



Kemptville Campus Education and Community Centre Governance Review: Final Report

Municipality of North Grenville

June 2020

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Executive Summary

In Spring of 2020 MNG engaged StrategyCorp (SCI) to conduct a review of the Campus' governance structure to consider and recommend how the governance model should evolve to best position the Campus to deliver on the mandate.

In order to do this, the following components of the Campus were examined:

- **The Board and its Relation to the Campus' Mandate:** Set out in its current Strategic Plan, the Campus' Three Pillars (Education and Training, Health and Wellness, and Economic Development) offers broad direction on strategic direction, the Campus has yet to clearly articulate an operating plan that would set out a pathway to “get there”.
- **Board Mandate, Roles, and Responsibilities:** The current structure was designed to provide initial “start up” governance at the time the Campus was created and was always intended to be temporary. The Campus will require a governance structure that use “fit for purpose” and adopt ‘best practices’ that best suit what the board needs to accomplish.
- **Board Skills, Representation, and Size:** The current board small size has been identified as a barrier to the Campus' success and it will be important to get the right representation mix and size that best support is purpose.
- **Board Relationships:** the board has relationships with MNG's Council, the campus co-owner – CEPEO, the Campus Administration, its Operational Stakeholders, and the public, and a set of each of these relationships should be structured in a particular ways to help the Campus meet its goals.

Recommendation Overview (1 of 4)

The following is a summary of our recommendations:

Area of Observation	Recommendation
The Board and its Relation to the Mandate	<ul style="list-style-type: none">• The Campus needs a board that is tilted to the “operating” end of the spectrum, at least for the next five years.
Board Skills, Representation, and Size	<ul style="list-style-type: none">• The board should establish a skills matrix and recruit candidates with a view to optimizing its access to identified skillsets.• The board should be constructed on the larger size of the range, having regard to the challenges of representation and the diverse skills required.<ul style="list-style-type: none">○ It is important to note that diversity of membership has other dimensions beyond skills and sectors, such as gender, language and other aspects of diversity relevant to inclusion and representation of the local community.• The board should have maximum membership of eleven and should aim to recruit all eleven positions as qualified candidates arise.

Recommendation Overview (2 of 4)

Area of Observation	Recommendation
Board Skills, Representation, and Size <i>(continued)</i>	<ul style="list-style-type: none">• The board should have a requirement to have a minimum membership of five at all times.<ul style="list-style-type: none">○ Having regard to available candidates and the challenges of the times, which will evolve, the board may operate with a range of seven to eleven members.• The job description of the Board Chair should have due regard to each of the necessary leadership factors set out above, and that there be an open recruitment to seek a candidate with these characteristics.• In addition to normal committees (Governance, Finance and Audit), additional committees be used to leverage representation and skills recruitment goals.<ul style="list-style-type: none">○ A minimum of three committees should be struck, coinciding with each of the “Three Pillars”.○ Additional committees should be struck as needed, at the discretion of the board.• Tenants are very important to the organization, but they should not be included on the board due to the risk of conflict of interest. Maintaining strong tenant relations should be achieved by other means, such as tenant committees and normal business relations.• The Campus Administration should: Consult with Campus tenants on the sufficiency of current communications and the need for enhancements; propose a mechanism, such as a sub-committee or tenant association; and make recommendations to the board for implementation.

Recommendation Overview (3 of 4)

Area of Observation	Recommendation
Board Skills, Representation, and Size (continued)	<ul style="list-style-type: none">• End Cross Appointment of MNG Council Members to Board. Council to appoint Chair and Board Members. MNG-Campus relationship governed by an MOU with measurables and reporting requirements. Arm's Length Relationship realized, but accountability of Campus to MNG maintained.• A structure should be put in place that will respect and promote a functioning Arm's Length Relationship. Accountability to MNG can be achieved by means other than direct board membership by members of Council, Representation, including MNG approval of:<ul style="list-style-type: none">○ MNG power to appoint the Chair.○ MNG power to approve the MOU, set performance targets and monitor progress.○ MNG input into Board Strategic Plan.○ MNG approval of the annual subsidy of the Campus.○ Regular reporting as per the MOU.○ Levels of reporting can be frequent while protocols become grooved with practice and trust is earned. Later, frequency could be relaxed as appropriate to encourage greater self-sufficiency and autonomy.• Communications will be important to ensuring support for the Campus on Council. In addition to reporting protocols required by the MOU, the Mayor, CAO and board Chair and ED will be critical in ensuring the outcome of adequate communication, though working relationships that should be left to their discretion, as the relationship evolves.

Recommendation Overview (4 of 4)

Area of Observation	Recommendation
Board Relationship with Campus Administration	<ul style="list-style-type: none">• Accountabilities should be clearly defined in conjunction with what each stakeholder holds authority to execute on. This should be set out in a delegation of authority by-law developed by the board.• The board have the opportunity to select the ED. The job to the board is to support and help develop the ED and provide support and clear direction.• The board should develop policies for its interaction with staff, based on the following key aspects:<ul style="list-style-type: none">○ Clear roles and responsibilities.○ Operational oversight and stewardship.○ Strategy and Policy Setting.○ Communication.○ Decision making.○ Shareholder Relations.○ Operational oversight and stewardship.• The basic terms of the board-Council relationship should be set out in a Memorandum of Understanding (MOU), and that the CAO and the ED meet no less than quarterly, but as often as may be required by circumstance, at their discretion.
Board Relationship with Public	<ul style="list-style-type: none">• The desired mix and level board representation should be achieved through a combination of ‘seats at the table’ and advisory committees.

Project Context and Background

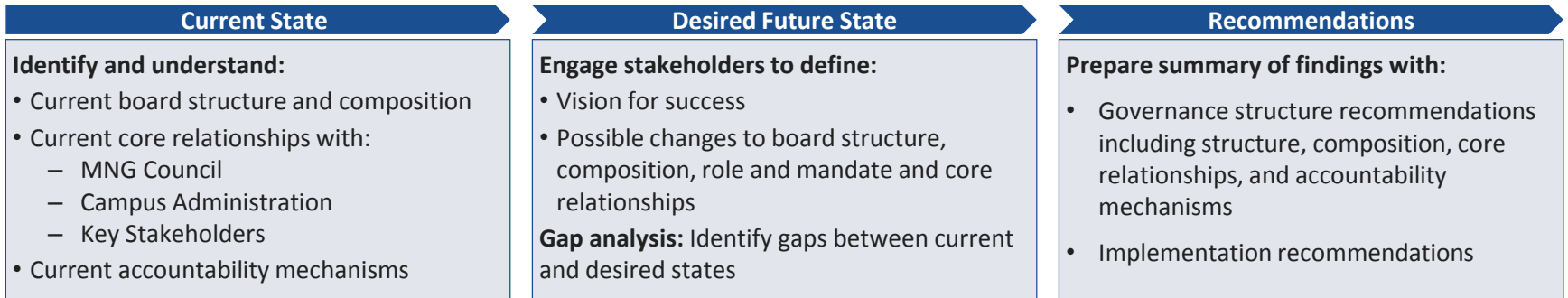
Project Terms of Reference and Process

In Spring of 2020 MNG engaged StrategyCorp (SCI) to conduct a review of the Campus' governance structure to consider and recommend how the governance model should evolve to best position the Campus to deliver on the mandate.

This review included the following activities:

- **A detailed review of key Campus documents** such as the Strategic Plan, draft Business Plan, Business Feasibility Assessment, and Corporate documents;
- **One-on-one interviews** with stakeholders, drawn from MNG Council, the Campus' current board of directors, administration, co-owners and staff; and
- **Develop case studies** on three relevant comparators to glean insights on leading practice and applicable lessons learned (found in Appendix A).

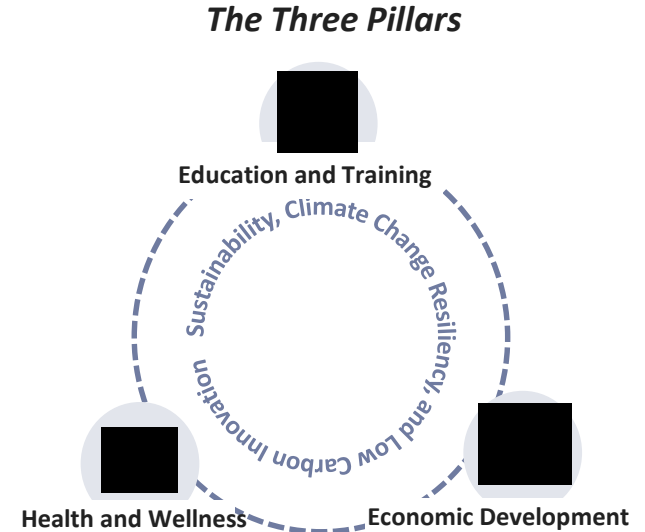
The project process was designed to consider:



Campus History Leading to the Acquisition by MNG

The Municipality of North Grenville ('MNG' or 'Municipality') acquired the Kemptville Campus Education and Community Centre ('Campus') from the University of Guelph in April 2018 as part of its economic development strategy.

