

SOLS exists to serve the people of Ontario, on behalf of the Province of Ontario, by equipping public libraries within the resources available, with the tools, resources, and pooled expertise they require to achieve excellence in public library service.

SOLS contributes to excellence by collaborating with public libraries to achieve:

1. Good governance
2. Service excellence, and
3. Cost savings and province wide access

February 1, 2019

The board will govern with a style that emphasizes:

- outward vision rather than an internal preoccupation
- encouragement and respect of diversity in viewpoints
- strategic leadership more than administrative detail
- clear distinction between the board and CEO roles
- collective rather than individual decisions
- the future, while considering past and present
- proactivity rather than reactivity

More specifically, the board will:

1. Operate in all ways mindful of its civic trusteeship obligation to its ownership. Each individual board member also has a responsibility to ensure meeting the commitment to ownership. The board will allow no officer, individual or committee of the board to hinder or be an excuse for not fulfilling this commitment.
2. Enforce upon itself whatever discipline is needed to govern with excellence by respecting roles and policy-making principles, speaking with one voice, and ensuring the continuity of governance capability.
3. The board's major focus will be on the intended long term impacts outside the operating organization (ends), not on the administrative or programmatic means of attaining those effects.
4. The board will use the expertise of individual members to enhance the ability of the board as a body, rather than to substitute their individual judgements for the board's values.
5. Operate using either a parliamentary or consensual style of decision making as appropriate. Parliamentary style will be used to formalize actions.

June 8/9, 2007

The board expects of itself and its members ethical and business-like conduct. This commitment includes proper use of authority and appropriate decorum in group and individual behaviour when acting as board members.

1. Board members will adhere to the law and comply with the policies of the organization.
2. Board members must represent unconflicted loyalty to the interests of its ownership. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other boards or staffs. This accountability supersedes the personal interest of any board member acting as an individual consumer of the organization's services.
3. Board members must avoid any conflict of interest with respect to their fiduciary responsibility.
  - a. There must be no self-dealing or any conduct of private business or personal services between any board member and the organization except as procedurally controlled to assure openness, competitive opportunity and equal access to "inside" information.
  - b. Board members must not use their positions to obtain employment in the organization for themselves, family members or close associates.
  - c. Should a board member be considered for employment, s/he must temporarily withdraw from board deliberation, voting and access to applicable board information.
4. Board members may not attempt to exercise individual authority over the organization except as explicitly set forth in board policies.
  - a. Board members' interaction with the CEO or with staff must recognize the lack of authority in any individual board member or group of board members except as noted above.
  - b. Board members' interaction with the public, press or other entities must recognize the same limitation and the similar inability of any board member or board members to speak for the board.
  - c. Board members will make no judgements of the CEO or staff performance except as that performance is assessed against explicit board policies by the official process.
5. As per SOLS' Letters Patent, board members serve without remuneration but are reimbursed for reasonable expenses incurred while acting in an official capacity. Such expenses will be reimbursed as per SOLS' Staff Travel Expense Policy (as itemized on the Board-Expense Claim Form).
6. Complaints and questions about possible misconduct, including failure to comply with the policy, will be addressed by the Chair and/or Vice-Chair as appropriate.

February 3, 2017

**POLICY TYPE: GOVERNANCE PROCESS**

**POLICY TITLE: *BOARD PLANNING CYCLE***

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To accomplish its job outputs with a governance style consistent with board policies, the board will follow a planning process which completes a regular re-exploration of By-laws and policies.

1. Review of By-laws in the first year of every board term.
2. Re-exploration of each policy type occurs every four years. The next review of each policy type will take place as follows:
  - A) Ends 2017/2018
  - B) Board/CEO Relationship in 2018/2019
  - C) Executive Limitations in 2019/2020
  - D) Governance Process in 2020/2021

October 14/15, 2016

The job of the board is to represent its ownership in determining and demanding appropriate organizational performance. To distinguish the board's own unique job from the jobs of its staff, the board will concentrate its efforts on the following job "products" or outputs:

1. The link between the organization and its ownership.
2. Written governing policies which, at the broadest levels, address:
  - A. *Ends*: Organizational products, impacts, benefits, outcomes, recipients, and their relative worth (what good for which needs at what cost).
  - B. *Executive Limitations*: Constraints on executive authority which establish the prudence and ethics boundaries within which all executive activity and decisions must take place.
  - C. *Governance Process*: Specification of how the board conceives, carries out and monitors its own task.
  - D. *Board-CEO Relationship*: How power is delegated and its proper use monitored; the CEO role authority and accountability.
3. The assurance of CEO performance (against policies in 2A and 2B).

