations when they conduct any fundraising activities. In 2012, CRA released a revised Guidance on Fundraising by Registered Charities.

Some of the limits on fundraising activities include any activities that are considered illegal, deceptive, or provide too much private benefit. The CRA will look at many factors including but not limited to resources devoted to fundraising relative to charitable programs; fundraising without an identifiable use or need; the charity’s fundraising expenses to fundraising revenue ratio; inappropriate purchasing or staffing practices; activities where most of the gross revenues go to contracted non-charitable parties; commission-based fundraiser remuneration; misrepresentations in fundraising solicitations or in disclosure of fundraising costs, revenues or practices; and fundraising initiatives or arrangements that are not well documented. CRA understands that all charities are different and when reviewing the fundraising activities of a charity, they will consider the size of the charity, causes with limited appeal, long-term donor development programs and whether a charity is involved with gaming activities. It is important that a charity’s fundraising program and its costs are transparent, accountable and properly disclosed to CRA and the public.

If fundraising is conducted by third parties, charities should not fall into the trap of entering what are claimed to be ‘standard form’ or ‘boilerplate’ fundraising agreements. CRA’s Fundraising Guidance sets out the necessary requirements for an appropriate written agreement and these guidelines should be followed.

PROPER ISSUANCE OF OFFICIAL DONATION RECEIPTS

Registered charities are not required to issue receipts. However, if charities decide to issue charitable receipts then they will need to ensure that every receipt issued is accurate and compliant with the requirements of the CRA. According to the CRA, when CRA audits registered charities it is finding that approximately 89% of registered charities are currently issuing receipts improperly. Many charities do not have all of the required elements on their receipts, or they are issuing receipts for services donated to a charity, which is inappropriate since ‘services’ are not considered property. Some charities make the mistake of “lending their registration” to other organizations, which is also prohibited. Even small mistakes in the form and content of a charitable tax receipt issued by a charity will be taken very seriously by the CRA. There are substantial penalties for inappropriate receipting.

AVOIDANCE OF UNRELATED BUSINESSES

Under the Canadian Income Tax Act, charitable organizations and public foundations can carry on "related business" that promotes their charitable objects. For example, a hospital cafeteria that provides food to patients and visitors could be considered a related business.

Charitable organizations and public foundations can also carry on other unrelated business activities, presumably to raise funds for the charity, if "substantially all" (the CRA says at least 90%) of the people involved in these activities are volunteers.

PURPOSE

This policy describes the GUILD's policy and practice in respect of Gifts in Kind.

POLICY

Gifts in Kind from individuals, community organizations and corporate donors will be welcome if those gifts have a direct application toward benefiting activities that support the GUILD purpose and strategic objectives. Gifts in Kind must meet the provisions of the Income Tax Act and follow the CRA guidelines set out Pamphlet 113.

DEFINITION

Gifts in Kind are donations of goods other than cash (or cash equivalents such as cheques, credit card payments and marketable securities). They may include donations of supplies, equipment, books and artwork, equipment, military accoutrements and other artefacts.

PRACTICE

Gifts in Kind are eligible for a tax receipt only when the following requirements are met:

- the gift is of value to the GUILD organization and its activities in support of the Regimental Family.
- an independent appraisal has been made of the fair market value of the gift.

Appraisals for income tax purposes must be made by a qualified appraiser not associated with the donor or the GUILD.

Determining the fair market value (FMV) requires consideration of numerous facts regarding the property. One or more appraisals to establish the FMV may be required. The appraised FMV can be used to calculate the eligible amount of the gift unless the deemed FMV rules apply.

Gifts in Kind not eligible for tax receipts under the *Income Tax Act* include:

- donated professional or personal services of an individual, or a corporation;
- "gifts" provided by a company of its principal product or service. Under the Income Tax Act such items are considered promotional expenses rather than charitable donations;
- donations of personal clothing, furniture, home baking, etc.; and
- payment for a lottery ticket or other chance to win a prize.

