



**LAW COMMISSION OF ONTARIO
COMMISSION DU DROIT DE L'ONTARIO**

Board of Governors

GOOD GOVERNANCE POLICIES

Approved March 6, 2014; rev. April 30 & November 19, 2015

BOARD OF GOVERNORS GOOD GOVERNANCE BEST PRACTICES

In this document, “Board” refers to the Board of Governors of the Law Commission of Ontario.

PREAMBLE

While initially applying to corporations and therefore concerned with their obligations to shareholders (for example), good governance concepts and principles are also usefully applied to non-profit boards and the boards of public interest institutions. “Governance” refers to the activities, procedures and policies that dictate or guide the institution in achieving its objectives or mandate and to the relationships among the various actors comprising the institution. It is now widely accepted that “good governance” by boards of directors includes an assessment of how well the board performs its duties.

The Board of Governors of the Law Commission of Ontario has identified as integral to the LCO’s activities a number of values with a direct relationship to the principles of good governance: integrity, excellence, transparency, efficiency and accountability, in particular. It is therefore appropriate that the LCO Board of Governors establish its own best practices of corporate governance. The LCO’s Foundation Agreement already addresses some of the issues that would be included in corporate governance best practices; however, there are other areas that the Agreement does not address that the Board considers should also be included.

The first part of this document sets out the governance best practices for the Board of Governors; the second part sets out the governance requirements; and the Appendix is a survey to evaluate Board performance.

I. GOVERNANCE BEST PRACTICES

1. Members of the Board are selected because they bring appropriate skills and expertise to the Board.
2. The Board's composition reflects the regional and cultural diversity of Ontario and bilingual nature of the Ontario justice system.
3. Members treat their participation on the Board seriously, as reflected in their attendance at, preparation for and participation during meetings and their willingness to take reasonable responsibilities outside the meeting requirements.
4. There is a minimum attendance requirement for members.
5. Members ensure that they have sufficient information to make an informed decision about project selection, formation of policy, approval of the budget and other matters within the Board's responsibilities.
6. The Board's decision-making is governed by the best interests of the Law Commission of Ontario.
7. Members evidence good listening and communication skills.
8. Members are respectful of each other and of staff, but do not hesitate to be constructively critical and ask questions when appropriate.
9. The members collaborate to find innovative solutions to difficult problems.
10. The Chair ensures that meetings run effectively, with the opportunity for adequate discussion of an issue within the time scheduled for the meeting.
11. A Board member whose association with organizations other than the entity that has appointed her or him to the LCO's Board of Governors may give rise to a conflict or perceived conflict with respect to decisions to be made by the LCO Board shall advise the Board at the meeting at which the decision is to be made at the latest and shall recuse herself or himself from that portion of the Board's proceedings.
12. A Board member who has an association with organizations other than the entity that has appointed her or him to the LCO's Board of Governors shall advise the Chair of the Board as soon as possible in the event that the other organization takes a position contrary to a position taken by the LCO.
13. While Board members are generally encouraged to discuss the LCO with third parties, it is inappropriate for members to meet with third parties whose intent they believe is to lobby the member to take a particular position in relation to a project document or other matter that comes before the Board for decision or consideration. Third parties are individuals or organizations other than organizations appointing members of the Board. For clarity, this provision does not prohibit a member who is appointed pursuant to the LCO Agreement article 4(1)(a-f) from discussing matters with the organization appointing him or her.

14. Each meeting includes an *in camera* portion which the Executive Director and the Executive Director's Executive Assistant do not attend.
15. The Board's relationship with the Executive Director is one of mutual trust and respect.
16. The Board has succession plans for its membership, its Chair and the LCO's Executive Director.
17. The Board's, Chair's and Executive Director's performances are assessed annually.
18. Renewal of Board members' terms shall be governed according to the following best practices:
 - a. The term limit policy shall apply to at-large members.
 - b. The term limit policy shall also apply to appointed members; in these cases, the Chair will discuss the policy with the appointing organizations, which have the final determination of whom they appoint.
 - c. The term limit policy shall apply in the case of a member's moving from being an appointed member to an at-large member or vice-versa, and to an appointed member for one organization being considered for an appointment by a different appointing organization (in the latter case, b. above applies).
 - d. The term limit policy shall apply to the Chair of the Board.
 - e. There is a presumption that members will sit for a maximum of two terms on the Board of Governors.
 - f. Renewal for subsequent terms shall be decided on the basis of the interests of the LCO.