- Established in 1917 by the Ontario Government, Kemptville College originally played a role in the agricultural sector and training in the region.
- In 2014 The University of Guelph announced that it would no longer support the continuation of educational programming at the Kemptville College.
- In partnership with the Eastern Ontario French public school board, CEPEO, in 2018 MNG officially acquired the nearly 850-acre Campus and the 52 buildings on it.
- The expected outcome of this venture is a rejuvenation of the role that Kemptville College was originally created to provide to the economy of Eastern Ontario: to address declining food production and food security in Ontario through agricultural innovation.
- The Campus was provided with a founding governance structure, which is the subject of this review.
- For initial guidance, BDO prepared a strategic plan which consisted of three pillars as set out in the graphic.



The Board and its Relation to the Mandate

The Board will need to create an operating plan to deliver on the broad strategic directions of the Campus Strategic Plan

A partially defined vision and mandate:

While the Strategic Plan's "Three Pillars" offer broad direction on strategic direction, the Campus has yet to clearly articulate an operating plan that would set out a pathway to "get there".

- Given that the Campus is still in its very early phases of development, there is not yet a fully developed consensus on the priority of the pillars or uses.
- Various stakeholders expressed interest in different potential areas of focus for the Campus.
 - Agriculture and Agri-Tech
 - Food and Development
 - Greenhouses
 - Education
 - Community Access by Groups and Individuals
 - Recreation and Trails
 - Arts and Culture
 - Catered Events
 - Environmental Sustainability

- *"If successful, the Campus would be incredibly valuable to the community, and everyone wants it to succeed. Due the complexity of the concept, not everyone many have the same definition of success."*
- *"Not sure that the vision in the BDO report is being realized."*
- *"There needs to be a clearer definition of the 3 pillars and vision in order to make the Campus work."*
- *"We need something more tightly woven than the pillars."*

Campus Mandate: Understanding How the Various Plans Fit Together

The Strategic Plan

- *The “Three Pillars” are a good start but they are not clear enough on their own to guide the future.*

The Master Plan

- *“The Master Plan could reset the strategic plan.”*
- *“The Master Plan process will deliver public [input] in shaping the future, but then the board will need to develop its own implementation plan.”*

The Board Plan

- *There will need to be a Board Plan...”*
- *“The Plan [will be] as important as the structure.*
- *Could then use these as the basis of an accountability agreement*
- *To satisfy Council, [the board must be able to show] the link to between its work and the public input into the Master Plan.*

- Through our interviews, we heard differing views about the relationship between the Strategic Plan, the Master Plan (currently being written) and the “Board Plan” that will need to follow.
- The key takeaway is the recognition that neither the Strategic Plan nor the Master Plan are specific recipes for “what to do next.”

Observation: A key board deliverable will be the creation of the operating plan (the Board Plan) needed to give effect to the Strategic Plan, and the board will need the skills, legitimacy and support to complete this task.

Designing Governance that is “Fit for Purpose”

Designing a Governance Structure that is “Fit for Purpose”

- The most important principle of design is “form follows function.”
- In governance, there are a great many “best practices” and models that seem to point in different directions.
- It is necessary to tell the difference between “best practices” that apply to all boards, and “best practices” that are better understood as having been “best” because they suited the needs of the board they were designed to serve.
- MNG needs a board that achieves the proper balance of:
 - Best practices of general application.
 - Practices that are “best fit for what you need the board to do.”
 - This section summarizes the strategic risks identified through the interview process, with a view to defining what the new board structure needs to be able to deliver.

Best practice

plus

Best fit for what we need
the board to do

Not All Factors are Equally Determinative of Board Success

In a study on the relationships between board inputs, structure, processes and effectiveness in non-profit organizations, four variables accounted for 45% of the variance in board effectiveness.



The board has a clear **understanding of its role and responsibilities**.



The board has the **right mix of skills and experience**, and board members have the **time to do the job well**.



The board and management **share a common vision** of how it should go about achieving its goals.



The board and management periodically **review how they are working together**.

In the case of the Campus, it will be essential to address each of these areas, and in particular, the common vision, which was identified as a significant gap at present, highlighting the importance of the need for the “Board Plan.”

Source: Cornforth, Chris (2001). *What makes boards effective?* *Corporate Governance: an International Review*, 9(3) pp. 217–227.

Risks (1 of 2)

We asked participants about possible risks that needed to be managed, both as they related to the Campus, and to the role of the Board in managing the risks.

Risk	Representative Quotation (relating to a FUTURE risk)	Possible Approach
Risk in Realizing the Vision	<ul style="list-style-type: none">• <i>“the ‘Three Pillars capture the sentiment of the community’ (but) “the vision is complex and ill defined.”</i>	<ul style="list-style-type: none">• <i>“There needs to be a clearer definition of the ‘Three Pillars’ and vision in order to make the Campus work.”</i>
Governance	<ul style="list-style-type: none">• <i>[there is a risk that in the future the board] “Spend so much time on minutiae and state of good repair that we will miss out on achieving the mandate.”</i>• <i>[there is a risk that in the future the board] has too low a risk tolerance" [to be able to achieve the mandate]</i>	<ul style="list-style-type: none">• <i>“Need a working board to move quickly on well-conceived action.”</i>• <i>“The board needs to be nimble.”</i>
Financial	<ul style="list-style-type: none">• <i>[there is a risk that in the future Campus operations are not] “supported by the financial resources we need to realize the vision.”</i>• <i>[the board has] “three to five years to achieve financial autonomy.”</i>	<ul style="list-style-type: none">• The question of the board is inextricably bound up with the resources available for it to deliver on the mandate.

Risks (2 of 2)

Risk	Representative Quotation	Possible Approach
Representation	<ul style="list-style-type: none">• <i>“Currently the board is too small to meet its representational goals.”</i>	<ul style="list-style-type: none">• Increasing the size of the board can allow for greater representation of stakeholders.
Human Resources	<ul style="list-style-type: none">• <i>“Corporate Memory only exists in the minds of two employees.”</i>	<ul style="list-style-type: none">• <i>“The Campus needs a bigger staff than it currently has to achieve its potential and mandate.”</i>
Asset Management	<ul style="list-style-type: none">• <i>“The Campus is 700 acres. It includes environmentally significant lands, and over 20 buildings and significant underground infrastructure that needs to be maintained in a state of good repair.”</i>	<ul style="list-style-type: none">• The Board needs members who have skills relevant to asset management.

Form Follows Function: The Campus needs a capable, active board to achieve the Vision

Goal the New Board Needs to Deliver On...	Realize the Campus Mandate	Steward and Manage the Lands and Assets	Protect the Financial Interest of MNG	Engage with Multiple Stakeholder Groups and Public
Description	The Campus has an ambitious yet-to-be realized mandate related to the three strategic pillars: Education and Training, Health and Wellness and Economic Development	The Campus is a complex set of aging buildings and different landforms, which will require active management to steward and ensure state of good repair	Operations must be on budget and deliver value for public funds and financial Self-Sufficiency of Campus by 2024	Externally, the Campus is seen as a community asset, bound up in the history of the community
Implication for Board Design	The board needs to be an empowered, effective decision-making board	The board needs a mix of skills to allow for proper oversight of physical site	The board needs to have strong financial oversight capacity	The board needs the size to allow for representation

The Board Needs to be Structured to Achieve Results Quickly

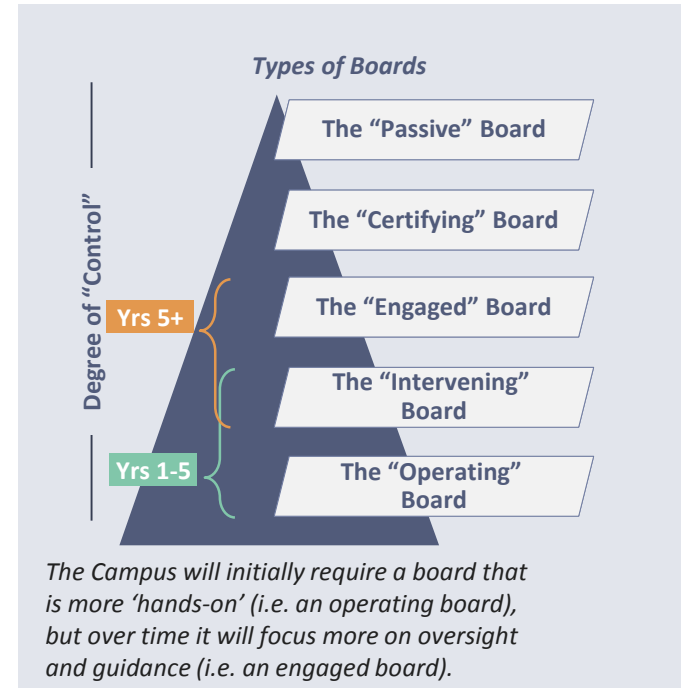
There is a notable difference between a board that is tasked to create an institution, and a board tasked to oversee or steward the “steady state” operations of an established institution.