Value of \$1,000 or more: For items of \$1,000 value or more, an income tax receipt may be issued for an amount equivalent to the value appraised by a professionally recognized appraiser.

Value under \$1,000: For items (books, e.g.) valued at less than \$1,000, income tax receipts may be issued, upon request, for the amount equal to the actual purchase price of the item. Income tax receipts will not normally be issued for items valued at under \$250.

RECORDS

The Secretary-Treasurer, in collaboration with the CFO, shall maintain records of all items for which Income Tax receipts have been issued and included in GUILD's annual Charities return to CRA. In recording the gift, the following information must be captured from the donor:

- Donor Information: accurate and complete information on the donor must be recorded. This should include the donor's name, mailing addresses, email contact and phone number.
- Amount: The amount of the contribution must be recorded.

- Date of Donation: The date that legal ownership of the property is transferred from the donor to the GUILD, which in the majority of cases is the date of physical delivery of the gift-in-kind. An example of an exception would be an object on loan before the date of donation.
- Designation: Gifts may be undesignated, broadly designated or specifically designated.
- Giving History: A cumulative total of all donation given by a donor or his/her immediate family. This will generate trends of giving and assist in special recognition or contact by the GUILD.

STANDARD OF INVESTMENT PERFORMANCE

Portfolio performance will be evaluated at least quarterly. Emphasis will be placed on the degree to which performance results meet performance goals. Toward that end, the following standards will be used in evaluating investment performance:

- compliance with the investment guidelines;
- portfolio performance over a three to five-year period; and
- reporting and communication as required in Appendix 1 to this Annex.

CONFLICT OF INTEREST

The assets of the Fund shall not be used for making loans, including loans to officers, members or employees of the GUILD or their family members.

GUILD investment team members have a responsibility to oversee, disclose and correct any actual or perceived conflicts of interest on the part of all parties associated with the portfolio.

The GUILD and any of its Officers, Directors and volunteers engaged in the administration of the portfolio, or any investment advisor appointed by the GUILD, shall not knowingly permit their interest to conflict with their duties or powers relating to the portfolio. Any actual or perceived conflict of interest shall be reported to the GUILD President immediately. The Board of Directors shall be the sole arbiter in determining whether the conflict of interest exists and, if so, shall take necessary measures to remedy the situation.

APPENDIX 1 TO INVESTMENT GUIDANCE – COMMUNICATIONS AND REPORTING

If the Guild employs an investment advisor, the advisor is expected to meet at least annually or upon request of the GUILD Investment team. Additionally, the Investment team is expected to obtain the following information:

INITIALLY, a written statement acknowledging acceptance of the Statement of Investment Policy and Guidelines and the performance standards therein stated.

MONTHLY statements that include:

- a. position balances by account;
- b. cost and market value of securities held;
- c. number of unit/shares owned; and
- d. all principal and income cash transactions for the portfolio.

QUARTERLY statements, in addition to the monthly report, the quarterly report will include;

- a. **Portfolio holdings** broken out by equity, fixed income, cash equivalents and un-invested cash balances;
- b. **Portfolio positions** by individually named securities;
- c. Performance Review:
 - (1) present total fund and asset class returns for last quarter, year-to-date, last year, last four years and since inception versus benchmarks designated in the investment advisor guidelines,
 - (2) performance relative to benchmarks, and
 - (3) portfolio characteristics relative to benchmarks.

