



# Anglican Diocese of Ottawa

Implementation of Governance Recommendations:  
Terms of Reference, Nominations & Decision Rights

Final Report of the Governance Task Force  
June 25, 2009

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# Introduction

# Introduction - Background

- The Anglican Tradition represents a very thoughtful form of Christianity, as reflected in the following statement:
  - The characteristic Anglican way of living with a constant dynamic interplay of Scripture, tradition and reason means that the mind of God has constantly to be discerned afresh, not only in every age, but in each and every context. *From paragraph 3.11 of The Virginia Report (1998)*
- The Diocese has developed a Strategic Plan for 2007-2012 to reflect its vision and mission.
- The “Rationalization of Governance and Infrastructure” is one of the key strategic goals of the Anglican Diocese of Ottawa’s 2007-2012 Strategic Plan which recognizes the need to conduct the following activities:
  - re-examine the Diocese’s approach to governing the affairs of the Diocese; and
  - revamp decision-making processes.
- The Diocese struck a Governance Task Force and began an in-depth review of its governance processes in June 2008. Following a highly consultative process, it delivered an assessment and a set of recommendations to Synod in the Fall of 2008.
- Based on the approvals given at Synod, the GTF has been working on implementation. This report summarized the work done on implementation, including a number of items that will be submitted to Synod for approval in the Fall of 2009.

## Vision

*“We are a vibrant body of faithful Christians working to fulfill the mission God has given us.*”

## Mission

*With God’s grace, the mission of our ministries and parishes is to enable people to know Jesus Christ, to live and share the good news, to grow in faith and to serve God’s world.*

# Introduction - Project Overview

## Highly Participative Approach

- The Governance Task Force instructed the Consultant to use a highly participative approach to the Governance Review, using surveys, focus groups and interviews to get input from members of the Diocese on both the current state and recommended changes.
- In addition to input from members of the Diocese, the Task Force examined models from other Dioceses and the Consultant compared our current state with best practices in the not-for-profit sector.
- This participative approach has continued in the development of the detailed implementation plans, with over 20 meetings, focus groups and other forums for input and feedback.

## Recommendations Already Approved by Synod

# Approved Recommendations - Governance Principles

- The following governance principles were approved by Synod to provide a "touch-stone" against which different options and ideas can be assessed:

<b>Focus</b>	<ul style="list-style-type: none"><li>• Focuses on the core essence of the Diocese and its mission, and the activities that will contribute to the success of the goals and objectives of the mission.</li><li>• Facilitates clearer focus on strategic objectives and assists in long term planning.</li></ul>
<b>Support</b>	<ul style="list-style-type: none"><li>• Achieves stronger alignment between Diocesan and Parish priorities.</li><li>• Facilitates the achievement of the Church's mission at both the Parish and Diocesan level.</li></ul>
<b>Simplicity</b>	<ul style="list-style-type: none"><li>• Simplifies processes, procedures and tools to increase efficiency and effectiveness of decision-making.</li><li>• Ensures clarity of roles and responsibilities of Executive Staff, Committee Members and other members to facilitate more effective relationships.</li></ul>
<b>Participation</b>	<ul style="list-style-type: none"><li>• Facilitates good decision-making through inclusion of members.</li><li>• Empowers all members and increases their involvement.</li></ul>
<b>Accountability</b>	<ul style="list-style-type: none"><li>• Ensures commitment to continuous improvement.</li><li>• Provides greater clarity to all members of the Diocese.</li><li>• Enables wide understanding of shared accountability for decisions, but that responsibility rests with a clearly defined owner.</li></ul>

- These five principles have served to guide the work of the GTF during the development of the current phase of work.