October 12/13, 2012

The board governs SOLS in the interests of its owners - the people of Ontario as represented by the Minister with jurisdiction for public libraries. The board is committed to actively linking with its ownership to provide for accountability and to inform its policies. The board's linkage will include, but is not limited to:

1. Complying with the terms of any formal agreement between the Minister and SOLS.
2. Participating in all opportunities with the Minister (and the CEO with the Ministry) to offer and receive advice, share information, develop plans, and openly communicate.
3. Participating in all opportunities with those groups, individuals or organizations who have, or may be identified as having expert, credible information and/or advice about the sector.

October 14/15, 2016

The job "product" of the Chair is, primarily, the integrity of the board's process and, secondarily, occasional representation of the board to outside parties. The Chair is the only board member authorized to speak for the board (beyond simply reporting board decisions), other than in rare and specifically authorized instances.

1. The Chair ensures that the board behaves in a manner consistent with its own rules and those legitimately imposed upon it from outside the organization, such as the formal agreement between SOLS and the Minister responsible for libraries and any applicable legislation.
  - A. Meeting discussion content will only be those issues which, according to board policy, clearly belong to the board to decide, not the CEO.
  - B. The Chair shall ensure that all issues that clearly belong to the board to decide are brought before the board for consideration and the Chair shall endeavour to ensure that all relevant information is available to the board before it makes any decision on those issues.
  - C. Deliberation will be fair, open, and thorough, but also efficient, timely, orderly, and kept to the point.
2. The authority of the Chair consists in making decisions that fall within the topics covered by board policies on Governance Process and Board-CEO Relationship, except where the board specifically delegates portions of this authority to others. The Chair is authorized to use any reasonable interpretation of the provisions in these policies.
  - A. The Chair is empowered to plan and chair board meetings with all the commonly accepted responsibilities of that position (e.g., ruling, recognizing). The Chair may exclude any person from a meeting for improper conduct.
  - B. The Chair has no authority to make decisions about policies created by the board within Ends and Executive Limitations policy areas. Therefore, the Chair has no authority to supervise or direct the CEO.
  - C. The Chair may represent the board to outside parties in announcing board-stated positions and in stating Chair decisions and interpretations within the area delegated to him or her.
  - D. The Chair shall take advantage of every opportunity available to him or her to advocate to the Minister, government officials or others on behalf of the organization subject to 2C above.

October 14/15, 2016

Board committees, when used, will be assigned so as to minimally interfere with the totality of the board's job and so as never to interfere with delegation from board to CEO. Committees will be used sparingly, only when other methods have been deemed inadequate.

1. Board committees are to help the board do its job, not to help the staff do its jobs. Committees ordinarily will assist the board by preparing policy alternatives and implications for board deliberation. Board committees are not to be created by the board to advise staff.
2. Board committees may not speak or act for the board except when formally given such authority for specific and time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the CEO.
3. Board committees cannot exercise authority over staff. Because the CEO works for the full board, he or she will not be required to obtain approval of a board committee before an executive action. In keeping with the board's broader focus, board committees will normally not have direct dealings with current staff operations.
4. This policy applies only to committees which are formed by board action, whether or not the committees include non-board members. It does not apply to committees formed under the authority of the CEO.
5. A committee is a board committee only if its existence and charge come from the board, regardless whether board members sit on the committee. The only board committees are those which the board establishes by resolution for a specific and time limited purpose.

February 3, 2017



**POLICY TYPE: GOVERNANCE PROCESS**

**POLICY TITLE: *BOARD PERFORMANCE AND SELF-EVALUATION***

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To accomplish its job outputs with a governance style consistent with board policies, the board will assure its performance through attention to board education and to self-evaluation.

1. To ensure the board members have the skills and knowledge necessary to accomplish the job outputs of the board, board education will include:
  - A. Orientation of new members,
  - B. Participation in training; and
  - C. Maintaining awareness of trends affecting public libraries.
2. Board self-evaluation will include:-
  - A. Discussion of plans, accomplishments and next steps at each regular board meeting, addressing the job outputs of the board outlined in the policy "Board Job Description".
  - B. Preparation of a legacy document at the end of every board term including what the board accomplished in its term is provided as information for the consideration of the new board.
  - C. Annual evaluation of compliance with any formal agreement with the Ministry.
  - D. Periodic discussion of process improvement.

February 3, 2017

The board will ensure continuity of governance capability through a recruitment strategy that seeks individuals who are:

- big picture thinkers
- forward thinking
- open-minded
- aware of library issues
- focused on improving library service
- tolerant of different styles
- self-disciplined
- accepting of Policy Governance

More specifically, the board will:

1. Inform prospective members about SOLS' governance model, term, the role and needs of the board and the roles of individual trustees, the nature of the issues and discussions that they can expect at board meetings, the frequency, length, location and structure of meetings and arrangements for training, travel and expenses.
  - A. For members elected through Trustee Councils, provide this information prior to when the elections will take place.