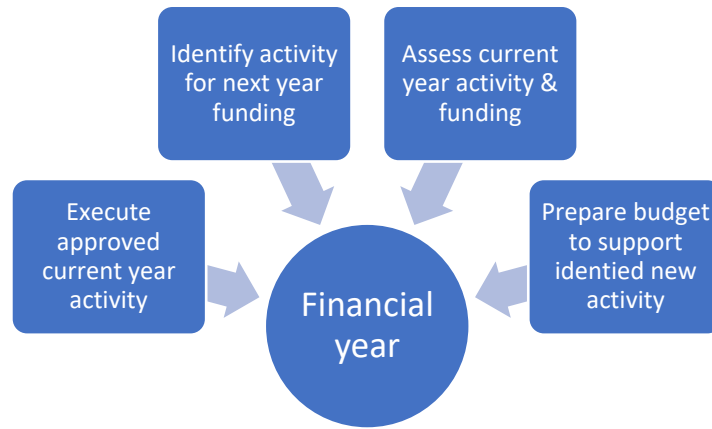


Figure 13 Typical Year Budgeting Concept

PLANNING AND BUDGET GUIDELINES

Fixed administration and anticipated fund-raising expenses, anticipated revenue, ongoing charitable disbursements and anticipated charitable commitments form part of the GUILD’s annual budgeting process. The figure below illustrates the recurring budget approval approach for the fundraising and spending years.

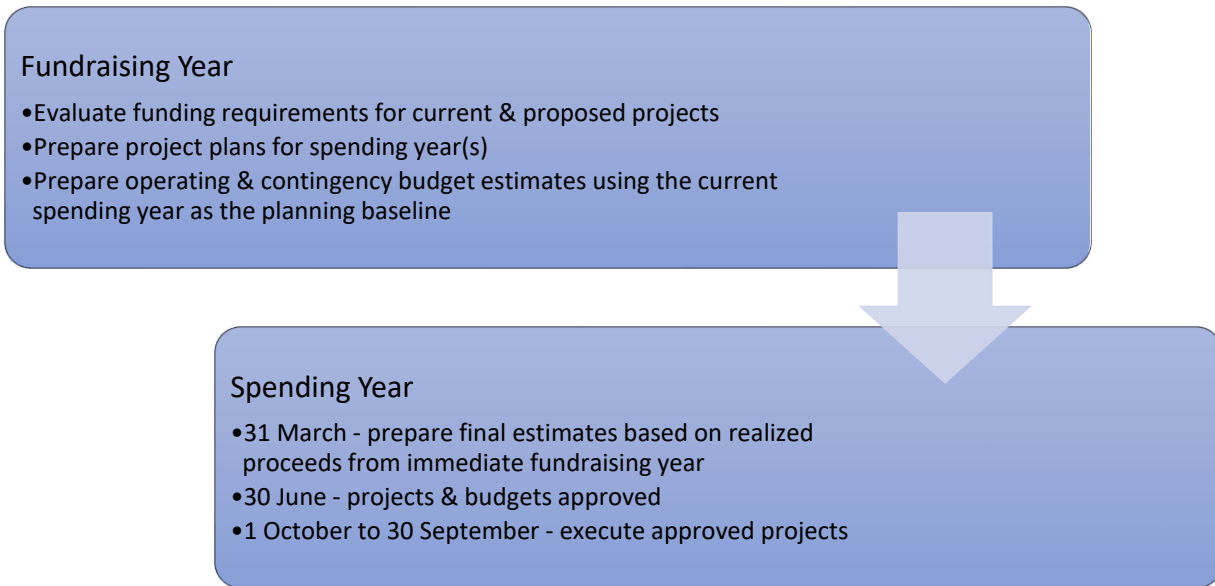


Figure 14 Planning and Budgeting Approach

ANNUAL BUDGET CYCLE ACTIONS

Project planning is a “bottom up” process. The Corporate Services Committee business planning team, in concert with the three (3) charitable program committees (History & Heritage, Fundraising and Quality of Life), creates ideas for retaining, removing and/or creating programs consistent with projected financial resources from fundraising year activities including the projected human resource availability. The table below describes the annual budget cycle actions for all committees.