# Approved Recommendations – Language

- The following terms and definitions were approved to bring clarity and consistency to the naming of various Diocesan governance bodies and working groups:

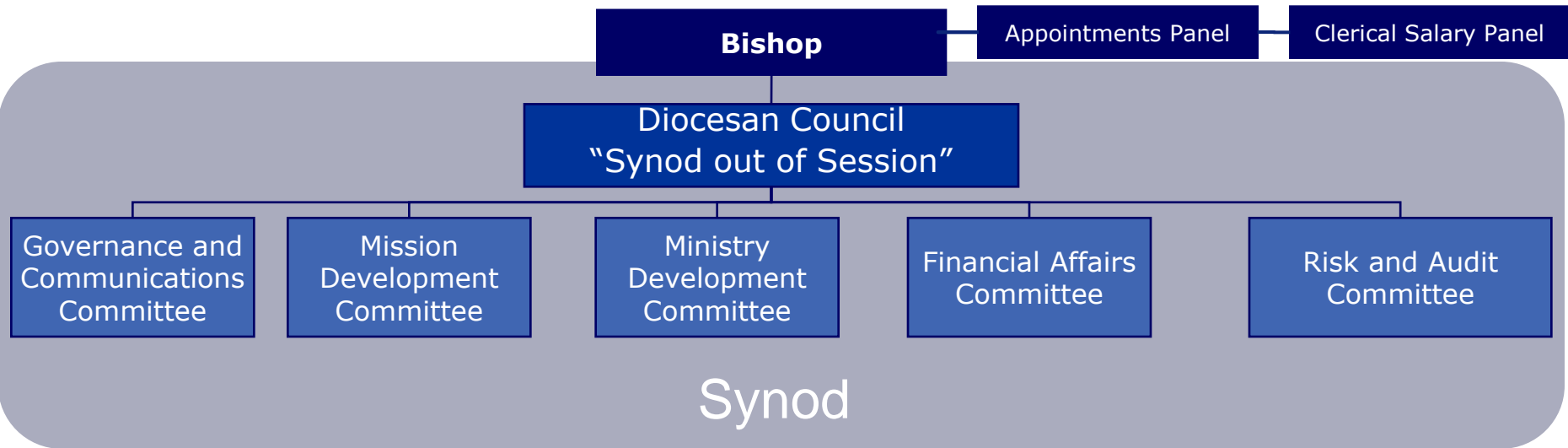
<b>Council</b>	<ul style="list-style-type: none"> <li>• Formal, enduring part of the governance structure with a defined role and decision-making authorities: “Synod out of session”</li> <li>• Responsible for setting the strategic direction for the Diocese.</li> <li>• Utilizes other committees to enable the strategy.</li> </ul>	<b>Advisory Panel</b>	<ul style="list-style-type: none"> <li>• Formal, enduring body that provides advice and guidance to the Bishop in specific areas.</li> <li>• No decision-making authority.</li> </ul>
<b>Committee</b>	<ul style="list-style-type: none"> <li>• Formal, enduring part of the governance structure with a defined role and decision-making authorities.</li> <li>• Reports to Council.</li> </ul>	<b>Task Force</b>	<ul style="list-style-type: none"> <li>• Ad-hoc body established to work on a single, defined task, action or objective.</li> <li>• Exists for a limited period of time.</li> <li>• No decision-making authority.</li> </ul>
<b>Sub-Committee</b>	<ul style="list-style-type: none"> <li>• Formal, enduring part of the governance structure with a defined role.</li> <li>• Assists the Committee in discharging its responsibilities by providing advice, guidance, and recommendations on operational or specialized issues.</li> <li>• No decision-making authority.</li> <li>• Reports directly to a Committee.</li> </ul>	<b>Working Group *</b>	<ul style="list-style-type: none"> <li>• A group formed for the purpose of assisting staff and Committees with the delivery of on-going plans and programs.</li> <li>• Volunteer-driven.</li> <li>• No oversight responsibilities.</li> <li>• No governance decision-making authority; however, working groups may have operational decision-making authority related to such items as program changes.</li> </ul>

\* *Not part of the governing structure.*



# Approved Recommendations - Governance Model

- Synod adopted the committee structure below, with an understanding that detailed terms of reference, appointment processes and skill profiles would be presented to Synod in Fall 2009.