MNG will have to consider the leadership role that is allowed/expected of the board in shaping the Campus.

There is broad agreement from stakeholders that the Campus will need a group of individuals on the board that brings together a diverse set of skills and perspectives.

There is also broad agreement that while the Campus ramps-up operations, the board will initially need to be a working board, which will change over time as the organization and board matures.

→ We recommend that given the tasks outlined above, the Campus needs a board that is tilted to the “operating” end of the spectrum, at least for the next five years.



Source: Nadler, *Building Better boards*

Best Practices in Defining the Role of the Board

There are three main models of not-for-profit governance deployed in Canada:

**Traditional Model —
Hands-On Board**

- An informal framework for governance.
- Board and management roles are formally separate but may become blurred.
- “A working board:” Directors often work jointly with staff on getting projects done.
- Gives management direct access to operational expertise of directors and to their extra hands.

**Carver Model — Focus
on Policy to Shape Board
Work**

- A formal, structured and disciplined framework for governance.
- Focus on board setting policies to guide the work of both board and management.
- Responsibility for operations is assigned to management.
- Board should “steer not row” and NOT become involved in operational matters.

**Results-Based Model —
Focus on Results to
Shape Board Work**

- A hybrid of the Traditional and Carver Models.
- Focus is less on policy and more on outcomes and deliverable.
- Board and management roles are still divided (“noses in, fingers out”) but Board is encouraged to apply more active judgement to on-going operations (not just forward-looking policy and backward-looking reporting).
- Requires a highly functioning board to avoid micromanagement.

Source: Source: Taylor, Don. 2014. *Governance for not-for-profit organizations: questions for directors.*

Board Mandate, Roles, and Responsibilities

Board Structure and Mandate: Current State (1 of 2)

An Interim Structure

- The current structure was designed to provide initial “start up” governance at the time the Campus was created and was always intended to be temporary.
 - *[the board is] “operating in a structure that was initially conceptualized by BDO, but it has not advanced since its early state.”*
 - *“Interest in keeping it small until better understanding of the future.”*
- The board currently has three members, MNG’s Mayor, Deputy Mayor, and the Super Intendent of the property’s co-owner, CEPEO.
 - *“Everyone on the board was aware that the board required wider membership. This was just an interim set up to get going.”*

Observations

- **Skills and experience:** The interim structure was never intended to last, and it was always intended that it was just to get things going. It deliberately focused on direct owner oversight.
- **Time burden on board members:** The interim structure puts significant time pressure on the three members. With only three members, it is challenging to get full attendance at *monthly* meetings. A full slate of committees would further exacerbate this burden.
- **Job descriptions and on-boarding:** Understandably, given the transitional nature of the board, there were no “ready-to-go” written ‘job descriptions’ for board members, and normal on-boarding program for new board members.

Board Structure and Mandate: Current State (2 of 2)

- **Generally, there is a sense that great progress has been made,** but there is a lot of work to be done to realize the vision.
- **Need a board-approved plan for implementation:** While the “three pillars” and Master Plan will be useful to the board and administration, the board needs to create its own operational plan to turn the plans in these high-level strategic documents into action.
 - *“The biggest task [for this board] is to make choices about what they are not going to do [given the breadth of the three pillars versus the available resources.]”*
- **Time is short:** There is real perceived urgency in creating a plan to become self-sufficient. There is also optimism that this can be achieved.
 - *“The board has to be laser-focused to achieve self-sufficiency in three years.”*
 - *[there is an expectation from MNG that] “the board will secure sufficient funding to be self-sufficient.”*
 - *“The Campus is currently running a deficit of \$150,000 per year, but run properly, it has the asset base and quality tenants to be able to thrive on its own.”*
- **Policy Maker – but stay out of day-to-day management:** Participants recommended that the board focus on policy as an “end state,” but among some voices there was a recognition that for a while at least, the Campus needs a working board that will “pitch in” while the overall approach is built.
 - *“The board needs to become a policy board and leave day to day management to staff.”*
 - *“Not responsible for implementation and should not be involved in day to day operations .”*
 - *“Nose in, fingers out / Steer don't row.”*
 - *“Right now the administration does not have the capacity to get the job done. For a while at least, the board can help fill some gaps.”*
- **Should the Board do Fundraising? Divided views.**
 - *“Should be the primary fundraiser.”*
 - *“Should not be a fundraiser.”*
 - *“The board needs to focus on governance, but it should create a broader fundraising capability through a committee.”*

Best Practices in Defining the Role of the Board

The following observations are generally accepted as best practices in the governance of stable organizations:

- There should be a separation of board and management roles.
- The organization formally reports to the board through the ED.
- The board oversees the organization through the ED.
- The work of the board is to see that the organization's mission gets accomplished.
- Directors should not do the organization's work, as:
 - they typically lack the time and expertise.
 - they can undermine the role of staff.
 - their direct involvement in day-to-day work undermines their oversight role.

These should be goals of campus governance, but it needs to be recognized that there are two practical limitations to a formal Carver or Hybrid approach.

- The lack of common vision and Board Plan to achieve it.
- The lack of staff resources to support the board.

We anticipate that the board will have to take a hands on approach for the next three to five years while the organization matures.

Recommended Future Roles and Responsibilities of Board

Clear roles and responsibilities:

Strategy and Policy Making

- Create the Campus' strategic direction
- Set operational policy, such as “approved” tenant profiles
- Set organisational policies e.g. health and safety

Decision-making

- Decision-making and approval where required by policy
- Financial planning and budget approval

Operational Oversight and Stewardship

- Monitor adherence to operating and capital plan
- Establish adequate financial systems and procedures
- Ensure compliance with all statutory and legal obligations
- Risk Management

Supervise and Support Management

- Hire and performance manage the executive director
- Support and advise management
- Issue management as required

Board Recruitment and Performance Monitoring

- Recruit and on-board new members
- Review board performance

Shareholder Relations

- Consult and communicate with MNG Council and required
- Ensure Adherence to MNG Memorandum of Understanding
- Act as a link with CEPEO Board

Stakeholder Relations

- Ensure bilateral communication with stakeholders as appropriate
- Representing the organisation externally, communicating with the community and ensuring a presence for the Campus

Fundraising

- Oversee creation and implementation of fundraising plan

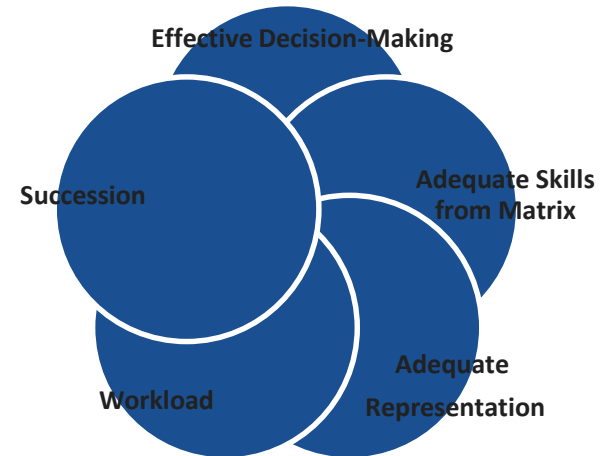
Board Skills, Representation and Size

Board Size and Skills: Current State

- The board's small size has been identified as a barrier to progress.
 - There is simply too much work for its three members to provide strategic leadership, as well as sufficient oversight of risk, strategy and performance.
 - There needs to be a broader skills matrix than any three persons could reasonably deliver.
 - There is no ability to succession plan.
 - There is insufficient breadth of community representation.
 - *“Accountability to the residents is important too. There have been things that have either happened or not happened and residents want to know about it.”*
 - *“Very important for Community to be represented and the board should maintain that sense of accountability or transparency.”*
 - *“The community wants this to be operated as a public access facility. There is a history of it being somewhat separated from the community, but now the connection is getting better.”*
 - *“Public is not getting enough info, and we need improved communications on what is happening.”*