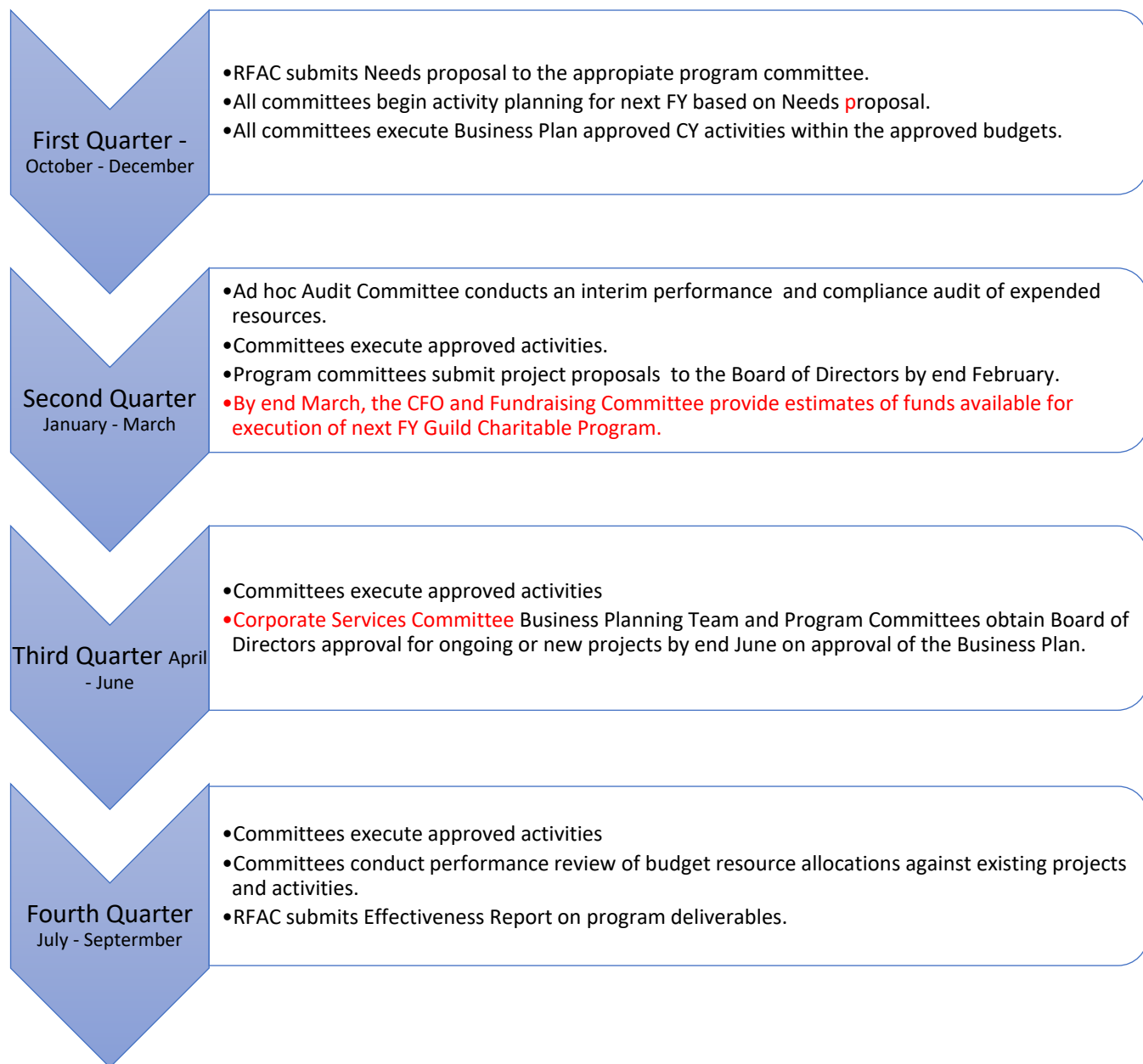


Table 11 Annual Budget Cycle Activity

ANNEX E TO FINANCIAL POLICIES – FINANCIAL APPROVAL LEVELS

PURPOSE

This policy establishes the level of expenditure that may be approved by each level of authority and applies to all GUILD financial expenditures.