II. BOARD DUTIES, MEMBERSHIP AND OPERATIONS

Duties of Board

The Board is the final decision-maker and policy-maker of the Law Commission of Ontario and shall manage and conduct the affairs of the LCO.

More specifically, the Board's duties include, among others necessary to satisfy the Board's functions, making final decisions about the research agenda and projects and final reports; overseeing the LCO's operations; making connections with the private bar and Canadian and international law reform bodies; and hiring, setting the terms of employment and reviewing the performance of the Executive Director. (Foundation Agreement s. 7(1))

The Board shall, on or before June 1 each year, prepare a budget for the following year that shall include projected expenditures for the second and third ensuing fiscal years and submit it to the Attorney General, Osgoode Hall Law School, the Law Society and the Law Foundation. The Board shall obtain approval of the budget each year and approval in principle of the projected expenditures. (Foundation Agreement ss. 16(a) and (b))

The Board shall provide the parties to the Foundation Agreement an annual report. (Foundation Agreement s. 16)

The Board shall review the LCO's operations for consistency with the Strategic Plan and review the Strategic Plan annually to ensure that it remains current and realistic. The Board shall develop succession plans for Board membership and for the position of Executive Director.

The Board may delegate any of its powers to committees composed of its members. (Foundation Agreement s. 7(2))

Membership

Each of the "partners" to the Foundation Agreement establishing the Law Commission of Ontario shall appoint a member to the Board. The partners are the Law Foundation of Ontario, the law deans as a group (other than the Dean of Osgoode Hall Law School), Osgoode Hall Law School, the Ministry of the Attorney General and the Law Society of Upper Canada; one additional member shall be representative of the judiciary. The Board may appoint other members to the Board. (Foundation Agreement s. 4(1)). The Executive Director of the LCO is a non-voting member. (Foundation Agreement s. 11(3))

The members as a group should reflect the bilingual character of the Ontario justice system and "should be broadly representative of the regional and cultural diversity" of Ontario. (Foundation Agreement s. 4(7))

Board members are expected to be committed to law reform, to bring their expertise to bear in discussions as appropriate, to contribute on a regular basis to Board discussions, to act with integrity, to bring the perspective of their appointing body to the Board while being committed to the best interests of the Law Commission of Ontario and to be available on a reasonable basis to assist in the development of the LCO, including making contacts on behalf of the LCO.

Chair of the Board

The Board may elect a Chair to preside over meetings, selected on the basis of a record of high professional achievement and commitment to law reform; strong managerial and leadership skills; interest in operational issues; ability to make the required time commitment; and excellent interpersonal skills. (Foundation Agreement s. 5)

In the absence of the Chair, the Board may elect an acting Chair to carry out the Chair's duties. (Foundation Agreement s. 5)

The Chair shall be assessed annually by the members of the Board.

Length of Appointment

All appointments to the Board are to be for three years. (Foundation Agreement, s. 4(2)). (See article 17 of the Good Governance Policies).

Board members may be reappointed to the Board or may be appointed in another capacity at the Law Commission of Ontario. (Foundation Agreement, s. 4(3))

Resignation

A member who wishes to resign shall notify the Chair of the Board and, if applicable, the body that appointed him or her in writing and the resignation shall be effective when the body appointing him or her receives the notification or the time specified in the notification, whichever is later. (Foundation Agreement s. 4(5))

Attendance at Meetings

The Chair of the Board determines when the Board meets and shall establish a regular meeting schedule annually and may schedule special meetings as required.

Board members are expected to attend at least 75% of the regularly scheduled meetings, in person or by conference call or other means agreed upon by the Chair and the member, subject to exceptional circumstances.

The quorum for conducting business at Board meetings requires half of the members of the Board to be present at the meeting in person or by telephone. (Foundation Agreement s. 8(3))

***In Camera* Portion of Meetings**

Time shall be reserved at each meeting for an *in camera* portion of the meeting. The Executive Director and the Executive Director's Executive Assistant (who serves as secretary to the Board) shall be absent for this portion of the meeting.

Evaluation of the Board

The members of the Board shall evaluate the performance of the Board annually, using the Survey of Board Performance approved by the Board.

Also see the Appendix: Survey of Board Performance