Size and Skills: Getting the Right Mix for the Purpose

- **Effective Decision-Making:** There is academic literature that puts the ideal board size for effective decision making between 7-9 members. We think a Memorandum of Understanding (MOU) focusing on the work of the first three years will be necessary. That, combined with a strong Chair, can overcome the decision-making challenges that can emerge from a larger board. There are several other factors that make it desirable for the Campus to have a larger board, however.
- **Adequate Representation and Skills Mix:** The need to find board seats for different interests and skills can be a complicated puzzle, facilitated by having a few more seats.
- **Workload:** A start-up board may have a volume of work that exceeds what 7 unpaid volunteers can be expected to achieve, particularly when the intention is to use the board for access to specialized skills that the organization does not have the funds to pay for on its HR payroll.
 - The potential requirement to fundraise argues for a larger board.
- **Succession Planning:** This is facilitated by a larger board. It can be reasonable to have 20-30% of the membership getting trained up in their first year, while they prove their interest and commitment. If 7 is needed to provide the base line of decision-making, an extra few members can allow for this.



The Board Should be Skills-Based on Recruit to Staff for Required Skills

- We heard that the board should be composed of individuals with the skills needed to realize the creation of the Campus, as well as to steward its operation.
 - *“It needs to be a working, skills-based board.”*
 - *“board with should be comprised of people who open their minds as opposed to roll up their sleeves.”*
 - *[we want members who will] “see beyond the bricks and mortar with vision and perspective.”*
 - *“The board should have people who will see the way forward and hold the staff accountable.”*

→ We recommend that the Board establish a skills matrix and recruit candidates with a view to optimizing its access to identified skillsets.

Core Skills

Interviewees Identified the Following Skills as part of a “draft skills matrix”

- | | |
|-------------------------------------|--|
| • Accounting | • Fundraising |
| • Advocacy | • Human Resources |
| • Agri-Tech/ Agri-Research | • Law |
| • Board Governance | • Marketing |
| • Communications & Public Relations | • Municipal Government & Public Administration |
| • Economic Development | • Political acuity & connectivity |
| • Education Administration | • Risk Management |
| • Engineering | • Strategic planning |
| • Environment & Climate Change | • Sustainable technology |
| • Finance and Investment | • Research & Evaluation |

Required Representation

Current State: There is insufficient breadth of community representation.

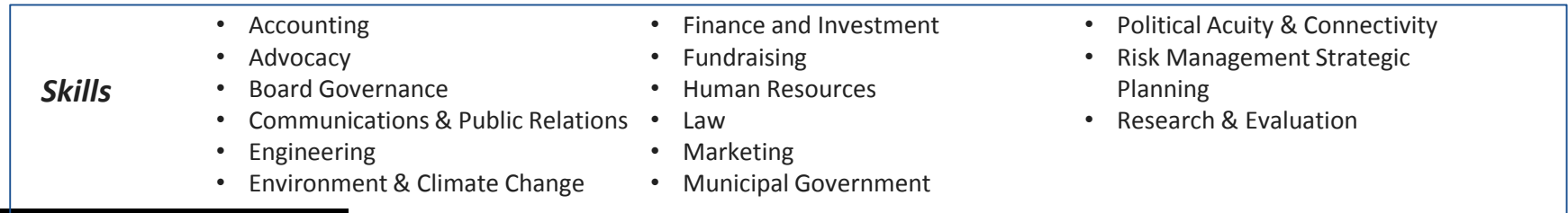
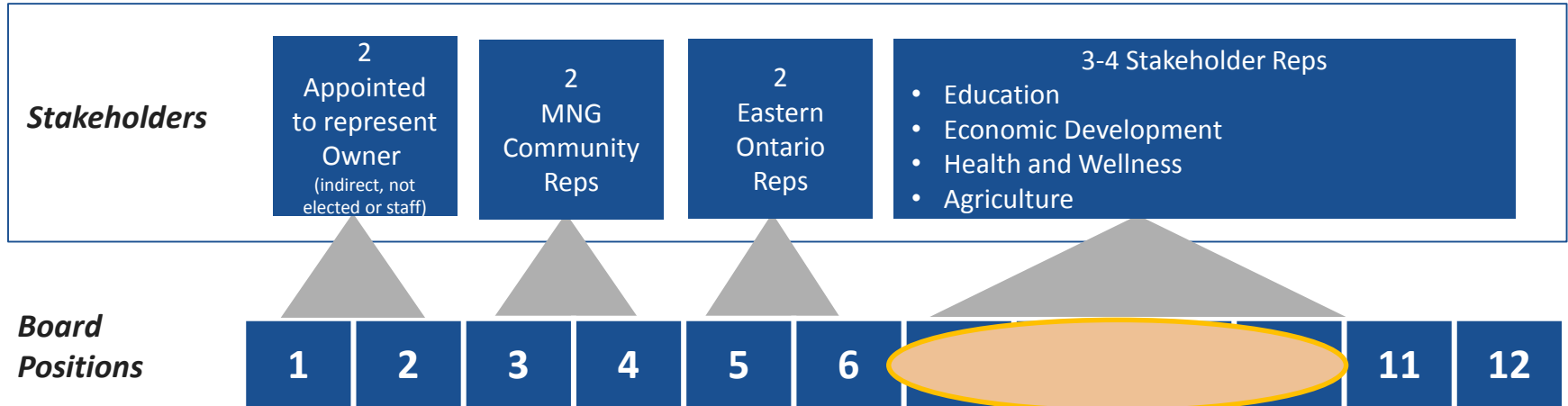
- *“If this is a grass roots community org there should be some representation on it.”*
- *[Composition should be] “a balance between capacity to get the job done, and representation of the community.”*
- *“There is a great opportunity to harness community talent; everyone wants this to succeed.”*
- *There are community groups that could help the Campus achieve its goals but there have been tensions in the past and work will be needed to forge working relationships.”*

Interviewees identified the following four categories of representation as being essential, although they were very open about the extent of the representation (i.e. numbers from each class).

Appointed to represent the Owner	Stakeholder Representation	MNG Community Representation	Broader Community Representation
<ul style="list-style-type: none"> • MNG • School board 	<ul style="list-style-type: none"> • Agriculture • Economic Development • Health and Wellness • Education 	<ul style="list-style-type: none"> • Community representatives <i>“such as businesspeople and long-time residents who are heavily invested in the community.”</i> 	<ul style="list-style-type: none"> • Local and regional from some of the surrounding 5-7 counties and Ottawa – Cornwall –Kingston. • Not elected members

- We recommend that the Board have due regard to the need to recruit candidates from each of these areas of representation.
- It needs to be clearly understood that while the board members may be selected in part for their ability to access particular stakeholder groups and ability to bring their perspectives to the board, the fiduciary duty of each board member is to the Campus, not to the stakeholder group or entity that they may feel they were chosen to represent.

A Board of 7-11 Could Accommodate Needed Stakeholder Representation & Skills



Board Size

Stakeholders suggested a range of opinions on size, ranging from 7-11 members

- *"No bigger than seven to be efficient."*
- *"Small is effective, but there are extensive representational needs."*
- *"Small is good, but there are a lot of interests to represent and skills to have on this board."*

- We recommended that the Board be constructed on the larger size of the range, having regard to the challenges of representation and the diverse skills required.
- It is important to note that diversity of membership has other dimensions beyond skills and sectors, such as gender, language and other aspects of diversity relevant to inclusion and representation of the local community.
- We recommend a maximum membership of eleven and would encourage the board to aim to recruit all eleven positions as qualified candidates arise.
- The board should have a minimum membership of five at all times.
- Having regard to available candidates and the challenges of the times, which will evolve, the board may operate with a range of seven to eleven members.