POLICY

Board Members with financial expenditure approval shall ensure all policy and procedure requirements are followed in the procurement of goods and services. All new Board Members with expenditure approval shall take orientation training under the guidance of the CFO and the Secretary-Treasurer before initiating or approving any expenditures.

FINANCIAL APPROVAL

The Board of Directors is responsible for the management and expenditure of corporate funds. In supporting the Regimental Family, the Board approves and undertakes various programs. The Board approves a budget each year to support these programs.

Approvals of expenditures are delegated as outlined below. Delegated approval includes both the commitment and expenditure of such funds.

Budgeted Expenditures:

- Program Head/Committee Chair – within approved budget;
- Secretary-Treasurer – all administrative expenses;
- Management Committee – within approved budget; and
- President – all expenditures when the designated approving authority is not available.

Non-forecast Expenditures:

- Program Head/Committee Chair – to a maximum of \$500 per year
- Corporate Services Committee – single expenditures up to \$2,000
- Board of Directors – all expenditures over those indicated above.

Those approving non-forecast expenditures must ensure that unencumbered funds are available (contingency funds, unallocated funds and/or previously agreed upon offsets from other programs).

Payment Authorization

The Secretary-Treasurer authorizes payments when:

- the expenditure supports an approved program with approval given at the proper level; and
- funds are available in the program/committee envelope.

CHAPTER 6

7 ADVOCACY

Purpose:

Chapter 6 – the enabling policies to control the Corporation’s advocacy governance.

Scope:

The Chapter includes:

- Introduction to Advocacy Governance
- Advocacy Limitations
- Strategic Planning
- Fundraising
- Gift Management
- Communications
- Editorial Considerations

7.1 INTRODUCTION

Through advocacy governance, the Board secures the public’s support and appreciation for the GUILD’s beliefs, vision, mission, and long-term direction. Advocacy governance also establishes the GUILD’s response to matters affecting its relationship to the Regimental Family and to the associated communities.

To realise the advocacy governance function, the Board:

- develops policies that describe the GUILD’s stand on relevant issues,
- participates in clarifying and resolving of issues,
- interprets the GUILD’s beliefs to the Regimental Family and the community, and encourages support for these beliefs,
- develops Regimental Family and community awareness of the GUILD’s unique role,
- represents the GUILD to the Regimental Family, the community, government, other foundations, corporations, and funding agencies,
- supports the GUILD’s work with the Regimental Family and in the associated communities, and
- monitors government legislation and advises government officials on the impact of current and proposed policies that may affect GUILD operations.

7.2 POLICY STATEMENT ON LIMITATIONS

Advocacy on behalf of the beneficiary is an important element of charitable work within legal and GUILD imposed limitations. These advocacy limitations serve as a basis for applying the GUILD’s objectives and guide its activity within the limitations set out by CRA and OPGT.

- Political⁵⁶ – The CRA sets out explicit regulations on political activity by charities which are found at: <http://www.cra-arc.gc.ca/chrts-gvng/chrts/plcy/cps/cps-022-eng.html>. However, a recent federal budget included proposed changes to broaden the scope of advocacy by charities, but those proposals have not been enacted to date. Accordingly, the GUILD will constrain any

⁵⁶ Imagine Canada references on Advocacy, political activity and foreign funding.

political activities to ensure it does not overreach the current CRA regulations. Moreover, the GUILD will track any political or implied political activity as required by CRA form T3010. [Annex A](#) to these Advocacy policies provide **Blumberg** Guidance on *avoidance of partisan political activities*.

- Foreign – the GUILD will not undertake any advocacy activity on behalf of any foreign organization.
- Other charities – the GUILD may undertake advocacy activity in support of other charities on a case-by-case basis as directed by the Board of Directors.
- Funding from foreign sources – Charities are allowed to accept funding from foreign sources. However, the GUILD policy is to not accept funding from other than Canadian sources except on a case-by-case basis that is consistent with the GUILD objects, CRA policy and does not tarnish the reputation of the Regiment or the Canadian Armed Forces.