# Revisions Subsequent to Consultations

# Revisions Subsequent to Consultations

- Subsequent to the Great Chapter meetings and other consultations during May and June, the following changes have been made to the earlier (May 15) "Consultation Draft" of this Report:
  - TERMS OF REFERENCE
    - Diocesan Council Terms of Reference:
      - Clarified that members of Diocesan Council will become members of Synod for the duration of their term on Diocesan Council.
    - Committee name changes:
      - The Mission Development Committee has been renamed Community Ministry Development Committee.
      - The Ministry Development Committee has been renamed Parish Ministry Development Committee.
    - Committee Terms of Reference:
      - In the introductory paragraph to the Accountabilities, Responsibilities and Authority section of all of the Committee Terms of References, with the exception of the Financial Affairs Committee, reference was made to the fact that a budget may be delegated to the Committee.
      - In the Common Committee Terms of Reference Components section, under the heading Term, added: "(except where a specific role dictates the ongoing membership of a person on a Committee)" to be consistent with the nominations process description.
      - Added responsibilities with respect to internal audit and program evaluation to the Risk & Audit Committee.
      - Community Ministry Development Committee meeting frequency increased to at least six to eight times per year.
      - Revised Community Ministry Development Committee mandate description.
      - Added government relations skill requirement to the Community Ministry Development Committee.
      - Removed fundraising skill requirement and added stewardship requirement to the Parish Ministry Development Committee.
      - Revised Parish Ministry Development Committee mandate description.
  - NOMINATIONS PROCESS
    - Under "term" in Diocesan Council nominations process, added: "except where a specific role dictates the ongoing membership of a person" (similar to statement in Committee nominations process).
    - In Diocesan Council nominations process, clarified that:
      - The composition matrix will be made available to anyone who wishes to see it (see illustration in Appendix A).
      - Any baptized member in good standing of the Diocese of Ottawa may be nominated.
      - The Governance and Communications Committee (or Subcommittee) meetings are open meetings.
      - The full list of nominees will be available to Diocesan Council.
      - Nominations may come from a member of Synod with an Accompanying Statement of Support.
  - CROSSWALK OF CURRENT COMMITTEES TO NEW STRUCTURE
    - A number of panels, sub-committees, task forces, working groups and programs were updated.

# Terms of Reference

# Terms Of Reference

- Initial draft Terms of Reference for the Diocesan Council and the five standing Committees were developed based on existing documentation and Committee Terms of Reference, and best practices from outside organizations.
- These draft Terms of Reference were validated through feedback from the Governance Task Force, Archdeacons, Diocesan Officers/staff, a lay focus group and many current Committees.
- Each formal Terms of Reference document outlines details with respect to:
  - **Mandate** – The overall purpose of the Council or Committee.
  - **Accountabilities, Responsibilities and Authority** – Details regarding the roles, responsibilities and accountabilities of the Council or Committee.
  - **Responsibilities of Council or Committee Members** – An overview of the responsibilities and expectations of each of the Council or Committee Members.
  - **Membership and Composition** – An overview of the number of members, required skills and characteristics, terms, nomination process and Chair selection.
  - **Council or Committee Operations** – Practical details on Council or Committee operations (e.g. meeting frequency, agenda setting, staff attendance, documentation, reporting, etc).
- Key excerpts from the Diocesan Council and Committee Terms of Reference are presented in this document.
- Some of the information in the Committee Terms of Reference are common to all five Committees of the Diocesan Council (i.e. Responsibilities of Committee Members, and some of the Membership and Composition and Committee Operations information). This common information applies to all committees, and is presented once after the Committee-specific information (e.g. mandate and responsibilities).

# Diocesan Council Terms of Reference

## Mandate

The Anglican Diocese of Ottawa's Vision is to be "...a vibrant body of faithful Christians working to fulfill the mission God has given us." The Mission of its "...ministries and parishes is to enable people to know Jesus Christ, to live and share the good news, to grow in faith and to serve God's world." Within this context, the Diocese strives to fulfil its Vision and Mission through the Diocesan Council and other governing bodies.