Role of the Chair: Current State and Recommendation

- **Current State:** At present, the role of the Chair is fulfilled by the Mayor, who brings considerable energy to the position, as well as success in:
 - Goal setting;
 - Stakeholder management (which sometimes relates to repairing relationships); and
 - Managing the relationship between the Campus and Council.
- The Mayor's leadership and acquired expertise will be critical to supporting a new Chair through the transition to a new governance structure.
- We anticipate that the new Chair will need to exercise considerable skill in the following aspects of Board Leadership:
 - Setting the tone and culture of the new board, including recruitment and onboarding of a slate of new members.
 - Driving the creation of the Board Plan to completion.
 - Presiding over increased investment in bolstering Campus staff resources and creating a safe zone for the Campus ED to begin to fulfill more of a quasi public role in community activation and mobilization in support of the Campus.
 - Maintaining shareholder confidence in the governance (MNG MOU and CEPEO).
 - Communicating with and mobilizing the support of external stakeholders to get their buy-in and support for the next phase of evolution.
 - Presiding over careful stewardship of finances, to maintain confidence and achieve progress towards the business transactions needed to promote self-sufficiency.

→ We recommend that the job description of the Board Chair have due regard to each of the necessary leadership factors set out above, and that there be an open recruitment to seek a candidate with these characteristics.

Role of Committees

- Board Committees with invited non-board member participation are commonly used to leverage additional representation and skills, without making the board overly large.
- Committees could be a recruitment and training ground for board succession planning.
- Committees are themselves a burden and should be subject to performance management and sunset review, to ensure they are productive.

- We recommend that in addition to normal committees (Governance, Finance and Audit) that additional committees be used to leverage representation and skills recruitment goals.
- A minimum of three committees should be struck, coinciding with each of the “Three Pillars”.
- Additional committees should be struck as needed, at the discretion of the board.

Education and Training

Economic Development

Health and Wellness

Regional Heads of Council

Regional Economic Development
Officers

Strategic Planning

Fundraising

Should Tenants be Represented on the Board? Recommendations

- Most stakeholders felt that tenants should be informed – potentially through a sub-committee or association, but not through a seat on the board.
 - It was noted that board members have a fiduciary duty to act in the best interests of the Campus. It is foreseeable that they would inevitably be in an inherent conflict as it related to their own interests as tenants.
 - Concerns about fairness were mentioned: the optics of one tenant being on the board might mean preferred status over others.
 - There has also been a significant turn over in tenants.
- *“Tenants are not represented on the board, but they may make more sense on an advisory committee.”*
- *“The tenants are constantly changing.”*

→ We recommend that tenants not be included on the board.

→ We recommend that administration:

- Consult with Campus tenants on the sufficiency of current communications and the need for enhancements;
- Propose a mechanism, such as a sub-committee or tenant association; and
- Make recommendations to the board for implementation.

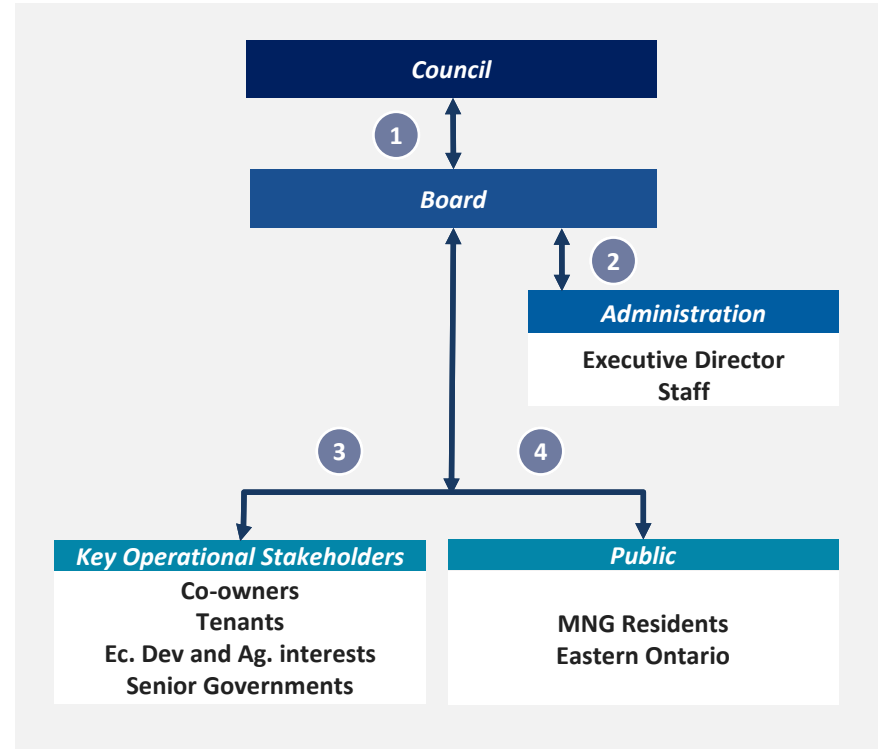
Board Relationships

Board Relationships

Evolving, transitional relationships with key stakeholders:

- Due to its transitional nature, the current board has not evolved into a “normal” set of roles and responsibilities with respect to its relationships with:
 - 1 MNG Council
 - 2 The Campus Administration
 - 3 Key stakeholders (co-owners, tenants, etc.)
 - 4 The public
- Many interviewees identified the opportunity for improved bilateral trust and transparency in each of these relationships.
- Most felt that this will be achieved with a new board structure, as well as increased communication at all levels.

The following pages review observations and insights gathered through interviews and a review of key documents, and a set of recommendations on how each of these relationships should be structured to help the Campus meet its goals.



Board Relationships: Council

Council Relationship with the Board: Current State

- As noted above, two of the three board members are also members of Council, including the Mayor and the Deputy Mayor.
- The Original expectation at the time of the acquisition of the Campus by MNG was that there would be a high degree of political oversight of the Campus.
 - *[the expectation was] “There would always be a Municipal actor as part of that board, who could either be a Mayor or Councillor.”*
- We heard many interviewees express the opinion that there is too much political involvement in the operations of the Campus
 - *“Current governance is not operating at arm’s length of the municipality, to the detriment of the Campus.”*
 - *“Need to permit the admin do their job. Current Director does not have the authority to push back on the politicians.*
 - *“A board with no mandate is never going to be high performing and would never attract “heavy hitters”.”*
- The perception that the board is dominated by two councillors has undermined the independence of the Campus from other Councillors who are not members of the board.
 - *[There have been instances of] “elected officials, not on the board, speak to staff about Campus Business [outside of any chain of command protocol].”*

Council Relationship with the Board: Recommendations

- There was not a consensus on what an ideal new structure would look like. Generally, most expressed the view that the new board to be arm's length and empowered.
 - *"If we are going to set up an effective board the municipality needs to put in a certain level of trust and allow them some authority."*
 - *"Would encourage [the new structure] to be much more arm's length [from Council] than what is happening now."*
 - *"In the long run we need the board to be able to have its own authority and municipality would be out of the day-to-day operations."*
- Some suggested that Council's direct role should be limited to strategy setting:
 - *"Council and CEPEO need to have meaningful input in the board's Plan."*
 - *[The new structure will be a success] "as long as there is a strong, skilled, competent board with a clear vision and some direction and guidelines set by the municipality."*
- Others, noting the ultimate accountability of the board for the financial success of the Campus, expressed the view that Council needed a more direct level of control on financial matters.
 - Budget Approval:
 - *"Council would approve the budget and see quarterly reports."*
 - Operational reporting:
 - *[there should be] regular [progress] reporting to build trust.*
 - *"Keep Council informed but have more day-to-day autonomy."*

Should There be Elected Political Representatives on the Board?

Arguments in Favour:

- There is mixed opinion on whether there should be elected representatives on the board.
- Some feel strongly that there should be at least one member of Council on the board for reasons of financial accountability.
 - *The public looks to Council for accountability and every decision is closely monitored by public.*
 - *“Voters will look to council on whether this is successful.”*
 - *“MNG needs to approve the budget because they are the largest contributor and Municipality will be on the hook for any deficits”*
- There is a strong view that the Campus needs Council representation to ensure that it has strong communications to Council, who are fully briefed about its operations. For these commenters, it is not about “oversight” or “control,” it is about communications and building allies.
 - *“The board needs a Council representative to be able to speak to the decisions made by the board. It is not about controlling the board, it is to defend it.”*
 - *“Should have at least one member from Council because they are going to have to report back to Council on board decisions.”*
 - *“The Campus will need [political] allies on Council who understand what is going on to mobilize Council support and defend decisions that have been made.”*
- Some of those focused on oversight recognized that Council representation could be direct, as it is now, or indirect, by permitting Council to make appointments to the board.
 - *“While there has to be accountability to the municipality, it need not necessarily be by board membership...there are other ways to get it. It's logical that they appoint members.”*

Should There be Elected Political Representatives on the Board?