7.3 STRATEGIC PLANNING

Strategic planning is an organization's process of defining its strategy, or direction, and making decisions on allocating its resources to pursue this strategy. It may also extend to control mechanisms for guiding the implementation of the strategy.

Policy Statement: The Corporation shall establish and maintain a strategic management system that will advocate its mission, vision, objectives and priorities. [Annex B](#) contains the policy details.

7.4 FUNDRAISING

Regulatory Implications

The CRA Charities Directorate is the primary regulator of registered Canadian charities under the Income Tax Act. Canadian registered charities can carry out charitable activities by either gifting funds to qualified recipients or by carrying on its own activities through employees, volunteers or intermediaries.

Policy Statement: The GUILD will raise charitable funds to support CRA approved activities that do not bring discredit upon the GUILD, the Regimental Family or the Canadian Armed Forces.

Blumberg Guidance. [Annex A](#) to these policies set out avoidance guidance when advocating the GUILD as a charity on *abusive tax shelter schemes, fraudulent receipting and charity scams*.

7.5 GIFT MANAGEMENT

From time-to-time gifts to the charity are received because of bequests or other types of donations. It must be assumed these gifts are a result of the GUILD's advocacy role of supporting the Regimental Family and its programs. Accordingly, it is imperative that the corporation acknowledge the gift response from individuals.

Policy Statement: The corporation shall ensure a suitable and timely appreciation of the gift, within the constraints of privacy, through a letter of appreciation to the donor and through appropriate public recognition where warranted.

7.6 COMMUNICATIONS

To achieve advocacy goals, the corporation must promote its advocacy work through an effective communication strategy in its fundraising plan by exploiting the effects of fund disbursements to the Regimental Family.

Policy Statements:

- For internal and external communications, the Corporation will utilize the GUILD website and social media as the principal means of distributing timely information on GUILD activities and charitable results. Where possible, the corporation will make every effort to gain maximum exposure on various communication vehicles used by the target audiences. [Annex C](#) to these Advocacy Policies contains the Communication Strategy.
- The Corporation will maintain the website and social media platforms in conformance with CAF guidelines.
- Wherever possible, Directors should participate in Regimental Family sponsored and associated events to foster support and build constituency.

7.7 EDITORIAL CONSIDERATIONS

The GUILD employs various web-based communication tools, printed materials, and oral presentations to deliver its message. It is essential that message content is coherent and in agreement with the strategic framework.

Policy Statement: The Corporation shall employ an Editorial Board to exercise due diligence over its message content. [Annex D](#) provides the details.

Related Extracts from Blumberg’s Top Canadian Charity Law compliance issues

AVOIDANCE OF PARTISAN POLITICAL ACTIVITIES

Under the Income Tax Act, a registered charity can be involved in non-partisan political activities, as long as it devotes substantially all its resources (90%+) to charitable activities. Any political activities must be related to the charity’s purposes and must involve generally less than 10% of resources.

A registered charity cannot be involved in any partisan political activities. A political activity is considered partisan if it involves direct or indirect support of, or opposition to, a political party or candidate for public office. See the CRA policy statement on Political Activities (CPS - 022) and our blog postings on political activities.

AVOIDANCE OF ABUSIVE TAX SHELTER SCHEMES, FRAUDULENT RECEIPTING AND CHARITY SCAMS

According to the CRA, over the last ten years there have been approximately \$6.5 billion dollars in donation receipts issued as part of "abusive charity gifting tax schemes". Approximately 1% of this amount was spent by these few registered charities on charitable activities and over 190,000 tax returns have also been filed as part of these schemes. Many of these gifting schemes involve a taxpayer receiving a higher tax receipt than the actual amount of their donation. For example, the ‘donor’ ‘invests’ \$1000, but receives a \$5000 donation receipt. Over 100,000 Canadians have also filed tax returns with what CRA refers to as ‘fraudulent receipting’. In addition, there have been several other elaborate schemes used to abuse receipting privileges.