As delegated by Synod, the mandate of the Diocesan Council is to provide leadership and oversight and to set the strategic direction for the Diocese. The Diocesan Council will set appropriate frameworks and policies to support the achievement of the Diocesan mission. The Council is responsible, with the Bishop, for overseeing the implementation of strategic plans, stewardship of the resources of the Diocese, and the management of its governance with the purpose of supporting the Parishes and the Diocese to fulfill the mission of God.

## Accountabilities of Council

In partnership with the Bishop, the Diocesan Council is accountable to Synod and has responsibility and authority for the Diocese as defined in the Canons, By-laws and Regulations. In particular, the Diocesan Council is accountable, either directly or through its committees, for:

- Developing long term goals and plans for the development of the Diocese, as well as mechanisms to review progress against the strategic plan and other Diocesan goals;
- Providing overall strategic guidance to the Diocese including endorsing the strategic direction, priorities and allocation of resources in line with the strategy;
- Monitoring and assessing performance against key targets and objectives;
- Developing and maintaining principles and processes for effective governance;
- Ensuring there is effective management of finances and risk;
- Providing advice on and assisting with the engagement of parishes and parishioners as well as members of the broader community; and
- Approving policies and practices for the Diocese and recommending modifications to Canons, By-laws and Regulations to Synod.

## Responsibilities of Members of the Diocesan Council

All members of the Diocesan Council have the basic fiduciary duty to discharge individual duties in good faith. While the Diocese seeks a Council reflective of the diverse experiences and perspectives of the Diocese, Council members are responsible to act on behalf of the Diocese as a whole when making a decision. Members are required to address and report potential conflict of interest situations in accordance with Diocesan policy. Members are expected to prepare for and attend Council meetings and serve on at least one committee.

It is the responsibility of all members of the Council to act as partners with the Chair and work with other Council members so that the Council functions as a deliberative and participative body. The Chair is expected to facilitate effective and collaborative debate of the issues and suggestions brought forward to the Council. Whatever views and opinions are shared in Council, members are expected to impartially represent the actions or decisions of the Council to others outside of Council.

Members of Diocesan Council will become members of Synod for the duration of their term on Diocesan Council.

# Diocesan Council Terms of Reference

## Council Operations

- Frequency - The Diocesan Council will meet formally four to six times per year. The Bishop may request additional meetings if deemed necessary.
- Attendance – Meetings shall require a quorum of 11 of the 19 voting Council members to be present. Council members are expected to actively participate in meetings including attending council meetings, reviewing meeting documentation, evaluating reports, and reading minutes.
- Non-member Attendance – The Lay Secretary and Clerical Secretary will attend as ex-officio and are non-voting. Staff members attend as required as resource persons or presenters.
- Agenda – The agenda will be set by the Chair and supported by the Lay Secretary and Clerical Secretary.
- Documents – All Council meeting documents will normally be provided to Council members for review at least one week in advance of the Council meeting date. All items for the agenda are to be with the Lay Secretary and Clerical Secretary at least fourteen days prior to the date of the meeting.
- Decision Making Authority – Council exercises the authorities granted to it in the Canons, By-laws and Regulations, and authorities that may be granted to it at the discretion of the Bishop. Council retains final-decision making power in such matters except where it has expressly delegated decision rights to one of its committees (Governance and Communications; Community Ministry Development; Parish Ministry Development; Financial Affairs; and Risk and Audit) or a member of the Diocesan staff. Committees may not further sub-delegate authorities without the permission of Council.
- Council will appoint the chairs of its committees from the current membership of the Council.