Arguments Against:

- Those who would end direct political representation on the board make the following categories of observation:
- Erosion of ‘arm’s length’ relationship: Some acknowledged that while Council membership on the board ensures direct Council oversight, it carries the risk of undermining the Campus as an arm’s-length entity.
 - *“We need a clear divide between the Council and the board.”*
- Political interests vs. board interests: Some noted that political interests are not the same as the interests of an institution with a long-term apolitical mission, and that this is why it was set up as an independent, arm’s length entity in the first place. Having a board with elected representatives erodes the independence.
 - *“Board members have a fiduciary duty to act in the best interests of the corporation.”*
 - *“The political cycle is four years...and it is hard to say “no” to political requests, especially in year four.”*
 - *“Would be suicide [for staff] to tell the political officials that they are being political.”*
- Problems for staff: Some noted that the board needs to be able to take risks to realize its mandate. The “risk profile” of the Council may be different from the appropriate risk profile of an autonomous organization.
 - *“Having an elected official on the board who is a decision-maker on operational matters is a problem.”*
- Problems for other board members: Each board member is intended to be just “one vote,” but it is very challenging for unelected board members to hold their ground against elected board members. This can create a culture of “deferring” to the elected member or members, to the detriment of the intention of a board of equals sharing in governance.
 - *“Elected officials can create a level of dysfunction on a working board.”*

Elected Political Representatives on the Board: Recommendations

→ **We recommend that Councillors not be on the board for the following reasons:**

- Tendency for other non-elected board members to defer to elected officials.
- Challenges in separating responsibilities as owner (MNG) from the duties as board member.
- Challenges in separating the best interests of the Campus from the best interests of the Municipality (i.e. a business lens requires a different thought process than that of government, and so it may be beneficial to keep them separate).
- Challenges in separating the fiduciary duty of council members to MNG from their fiduciary duty as board member of Campus.
- Challenges of keeping information of the municipality confidential when it relates to a campus matter and vice versa (Information is capital and assets cannot be mixed).
- Supports Council objectivity when considering Campus matters.
- Council cannot provide formal oversight of the Campus if Council Members are themselves directing the decisions of the Campus.
- Other ways to ensure the appropriate Council oversight of the Campus exist, such as a Memorandum of Understanding.
- The case studies demonstrate two Economic Development Corporations that are leaders in their field, and do not have Councillors on their board (see Appendix A).


Potential Components for MOU

- Up until now, with its interim structure, MNG has relied on direct control of the board through its two of three director positions.
- This provides accountability through direct control, but frankly defeats the “arm’s length” approach to governance that was intended.
- If MNG were to relinquish direct representation on the board by elected councillors, accountability could be maintained by creating a MOU between MNG and the board, while preserving the “arm’s length” relationship and giving the board the autonomy that it needs to succeed.
- This MOU would set out the expectations of MNG of the Campus board in matters such as:
 - Expectations regarding strategic goals and deliverables;
 - Expectations regarding financial accountability and sustainability, and the expectation of financial independence;
 - Reporting to Council –how often and about what, for example budget approval;
 - Relationship between the Campus ED and MNG’s CAO in terms of reporting –how often and about what;
 - Expectations regarding public communications and public rights to access the Campus –need for a website, for example; and
 - Opportunities for shared services back office services, such purchasing, IT or HR, as determined by business case.
- It is understood that to the degree that MNG continues to provide an annual subsidy have to be approved on an annual basis by MNG through its normal budget process. MNG would undertake to use best efforts to communicate an anticipated level of subsidy to the board on a timely basis for planning.

The following chart shows potential components of an MOU, and a range of terms that show the vary degrees of autonomy or independence that could be built into each.

We note that autonomy and trust are earned, and terms of the MOU could evolve over time as dictated by performance.

 = recommended

Aspect of Governance	Range of Autonomy			
	Least			Greatest
Mandate and Terms of Reference	Council Requires Annual Approval of MOU	Council Approves 3 yr. MOU	Council Approves 5 multi-yr.) MOU	Board Operates at its own Discretion
Approval of Major Transactions	Council Approves All Transactions	Council Approves Major Transactions above MOU (low)	Council Approves Major Transactions above MOU (high)	Board has full delegated authority for transactions set out in MOU
Creation of Board Plan	Council Creates Plan	Council and Board Co-Create Plan	Board Creates Board Plan with Council Input	Board Creates Own Board Plan
Approval of Annual Budget	Council Approves Budget	Council and Board Co-Create Budget	Board Approves Budget with Council Input	Board Approves Own Budget
Frequency of Reporting to Council on Budget and Board Plan	Monthly	Quarterly	Semi-Annually	Annually
Councillors on Board	(2+) Councillors on Board	Councillor (one) on Board	Ex Officio, non-voting councillor observer	No Councillors on Board
Board Member recruitment	MNG: <ul style="list-style-type: none"> determines skill matrix, board size, recruits members and appoints 	Board <ul style="list-style-type: none"> determines skill matrix, board size MNG <ul style="list-style-type: none"> recruits members and appoints 	Board <ul style="list-style-type: none"> determines skill matrix, board size, recruits members and MNG <ul style="list-style-type: none"> appoints 	Board <ul style="list-style-type: none"> determines skill matrix, board size, recruits members and appoints
Appointment of Chair	Board Chair appointed by MNG	MNG recommends Chair to Board	Board Recommends Chair to MNG for MNG to Appoint	Board recruits/ selects own Chair

Relationship with MNG Council: Recommendations

The goal is to achieve financial self-sufficiency in three years. This will require a vigorous board with the capacity to get the job done:

- Governance and oversight practices should be aligned with this goal, and encourage responsible autonomy and self-sufficiency.
- The choice was already made that the Campus not be a direct operating department of MNG. The board needs the authority and tools to do its job as an independent board.
- MNG would always retain full authority over its own decision to allocation funding to the Campus.

→ We recommend a structure that will respect and promote a functioning Arm's Length Relationship.

Accountability to MNG can be achieved by means other than direct board membership by members of Council, Representation, including MNG approval of:

- MNG power to appoint the Chair.
- MNG power to approve the MOU, set performance targets and monitor progress.
- MNG input into Campus Board Plan.
- MNG approval of the annual subsidy of the Campus.
- Regular reporting as per the MOU.
- Levels of reporting can be frequent while protocols become grooved with practice and trust is earned. Later, frequency could be relaxed as appropriate to encourage greater self-sufficiency and autonomy.

→ We agree with the perspective that Communications will be very important to ensuring support for the Campus on Council

- In addition to reporting protocols required by the MOU, the Mayor, CAO and board Chair and ED will be critical in ensuring the outcome of adequate communication, though working relationships that should be left to their discretion, as the relationship evolves.

Board Relationships: CEPEO

Relationship with CEPEO

Co-owners: while the campus is thought of as a “whole,” its ownership is divided between MNG and CEPEO, which owns a portion of the lands in the campus. This has been described as the “hole in the donut.”

- CEPEO manages their own aspects of the property.
- CEPEO has one of three seats on the current board.

There is a Collaboration Agreement between MNG and CEPEO that is mainly a cost sharing agreement. It deals with priority options (i.e. ROFR/ROFO) if there is a potential sale to a third party but does not address the role of the parties in approving or achieving the business planning objectives.

- *“CEPEO needs to know there is accountability for investments made on the campus. This could be achieved by board membership or by an MOU.”*

CEPEO has an interest in other uses on site. For example, proximity of sales of alcohol to school facilities.

CEPEO may have an interest in the evolution of the uses of the Campus, but this would need to be negotiated, having regard to the principles of “pay for say,” among other things.

Observation

The relationship between CEPEO and MNG is outside of our terms of reference for this study.

We note, however, that the relationship between CEPEO and MNG is still evolving, and the Board will need to have regard to the need to manage this evolution in a sensitive manner.