There are numerous types of inappropriate schemes that charities must avoid involvement with. They not only may be illegal, but also unethical, they undermine the confidence of the public in the charitable sector as a whole.

DEFINITIONS

Mission – the fundamental reason for the organization's existence - a statement of the role and mandate of the organization including the people to be served and the range of services to be provided.

Vision – a compelling image of an achievable future – where the organization wants to be and what it wants to look like at a certain point in the future, usually 5 years.

Environmental Assessment – a verification of the internal and external factors that affect the organization, the strengths and weaknesses, opportunities and threats that affect the future (SWOT).

Objectives – the steps to reach the Vision over the stated period.

Priorities – the critical few activities that the organization will undertake to meet the Objectives in any particular year.

PURPOSE

To direct and oversee GUILD activities through appropriate and responsible governance and in concurrence with Board directives, the By-law, and other statutory and common law, the Board has established a planning process which ensures an annual review of activities and budgets to meet the [objects](#) set out in Chapter 1.

PROCESS

The GUILD planning process is executed by the Corporate Services Committee business planning team and generates the following key documents: The Strategic Plan [para 4.1](#), the Annual Business Plan [para 4.2](#), Project Outlook Lists, and the Strategic Project List. The Strategic Plan and Environmental Assessment have a 5-year horizon but are reviewed annually to ensure currency. The GUILD Intents are included in the Strategic Plan. The Business Plan is published annually and is the product of a thorough analysis of Regimental Family needs and resources available. Guild priorities are identified in the Business Plan. The Project Outlook Lists identify projects that the GUILD intends to execute in the 2-3, 4-10, and the 11-20-year timeframes. The Strategic Project List contains those project and programs from the Project Outlook Lists that are of particular importance to the achievement of the Guild Vision.

YEARLY PROCEDURES

1. In the first quarter of the current financial year, the RFAC works with program committees to transform identified Regimental Family needs into project and program proposals. Appropriate proposals from Project Outlook lists are also included. GUILD priorities identified in the Business Plan set out the guiding criteria.
2. In the second quarter of the current year, Program Committees submit proposals for projects and programs to be executed in the next FY. Committees also submit proposals for out-year projects and programs in the 2-3, 4-10 and 11-20-year time windows. The amount of detail will increase as execution approaches. By end March, the CFO and the Fundraising Committee provide an estimate of funding available for GUILD activities in the next FY.
3. In the third quarter of the current year, the Corporate Services Committee business planning team

drafts the Business Plan based on priorities, project and program proposal and funds available. The Plan is submitted to the Board for approval. Approval of the Business Plan by end June gives Program Committees authority and a budget for completion of projects and programs in the Business Plan.

4. In the fourth quarter, activities scheduled for current year completion are closed off and committees prepare to execute the Business Plan for the next FY.
5. On a quarterly basis, Committee Chairs report to the Board on their achievements and the CFO reports on revenues and expenses.
6. Mid-year, the planned activities are reviewed by the Committees, discussed at the Board and adjustments made to achieve or modify the priorities.
7. At year-end, the Committee Chairs report on their achievements and a final document of the year's accomplishments and lack thereof, in relation to the priorities, are recorded.
8. From these documents, an annual report is prepared and tabled at the GUILD Annual Meeting of Members.

As the financial year progresses, the process overlaps so that the Board and Committees are reviewing the current achievements for the year while preparing their plans for the upcoming year; confirming revenues and expenses for the current year while establishing the budgets for the upcoming year.

INTRODUCTION

Effective communication is the primary objective of the GUILD to ensure the continuing prosperity of the Regiment and retaining the sense of family so cherished by all members. To do this approximately 15% of projected revenue will be allocated to meet the communications needs of the Regimental Family through the following media:

THE SPRINGBOK/DRAGOON.