# Committee Terms of Reference

## *Governance & Communications Committee*

### **Mandate**

As delegated by the Diocesan Council, the mandate of the Governance and Communications Committee is to assist the Diocesan Council in ensuring it has efficient and effective governance practices in place as well as fulfilling its oversight responsibilities for Diocesan communications activities. The Governance and Communications Committee is responsible for developing and maintaining principles and processes for effective governance and oversees activities related to governance and communications, such as communication planning/strategy, nominations, governance assessments and Committee mandates/profiles.

### **Accountabilities, Responsibilities and Authority**

The Governance and Communications Committee is a standing Committee of the Diocesan Council and is accountable to the Council as defined in the Canons, By-laws and Regulations. The Governance and Communications Committee has authority as delegated by the Diocesan Council on matters of governance, including Council and Committee nomination processes, and strategic Diocesan communications, and may also administer a delegated budget. In particular, the Governance and Communications Committee is responsible for:

#### **Governance**

- Developing and maintaining policies and processes for effective governance consistent with the principles established;
- Reviewing and recommending changes to Council processes and procedures to optimize Council effectiveness;
- Maintaining current and applicable terms of reference for the Council, Committees, sub-committees and task forces, as well as reviewing special governance arrangements for major projects and initiatives;
- Reviewing the Canons, By-Laws and Regulations of the Diocese that pertain to governance and communications matters at least annually and recommending any changes to the Diocesan Council;
- Maintaining, and overseeing the execution of, an orientation program for new Council and Committee members;
- Managing periodic assessment of Council and Committee structure and performance, and overall governance effectiveness; and
- Establishing and overseeing sub-committees as deemed necessary by the Committee in collaboration with the Governance and Communications Committee.

#### **Communications**

- Providing guidance and direction to the development of a communications strategy in support of both the Diocese and parishes;

#### **Communications (cont.)**

- Endorsing the communications priorities and final strategic communications plan;
- Ensuring the allocation of resources for communications activities is in line with the strategy; and
- Monitoring and assessing progress against the strategic communication plan and objectives.

#### **Nominations**

- Managing and maintaining the nomination process for Diocesan Council and Committees;
- Managing a governance recruitment strategy and tools for the recruitment and nomination of Council and Committee members to strategically attract new members;
- Identifying and soliciting candidates for nomination, and making nominations for Diocesan Council members;
- Maintaining the Council and Committee composition matrixes, reviewing the composition of the Council and Committees and ensuring there are sufficient nominees to meet required and desired profile; and
- Monitoring the term of office of all Council members and proactively confirming members who will be renewing their terms.



# **Committee Terms of Reference**

## ***Governance & Communications Committee***

### **Membership and Composition**

- The Governance and Communications Committee will be composed of a maximum of eight members of which at least two (2) members and no more than one-third must also be members of the Diocesan Council.
- The Committee shall include a mix of clergy and lay members. A minimum of one member will be drawn from the rural regions of the Diocese. In addition, at least one member shall be experienced in each of the following areas: governance and communications/public relations.

### **Committee Operations**

- Frequency - The Governance and Communications Committee will meet formally four to six times per year. The Chair may request additional meetings if deemed necessary.

# **Committee Terms of Reference**

## ***Community Ministry Development Committee***

### **Mandate**

As delegated by the Diocesan Council, the mandate of the Community Ministry Development Committee is to strengthen, broaden and enhance the Diocese's ability to serve in the communities of God's world. The Committee achieves this by providing support, leadership and oversight to community ministries, both current (i.e. Centre 454, The Well/La Source, Cornerstone, and The Ottawa Pastoral Centre) and future programs.