Board Relationships: Campus Administration

Relationship with the Campus Administration: Observations and Insights

Campus Staff: Current State

- Campus Administration is still transitional. The staff complement is a lean team of three (Executive Director, Campus Coordinator, and Facility Manager), with two operational supports currently sub-contracted.
 - *“The Campus is currently understaffed and has no budget to hire more people.”*
 - *“The Campus administration does not have the mandate or bandwidth to work on shaping the future.”*
- There is currently no adequate succession plan, which creates the risk of loss of institutional knowledge if not planned for.

The Need for a true Executive Director Position

- The campus has benefitted from the continued leadership of the current project manager, but this was never conceived of as a true executive director role, suitable to the task of creating a complex, multi-faceted organization out of what amounts to “thin air.”
 - *“We need a strong ED position to move the Campus forward.”*
 - *[The skills of the ED position need to include] “Political acumen, experience managing budgets, standing in and an understanding of the community. And economic development.”*
 - *“The ED position needs to be skill and independent, like a town manager.”*
 - *“Long-term success of the Campus will be reliant on a very particular type of ED with political acumen, and understanding of economic development, and someone who is a quasi-public figure who has standing in and connections to the community.”*

Relationship with the Campus Administration: Observations and Insights

Board-Staff relationship is not clearly defined and the board can become overly involved in the day-to-day operations of the Campus.

- The Executive Director appears to have accountability, and responsibility, but lacks authority to execute independently.
 - *“Lack of policies and procedures and understanding of different levels of authority” [for different levels of decision].*
 - *“Approvals needed for decision-making unclear; uneven application of levels of board approval for decisions.”*
 - *[there is] “No clear delegation of authority to management.”*
- The board has not yet evolved an understanding of what ‘kind’ of board it will be (e.g. an oversight board that provides oversight and some direction vs. a more hands-on working board that leverages the capacity of the board members to assist the Administration in the day-to-day Campus’ operations).
 - *The board is spending so much time on day-to-day operations and maintaining a state of good repair that there has not been much time to be forward looking.”*
 - *“there is too much micro-management and interference in operational matters.”*
 - *“It is a challenge for Staff to speak candidly with the current board because of the political nature of its composition.”*

→ **We recommend:**

- That accountabilities are clearly defined in conjunction with what each stakeholder holds authority to execute on.
 - This should be set out in a delegation of authority by-law developed by the board.
- That the board have the opportunity to select the ED.
 - The job to the board is to support and help develop the ED and provide support and clear direction.

Future State: Board and Management

→ We recommend that board develop policies for its interaction with staff, based on the following key aspects:

Clear Roles and Responsibilities:

- There is a clear delineation in written policy setting out the roles of the board and management.
 - Policy to allow for continued flexibility during “start up” phase.
 - Regular reviews of performance of working relationship

Strategy and Policy Setting

- Staff and Board would co-create inputs to the Campus’ strategic direction and operational policies, but approval rests with board.

Decision-Making

- Delegation of decision-making to be set by board approved policy.

Operational Oversight and Stewardship

- Staff to provide timely reporting on organizational performance and financial management as per financial systems and procedures.

- Prepare operating and capital plans.
- Operate financial systems and procedures.
- Operate in compliance with all statutory and legal obligations.

Communication

- Communication between the board and management is good.
- The board has timely notice of emerging issues identified by administration.

Shareholder Relations

- Act in Adherence to MNG Memorandum of Understanding.

Stakeholder Relations

- Promote bilateral communication with stakeholders as appropriate.

Relationship of MNG CAO to the Campus ED

- **Accountability vs. autonomy to act:** While there are benefits in terms of operational efficiency and accountability to regular communication between the campus and staff at MNG, it is important to ensure that this not create the expectation that the Campus is directly controlled by the town administration, as if it were and operating department.
- **Opportunities for shared services:** We were informed that one of the additional benefits of a close working relationship between the ED and the CAO are opportunities to optimize the operations of Campus through shared service arrangements with MNG.
 - *“Back office” functions like HR and IT, as well as maintenance and roadwork are opportunities to explore further cost reduction.”*
- **Coordination on the Economic Development file:** There is a need to ensure that there is close coordination between the Economic Development Officer of MNG and the economic development committee and thinking of the Campus.

→ We recommend that the basic terms of the relationship be set out in the MOU, and that the CAO and the ED meet no less than quarterly, but as often as may be required by circumstance, at their discretion.

Board Relationships: Public

Relationship with the Public: Observations and Insights

Relationship with public: Public interest is currently represented through the Council members on the board.

- The historic role of the campus: the Campus had a rich history and meaning to the community. There are many community members that feel as sense of ownership and interest in the site, by virtue of being alumnae.
 - There is interest in ensuring that the public has access to the Campus and see it as a community asset because it is largely owned by MNG.
 - Many were sold on the idea of the campus as a sort of Mixed-use 'hub' and there are expectations that this vision will be realized.
 - It will be important for the Campus to be innovative and forward-looking while honouring its roots in agriculture.
 - Parts of Community are not aware that the Campus can be accessed by them, and those engaged in the Community really want the Campus to succeed.
 - There is public frustration over the limited information available about plans for the Campus.
- There has been some public consultation as part of the Master Planning process including an open house.
- "Community" means more than MNG but extends to much of Eastern Ontario.

- *"It will be important for the Campus to be innovative and forward-looking while honouring the Campus' rich history and meaning to the community."*
- *"Community can't be taken for granted and interface with the private sector is key for success."*

Relationship with Local Stakeholders: Observations and Insights

- **Kemptonville College Foundation:** Once the main fundraising arm for the Campus, the Foundation is interested in maintaining a continued role and the Campus College Alumni open to being engaged as well
- **Alumnae Association:**
 - *while there has been positive progress led by the Board Chair in outreach to the alumnae association, there remains a need for more bridge building.”*
 - *“the real challenge is to bridge the past and the future.”*



Community Representation Can Be Leveraged With Board Advisory Committees

The majority of stakeholders engaged felt that the desired mix and level board representation can be achieved through a combination of ‘seats at the table’ and advisory committees.

Advisory committees were identified as a good mechanism to help ensure a balance between presence and interest (i.e. allow voices of key stakeholders that have a specific set of interests to be heard at the committee level as opposed to giving them a seat on the board).

There was agreement early on in the Campus’ development that there would be at least three board committees – one for each of the three pillars. In addition to the representation from the three pillars there was also reference potential committees with a range of focus areas including:

- Agri-Tech
- Alumni Association
- Businesses the Campus can learn from (e.g. Abby Hill Farms)
- Environmental Sustainability
- Finance
- Fundraising
- Governance and Human Resources
- Local Community and Provincial
- Programming and Culture
- Research Community
- School Boards
- Sustainability
- Tenants
- United County of Leeds and Grenville

Next Steps

>> *Next Steps*

Next Steps for Campus Governance

1. Present governance recommendations

2. If approved, the following should take place in parallel:

- Develop MOU to use as part of the Board Recruitment Process.
- Develop a process to recruit and select Inaugural board chair and board members, including
 - Selection Committee with external membership?
 - Founding skills matrix (to be further developed by board once appointed)
 - Founding representation goals (to be further developed by board once appointed)
 - It may be wise to select the board Chair, and then have the chair involved in the selection of the remaining board
- Develop materials to support the on-boarding of new board members, such as a board manual and training program

3. Appoint board members

- Begin process for selection of Executive Director.
 - To expedite this, the search process could begin under the existing board, but the hiring decision should be made by the new board.
- Implement Onboarding process for new members

4. Board to move swiftly to preparation of workplan for creation of “Board Plan” with linkages to “three Pillars,” Master Plan and budget planning process

Appendix A: Leading Practice Case Studies

>> *Leading Practice Case Studies*

Overview of Case Studies and Relevant Learnings

Several potential case studies were identified through stakeholder interviews and the following three arms-length not-for-profit organizations were selected for further investigation:



**Toronto
Global**

Provides economic development services and supports for the Toronto Region



**Waterloo Economic
Development Corporation**

Provides economic development services and supports for the Waterloo Region



**Ferguson
Forest Centre**

Operates a tree nursery and manages recreational and conservation lands in MNG

Those mentioned but not selected as case studies include the North Bay Municipal Development Corporation, the National Capital Commission of Ottawa, and Centretown's Ottawa Citizen's Corporation. After initial research on these organizations, it was determined that they were not similar enough with respect to both structure and overall context.



Case Study: Toronto Global

Toronto Global is arm’s-length not-for-profit corporation representing municipalities in the Toronto region with a mandate to work with municipal, provincial and federal colleagues to market the entire region to international investors.