This annual publication encapsulates all aspects of the Regimental Family over the posting year. This publication is to be distributed to all members of the Regimental Family. As part of our marketing program and connecting with Canadians, the publication will be sent to individuals and organizations that support or could support the vision of the GUILD. Ideally, this venture would be a cost neutral project through advertisements and sponsorships; the GUILD must dedicate funds to its production through budgetary process and be prepared to support its publication.

REGIMENTAL WEBSITE

This undertaking is to meet the needs of the Regimental Family and must be kept current to ensure continued interest and relevance for the Regimental Family. The Secretary-Treasurer will oversee website management and submit the annual budget estimates.

SOCIAL MEDIA

This undertaking is to meet the needs of the family through social media. This real-time social media connection will be managed daily to keep the Regimental Family and those external to the Regiment aware of the current situation and significant events. This avenue is of no cost to the GUILD and is managed integral to the Regiment.

NEWSLETTERS.

This more informal method of keeping members informed of Regimental Family activities is critical to the success of Association function and the passage of information through print, across the country.

MEETINGS.

From time to time, the GUILD will hold meetings to gather Regimental Family members together to pass information and projects. These meetings shall be identified with a specific objective and scope. The GUILD membership will normally hold its Annual Meeting of Members in January.

CONNECTING WITH CANADIANS.

The GUILD will conduct a variety of marketing programs that aim at connecting with Canadians and illustrate the GUILD. Such events include but are not limited to GUILD of the Regiment events, support to funerals of past Dragoons, connecting with the RCD Association, connecting with Vets, and attending Warriors Day parades and other similar events.

POLICY BASIS

The editorial policy is anchored in the [Framework Policies \(Chapter 1\)](#) and the strategic plan. This framework is summarized as follows:

Mission. The GUILD mission is to facilitate the desire of the Regimental Family to promote, protect, preserve, and further the Regiment’s traditions and heritage; promote and improve the quality of life for Regimental Family members; and promote public awareness and Regimental morale.

Vision. A Regimental Family with a heightened sense of unity, heritage, and quality of life.

Strategic Policy Statement. In all endeavours, the Board of Directors is guided by the systematic process to achieve the GUILD’s mission and realize its vision.

Strategic Intent. In conducting its business, the GUILD has set out fourteen (14) strategic intents which are to:

1. maintain a culture of excellence;
2. honour the Regiment and recognizing those who support it;
3. keep the Guild governance and committee structure as small as possible while still being able to deliver the Guild Charitable Program (GCP);
4. grow the investment income;
5. grow the GCP;
6. increase the volunteer base;
7. establish strategic partnerships;
8. enhance corporate services;
9. expand the scope of the donor population;
10. identify and execute self-supporting programs;
11. give preferential treatment to Regimental Family members when awarding contracts;
12. conduct a complete strategic review;
13. improve GUILD name recognition; and
14. use the business planning process.

THE ROLE OF THE SPRINGBOK/DRAGOON, GUILD WEBSITE AND OTHER SOCIAL MEDIA

The Springbok/Draoon, the GUILD website and other social media are to function in direct support of the strategic policy and objectives; they are to serve as enablers to achieving the strategic objectives.

Similarly, in format and substance they are considered as windows on the work of the GUILD and, therefore, must be entirely consistent with both mission and vision and other elements of the strategic framework.

In terms of content, the Springbok/Draoon, the GUILD website and other social media are to enrich and support the work of the GUILD Board and its committees; at no time are GUILD media to be either inconsistent with or in conflict with the work of the Regimental Family.

GOVERNANCE

Following the Board of Director’s responsibility for oversight and good governance, the Board must exercise due diligence over Springbok/Draoon, the GUILD website, and other social media. In this regard,

an Editorial Board is charged with overseeing these platforms. The Editorial Board is part of the Fundraising Committee and reports through that committee to the Board of Directors. While not interfering with production, the Editorial Board is to ensure that planning, content, and structure are fully compliant with the GUILD's mandate, vision, priorities, and communication policy.