### **Accountabilities, Responsibilities and Authority**

The Community Ministry Development Committee is a standing Committee of the Diocesan Council and is accountable to the Council as defined in the Canons, By-laws and Regulations. The Community Ministry Development Committee has authority as delegated by the Diocesan Council on matters related to programs, services and budgets within its mandate. In particular, the Community Ministry Development Committee is responsible for:

- Ensuring programs and services are consistent with the mission and strategy of the Diocese and recommending changes, from time to time as needed, to individual programs and services (such as vision, goals, strategies);
- Overseeing programs and services within its mandate;
- Developing approaches to monitor the effectiveness of programs and services within its mandate and reporting to Council on program effectiveness;
- Providing advice and feedback to program leaders on program development and performance;
- Reviewing program and service requests and proposals, and providing them to the Diocesan Council as required;
- Providing oversight of related legal entities within its mandate;
- Working with community partners in identifying solutions to community issues;
- Identifying and promoting awareness of issues, trends and emerging needs in the broader community in concert with Diocesan policy and other Diocesan communication initiatives;
- Working in concert with the Audit and Risk Committee to provide oversight of key risks;
- Reviewing the Canons, By-Laws and Regulations of the Diocese that pertain to community ministry matters at least annually and recommending any changes to the Diocesan Council; and
- Establishing and overseeing sub-committees as deemed necessary by the Committee in collaboration with the Governance and Communications Committee.

# **Committee Terms of Reference**

## ***Community Ministry Development Committee***

### **Membership and Composition**

- The Community Ministry Development Committee will be composed of a maximum of twelve members of which at least two (2) members and no more than one-third must also be members of the Diocesan Council.
- The Committee shall include a mix of clergy and lay members. A minimum of one member will be drawn from the rural regions of the Diocese. In addition, at least one member shall be experienced in each of the following areas: social work/social justice, fundraising, legal, financial management, government relations, HR management and operations management.

### **Committee Operations**

- Frequency - The Community Ministry Development Committee will meet formally at least six to eight times per year. The Chair may request additional meetings if deemed necessary.
- Community Ministries Director/Executive Director Attendance – The Community Ministry Directors/Executive Directors will normally attend Committee meetings but will attend in camera sessions only at the discretion of the Chair.

# **Committee Terms of Reference**

## ***Parish Ministry Development Committee***

### **Mandate**

As delegated by the Diocesan Council, the mandate of the Parish Ministry Development Committee is to assist the Diocesan Council in its oversight of programs and services that enhance the ability of parishes, clergy and lay leaders to meet the needs of their congregations and grow in faith, through personal and professional development for both paid staff and volunteers, parish planning and stewardship development.

### **Accountabilities, Responsibilities and Authority**

The Parish Ministry Development Committee is a standing Committee of the Diocesan Council and is accountable to the Council as defined in the Canons, By-laws and Regulations. The Parish Ministry Development Committee has authority as delegated by the Diocesan Council on matters related to programs, services and budgets within its mandate. In particular, the Parish Ministry Development Committee is responsible for:

- Ensuring programs and services are consistent with the mission and strategy of the Diocese and recommending changes, from time to time as needed, to individual programs and services (such as vision, goals, strategies);
- Overseeing programs and services within its mandate;
- Developing approaches to monitor the effectiveness of programs and services within its mandate and reporting to Council on program and service effectiveness;
- Providing advice and feedback to program leaders on program development and performance;
- Reviewing program and service requests and proposals, and providing them to the Diocesan Council as required;
- Working with Diocesan partners, particularly ecumenical partners, in identifying program needs;
- Working in concert with the Audit and Risk Committee to provide oversight of key program risks;
- Reviewing the Canons, By-Laws and Regulations of the Diocese that pertain to parish ministry matters at least annually and recommending any changes to the Diocesan Council; and
- Establishing and overseeing sub-committees as deemed necessary by the Committee in collaboration with the Governance and Communications Committee.

# **Committee Terms of Reference**

## ***Parish Ministry Development Committee***

### **Membership and Composition**

- The Parish Ministry Development Committee will be composed of a maximum of ten members of which two to three must also be members of the Diocesan Council.
- The Committee shall include a mix of clergy and lay members. A minimum of one member will be drawn from the rural regions of the Diocese. In addition, at least one member shall be experienced in each of the following areas: stewardship, policy/program development and education/training.

### **Committee Operations**

- Frequency - The Parish Ministry Development Committee will meet formally four to six times per year. The Chair may request additional meetings if deemed necessary.