October 17/18, 2008

The Board of Directors is elected every four years. The members of the corporation are the Directors in office from time to time.

Directors are proposed in two ways:

- Two positions on the recommendation of the minister responsible for public libraries;
- Eight positions on the recommendations made one each by Trustee Councils.

To qualify, potential directors must meet the qualifications outlined in Section 5.3 of SOLS By-law Number 1.

For recommendations by Trustee Councils, the following apply:

- Consideration should be given to the Board Recruitment policy, which should be shared with Trustee Councils in advance;
- Each Trustee Council is to nominate one of its members for the SOLS Board of Directors;
- Suggestions for candidates (including self-suggestion) may be made in advance by email through the appropriate Trustee Council listserv, or at the first Trustee Council following municipal elections and subsequent library board appointments, at which there will be call for suggestions from the floor;
- Should there be more than one candidate for the nomination, each candidate will be offered an opportunity to describe interest and relevant experience, followed by a secret ballot vote conducted by the Trustee Council's assigned SOLS consultant in the usual manner for voting;
- Once elected to the SOLS Board, Directors will serve out their term even if they are not re-appointed to their local library board.

June 15/16, 2018

Trustee Councils are the creation of the SOLS Board of Directors in order to provide:

- a formal communications link between library boards and SOLS about SOLS services
- a regular forum for library boards to share information and learn how others deal with similar issues
- suggestions for and support for training of library board members
- a pool from which to nominate directors to the SOLS board.

There are eight Trustee Councils in southern Ontario, which meet spring and fall, with boundaries created and periodically amended to ensure:

- driving time of an hour and a half for attendees
- relatively similar-sized membership
- a mix of library size represented

Membership of Trustee Councils is as follows:

- Every public library in the SOLS catchment area is encouraged to appoint one of its board members as a representative to its geographically assigned Trustee Council;
- Trustee Council members must meet the qualifications of library board members as set out in Section 10 of the ***Public Libraries Act, Revised Statutes of Ontario, 1990, chapter P.44***;
- Once appointed, Trustee Council members serve for four years, until the first Trustee Council meeting after municipal elections. In the time between municipal elections, library board appointments, and the first subsequent Trustee Council meeting, members may continue to serve for the balance of their term even if they have not been re-appointed to their local library boards;
- Should a member cease to be eligible to serve on the appointing public library board (for example having moved from the community) or resigns, more than six months prior to the end of the four-year term, the library board is encouraged to appoint a replacement.

Meetings:

- Location of meetings held in the spring and the fall will rotate throughout libraries in each Trustee Council catchment area;
- Library boards are welcome to send additional board members to Trustee Council meetings, and to attend meetings of other than their assigned Trustee Council;
- When choosing a nomination for the SOLS board, each library is entitled to only one vote in its assigned Trustee Council.
- The CEO of the hosting library may attend; however, the thrust of discussion is geared towards library board members rather than staff;
- Agendas are created and the meeting led by SOLS consultants. They include information sharing and updates on various issues of concern to public library boards, and updates from representatives of OLBA and FOPL;
- Trustee Council members are encouraged to suggest topics of interest for agendas.

June 15/16, 2018

High standards for the responsible use of financial resources are vital to the public trust and the achievement of SOLS' objects. To this end, as part of its oversight of SOLS management, the board is required to retain an auditor and to receive the auditor's report on the annual financial statements of SOLS.

Board-approved annual financial statements together with the auditor's report must be submitted by SOLS to the Province in accordance with the Ontario Transfer Payment Agreement within 90 days after SOLS' fiscal year end.

The auditor's report must comply with the requirements of the *Corporations Act*, R.S.O. 1990, c.C.38, or applicable successor legislation.

The board will co-operate with the auditor and provide such information as it may have to satisfy the auditor's inquiries.

As part of its process for approval of the annual financial statements, the board will meet with and make inquiries of the representatives of the auditor, without representatives of SOLS management being present.

The board delegates to the CEO, through its Delegation to the Chief Executive Officer Policy, the responsibility for making recommendations to the board about auditor candidates, engagement and renewal. The board retains all responsibility for selection and engagement of the auditor and for setting the compensation of the auditor.

October 13, 2017

**POLICY TYPE: BOARD-CEO RELATIONSHIP**

**POLICY TITLE: *CHIEF EXECUTIVE OFFICER ROLE***

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The Chief Executive Officer (CEO) is accountable to the board acting as a body. The board will instruct the CEO through written policies, delegating interpretation and implementation to the CEO.