<i>Board Characteristics</i>	<i>Key Takeaways for Kemptville Campus</i>
<ul style="list-style-type: none"> • Mandate: To manage all affairs of the corporation • Size: 11 members • Sample of Skills Represented: Business, Law, Accounting, Data Analytics, Gender Equity • Committees/Councils: <ul style="list-style-type: none"> – Audit Committee – HR Committee – Nominating Committee – Mayors and Chairs Council – Economic Development Officers Management Council – Others (struck as deemed necessary) • Political Representation on board? No 	<p>Non-board Representation: Political leaders and Economic Development Officers are represented through participation in committees.</p> <p>→ Appropriate integration of different stakeholders into the work of the organization is can be achieved without complicating the governance. Advisory committees can be leveraged to put a “big number” or “mixed participants” (political and non-political) on the same board.</p> <p>Regional Focus: All municipalities in the Toronto region are funding partners but none appoint board members. In addition to their skills and competencies, the board has been selected based on regional representation.</p> <p>→ The Campus has a regional mandate for Eastern Ontario and will need to consider this when establishing the new board. They will have to balance local control, with regional representation and have regard to the tension between pay for say and need for regional voice.</p> <p>Key Accountability Mechanisms: There are no political leaders on the board, but the organization is accountable to its municipal funders.</p> <ul style="list-style-type: none"> • The Mayors’ and Chairs’ Council must approve the strategic plan, annual business plan, the designation of new municipal funding parties, and any amendments to funding commitments. Toronto Global works with municipal, provincial and federal staff to achieve results. <p>→ The relationship and areas of approval between the Mayors and Chairs and Toronto Global’s board could serve as a model for the relationship between MNG Council and the Campus’ board.</p>



Case Study: Waterloo Economic Development Corporation

The Waterloo EDC is an arms-length not-for-profit responsible for economic development in the Waterloo Region. Their services include facilitating introductions to local business leaders, supporting business retention and expansion and providing information about running a business in Waterloo.

<i>Board Characteristics</i>	<i>Key Takeaways for Kemptville Campus</i>
<ul style="list-style-type: none">• Mandate: To provide strategic direction for the organization• Size: 16 members• Sample of Skills Represented: Governance, Law, Accounting, Communications, Research and Development, Manufacturing• Committees/Council:<ul style="list-style-type: none">– Board Authorization and Nomination Committee– Municipal Advisory Committee– Partnership Executives Committee• Political Representation on board? No	<p>Non-board Representation: Elected officials are represented through participation of Municipal Advisory Committee (senior economic development staff from all of the partner municipalities) Partnership Executives Committee (CAO's/City Managers of the partner municipalities).</p> <ul style="list-style-type: none">→ There is an opportunity to include members of Council and the Municipality's administration in the Campus' governance activities through participation in committees. <p>Regional Focus: The Waterloo EDC represents the Waterloo Region, which is comprised of eight municipalities. In addition to their skills and competencies, the board has been selected based on regional representation.</p> <ul style="list-style-type: none">→ In order to achieve its regional mandate, similarly to the Waterloo EDC, may consider having a board Authorization and Nomination Committee (or something similar) that would include MNG's Mayor and members of Council. <p>Key Accountability Mechanisms: The relationship between the municipal funding partners and Waterloo EDC was formalized through a Memorandum of Understanding (MOU).</p> <ul style="list-style-type: none">• This MoU outlines how the organization will be held accountable to its funders, which includes the maintenance a website that covers key information about its operations; preparation of an annual report demonstrating its performance and effectiveness; regular meetings between the CEO and board Chair with the Municipal Advisory and Partnership Executives committees.→ It will be important for there to be a clearly defined agreement (i.e. MOU) between MNG and the Campus to protect the interests of the Municipality.



Case Study: Ferguson Forest Centre

Ferguson Forest Centre Corporation (Centre) is a not-for-profit organization operated on land owned by MNG. The Centre supports community organizations, including the Friends of the Ferguson Forest Centre, the Giving Garden, and the Ferguson Forest Dog Park.

<i>Board Characteristics</i>	<i>Key Takeaways for Kemptville Campus</i>
<ul style="list-style-type: none">• Mandate: Provides direction and sets policy for the Ferguson Forest Centre• Size: 10 members• Sample of Skills Represented: Municipal Government, Business, Operations, Communications, Finance, Conservation, Horticulture, IT• Committees/Council:<ul style="list-style-type: none">– NA• Political Representation on Board? Yes (1)	<p>Political Representation on the Board: There is one seat on the board of Directors reserved for a member of MNG Council. This person does not formally report to Council on the activities of the Centre (outside of regular reporting) but enables an increased flow of information between the Centre and Municipality.</p> <p>→ The Campus may consider a similar arrangement if Council representation via committees is not felt to provide a high enough level of oversight and accountability.</p> <p>Funding and Fundraising: The Centre is funded through the operations of the Ferguson Tree Nursery (which sells ecologically suitable trees, shrubs and perennials), annual membership fees, and fundraising efforts by Friends of the Ferguson Forest Centre.</p> <p>→ The Campus might consider engaging the Kemptville Campus Alumni Association, which is holds charity status, to play a similar role in fundraising.</p> <p>Key Accountability Mechanisms : The Centre operates its day-to-day business at an arms-length from the Municipality, however in addition to Council representation on the board, significant financial decisions must be approved by Council through the presentation of the Annual Report and budget request. </p> <p>→ Because the Ferguson Forest Centre is also a tenant of the Municipality and seen as a valuable community asset, the Campus could leverage key learnings from the relationship between the Centre and the Municipality especially with respect to the appropriate levels of accountability and oversight.</p>



Toronto

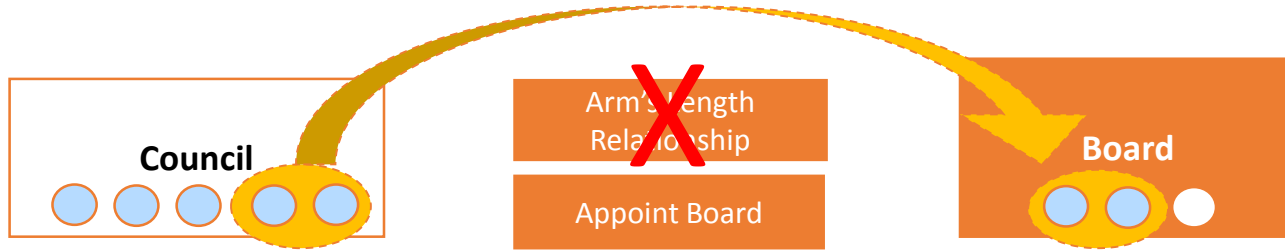
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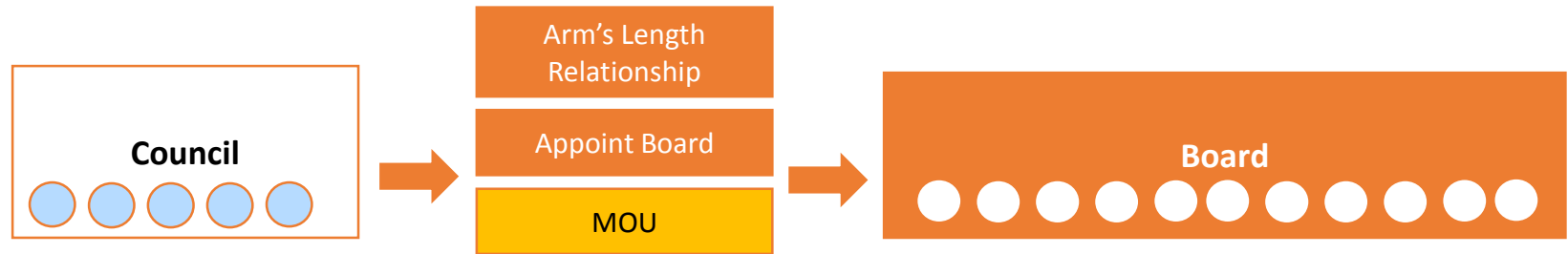
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Evolving Accountability Relationship: From Direct to Indirect Control of Campus



Current State: Interim cross-appointment of Mayor and Deputy Mayor to Campus board defeat intention of Campus Operating in an Arm's Length Relationship from MNG Council, but achieve direct accountability.



→ We recommend putting an end to cross appointment. Council to appoint Chair and Board Members. MNG-Campus relationship governed by an MOU with measurables and reporting requirements. Arm's Length Relationship realized, but accountability of Campus to MNG maintained.