March 6, 2004

All board authority delegated to staff is delegated through the CEO, so that all authority and accountability of staff--as far as the board is concerned--is considered to be the authority and accountability of the CEO.

1. The board will direct the CEO to achieve specific results, for specific recipients, at a specific cost through the establishment of *Ends* policies. The board will limit the latitude the CEO may exercise in practices, methods, conduct and other "means" to the ends through establishment of *Executive Limitations* policies.
2. As long as the CEO uses *any reasonable interpretation* of the board's *Ends* and *Executive Limitations* policies, the CEO is authorized to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities.
3. The board may change its *Ends* and *Executive Limitations* policies. So long as any particular delegation is in place, the board and its members will respect and support the CEO's choices. The board may obtain information in the delegated areas.
4. Only decisions of the board acting as a body are binding upon the CEO.
  - A. Decisions or instructions of individual board members, officers, or committees are not binding on the CEO except in rare instances when the board has specifically authorized such exercise of authority.
  - B. In the case of board members or committees requesting information or assistance without board authorizations, the CEO can refuse such requests that require--in the CEO's judgement--a material amount of staff time or funds or is disruptive.

March 6, 2004

**POLICY TYPE: BOARD-CEO RELATIONSHIP**

**POLICY TITLE: *CHIEF EXECUTIVE OFFICER JOB DESCRIPTION***

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As the board's single official link to the operating organization, the CEO's performance will be considered to be synonymous with organizational performance as a total.

Consequently, the CEO's job contributions can be stated as performance in only two areas:

1. Organizational accomplishment of the provisions of board policies on *Ends*.
2. Organizational operation within the boundaries of prudence and ethics established in board policies on *Executive Limitations*.

March 6, 2004



## **POLICY TYPE: BOARD-CEO RELATIONSHIP**

### **POLICY TITLE: *MONITORING CHIEF EXECUTIVE OFFICER PERFORMANCE***

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Monitoring executive performance is synonymous with monitoring organizational performance against board policies on Ends and on Executive Limitations. Evaluations of CEO performance, formal or informal, may be derived only from these monitoring data.

1. The purpose of monitoring is simply to determine the degree to which board policies are being fulfilled. Information which does not do this will not be considered to be monitoring. Monitoring will be as automatic as possible, using a minimum of board time so that meetings can be used to create the future rather than to review the past.
2. A given policy may be monitored in one or more of three ways:
  - A. Internal report: Disclosure of compliance information to the board from the CEO based on considered thought and analysis, relevant data, and client input where appropriate.
  - B. External report: Discovery of compliance information by a disinterested, external auditor, inspector or judge who is selected by and reports directly to the board. Such reports must assess executive performance only against policies of the board, not those of the external party unless the board has previously indicated that party's opinion to be the standard.
  - C. Direct board inspection: Discovery of compliance information by a board member, a committee or the board as a whole. This is a board inspection of documents, activities or circumstances directed by the board which allows a "prudent person" test of policy compliance.
3. Upon the choice of the board, any policy can be monitored by any method at any time. For regular monitoring, however, each Ends and Executive Limitations policy will be classified by the board according to frequency and method.
4. The board will have a yearly formal evaluation of the CEO at the June Board meeting based on the previous year's monitoring reports in conjunction with the executive limitations policies and ends policies.

Procedure: Chief Executive Officer's Performance Review

June 12/13, 2009

**POLICY TYPE: EXECUTIVE LIMITATIONS**

**POLICY TITLE: *GENERAL EXECUTIVE CONSTRAINT***

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The CEO shall not act in a manner that is unethical or imprudent. The CEO shall not cause or allow any practice, activity, decision or organizational circumstance which contravenes legislation with regard to not-for-profit corporations, The Public Libraries Act (Section 40) such other legislation that is applicable, Letters Patent, and formal agreements with the Ministry with jurisdiction for public libraries, the board's by-laws, and the board's policies.

February 3, 2017

**POLICY TYPE: EXECUTIVE LIMITATIONS**

**POLICY TITLE: *FINANCIAL PLANNING AND MANAGEMENT***

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Budgeting or expending funds shall not deviate materially from the board Ends policy, risk fiscal jeopardy nor fail to be derived from a multi-year budget.

Accordingly, the CEO shall not cause or allow budgeting which:

1. Contains too little information to enable credible projection of revenues, expenses, and cash flow, separation of capital and operational items, and disclosure of planning assumptions.
2. Is based on unreasonable resource development expectations.
3. Provides less than an amount adequate for the following board prerogatives:
  - board development
  - board meetings
  - board linkages (including trustee council meetings, conferences, and other undertakings approved by the board).
4. Results in a negative unrestricted fund balance that cannot be retired within two years.
5. Covers operating expenses from restricted funds in amounts greater than can be restored within 90 days.
6. Allows cash to drop below the amount needed to settle payroll and debts in a timely manner except when unavoidable due to Ministry cash flow, and in such cases go into overdraft for more than grant amounts confirmed or reasonably expected to be received.
7. Allows tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.

**Monitoring**

- At each board meeting
- Internal
  
- Annual
- Audited statement

October 2015

The CEO shall not allow assets to be unprotected, inadequately maintained nor unnecessarily risked.

Accordingly, the CEO shall not:

1. Unnecessarily expose the organization, its board or staff to loss and liability, based on prudent risk containment and insurance.
2. Subject plant and equipment to improper wear and tear or insufficient maintenance.
3. Fail to ensure the development of and adherence to purchasing policies and procedures which ensure value for money, open and documented processes, and equitable access for vendors to SOLS' business.
4. Receive, process or disburse funds under controls which are insufficient to meet the requirements Canadian accounting standards for not-for-profit organizations (ASNPO).
5. Invest or hold operating capital in insecure instruments, including uninsured chequing accounts and bonds of less than AA rating, or in non-interest bearing accounts except where necessary to facilitate ease in operational transactions.
6. Purchase, encumber, or dispose of real property.

#### Monitoring

- Annually
- Internal

September 20/21, 2019

The CEO shall not cause or allow conditions which are unfair or unprofessional.

Accordingly, the CEO shall not:

1. Operate without human resources policies and procedures that are consistent with:
  - A. Ontario labour legislation and common law,
  - B. Clarify rules for staff,
  - C. Provide for effective handling of grievances, and
  - D. Protect against wrongful conditions.
2. Discriminate against any staff member for expressing an ethical dissent.
3. Fail to acquaint staff with their rights under this policy.
4. Change his or her own compensation.
5. Establish compensation which:
  - A. Deviates materially from the geographic and professional market for the skills employed.
  - B. Fails to adhere to the principles of pay and internal equity.

#### Monitoring

- Annually
- Internal

February 3, 2017

The CEO shall not fail to provide access to SOLS services for the libraries that fall within SOLS geographic area.

Accordingly, the CEO shall not:

1. Discriminate against public libraries on any basis.
2. Deny Francophone libraries reasonable access to services in French.

Monitoring:

- Annually
- Internal

October 2011

The CEO shall not cause or allow conditions which are unethical or which fail to provide appropriate confidentiality and privacy.

Accordingly, the CEO shall not:

1. Operate without a Freedom of Information and Protection of Privacy policy. Without limiting the generality of the foregoing, the CEO shall not fail to:
  - inform clients and donors of the purpose(s) for which information is being collected
  - restrict use of information to these purposes.
2. Fail to inform clients of how information collected from them will be used (and not used) in areas that might reasonably be expected to be sensitive.

#### Monitoring

- Annually
- Internal

February 3, 2017

## POLICY TYPE: EXECUTIVE LIMITATIONS

### POLICY TITLE: *COMMUNICATION AND COUNSEL TO THE BOARD*

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The CEO shall not permit the board to be uninformed.

Accordingly, the CEO shall not:

1. Neglect to submit monitoring data required by the board in a timely, accurate and understandable fashion, directly addressing provisions of the board policies being monitored.
2. Let the board be unaware of relevant trends, anticipated adverse media coverage, material external and internal changes, particularly changes in the assumptions upon which any board policy has previously been established.
3. Fail to advise the board if, in the CEO's opinion, the board is not in compliance with its own policies on Governance Process and Board-CEO Relationship, particularly in the case of board behaviour which is detrimental to the work relationship between the board and the CEO.
4. Present information in unnecessarily complex or lengthy form.
5. Fail to provide a secure mechanism for official board, officer or committee communications.
6. Fail to deal with the board as a whole except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the board.
7. Fail to report in a timely manner an actual or anticipated noncompliance with any policy.
8. Consult board about compensation prior to negotiating agreement.

#### Monitoring

- At each board meeting
- Internal

September 20/21, 2019



**POLICY TYPE: EXECUTIVE LIMITATIONS**

**POLICY TITLE: *EMERGENCY EXECUTIVE SUCCESSION***

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In order to protect the board from sudden loss of CEO services, the CEO may not have fewer than one other executive familiar with board and CEO issues and processes.

Monitoring

- Annually
- Internal

September 17, 1995