# Committee Terms of Reference

## *Financial Affairs Committee*

### **Mandate**

As delegated by the Diocesan Council, the mandate of the Financial Affairs Committee is to assist the Diocesan Council in fulfilling its oversight responsibilities for the financial and administrative matters of the Diocese, including but not limited to matters related to property, investments, insurance, and apportionment, and ensuring there is effective management of finances. The Financial Affairs Committee is focused on setting, allocating, planning and overseeing the budget of the Diocese and strategically managing the assets of the Diocese.

### **Accountabilities, Responsibilities and Authority**

The Financial Affairs Committee is a standing Committee of the Diocesan Council and is accountable to the Council as defined in the Canons, By-laws and Regulations. The Financial Affairs Committee has authority as delegated by the Diocesan Council on matters related to the finances of the Diocese. In particular, the Committee is responsible for:

- Providing oversight and stewardship of the financial affairs of the Diocese;
- Advising and making recommendations to the Diocesan Council regarding its financial affairs and property matters;
- Reviewing the Canons, By-Laws and Regulations of the Diocese that pertain to financial matters at least annually and recommending any changes to the Diocesan Council;
- Conducting financial planning, including the preparation of annual budgets or other periodic estimates of the financial requirements of the Diocese;
- Conducting regular reviews of the financial standing of the Diocese in relation to the current budget;
- Reviewing the audited financial statements, and Auditor's Report in consultation with the Risk and Audit Committee;
- Establishing, reviewing and recommending changes to financial policy (e.g. investments, property, insurance, Parish fair share) and financial delegations;
- Considering and passing upon applications for special appeals to the Diocese for money;
- Considering and approving, or recommending to Diocesan Council, all matters related to Diocesan property and capital expenditures or purchases (e.g. building contracts, capital expenditures, building or structural alterations, property purchase, sale, lease, or mortgage, etc);
- Providing oversight of investments including the administration of the Consolidated Trust Fund (CTF) with such responsibilities and duties as prescribed by law;
- Providing oversight of benefits policies and administration (e.g. Retirement Allowance Fund; housing allowance); and
- Establishing and overseeing sub-committees as deemed necessary by the Committee in collaboration with the Governance and Communications Committee.

# **Committee Terms of Reference**

## ***Financial Affairs Committee***

### **Membership and Composition**

- The Financial Affairs Committee will be composed of a maximum of ten members of which at least two (2) members and no more than one-third must also be members of the Diocesan Council.
- The Committee shall include a mix of clergy, lay members and members from rural and small parishes. A minimum of two members will be drawn from the rural regions of the Diocese or small parishes. In addition, at least one member shall be experienced in each of the following areas: accounting, legal (real estate), insurance, construction/project management, and investments.

### **Committee Operations**

- Frequency - The Financial Affairs Committee will meet formally eight times per year. The Chair may request additional meetings if deemed necessary.
- Documents - All Committee meeting documents will normally be provided to members for review at least one week in advance of the meeting date. All items for the agenda are to be with the supporting staff member at least seven days prior to the date of the meeting.
- Staff Attendance - The Director of Finance will normally be in attendance at meetings.
- Additional Attendance - The Chair of the Risk and Audit Committee is ex-officio a member of the Financial Affairs Committee.

# Committee Terms of Reference

## *Risk & Audit Committee*

### **Mandate**

As delegated by the Diocesan Council, the mandate of the Risk and Audit Committee is to assist the Diocesan Council in fulfilling its oversight responsibilities for the financial reporting process, the system of internal controls, internal audit, processes for monitoring compliance with laws and regulations, and ensuring the Diocese has appropriate information for the management of risks and sound decision making.

The Risk and Audit Committee provides oversight with respect to financial and business risk assessments, and accounting and financial reporting policies and practices of the Diocese. The Committee provides oversight to the assessment and management of all areas of potential risk, including non-financial dimensions of risk such as strategic risk, operational risk, reporting and disclosure risk and reputational risk.

### **Accountabilities, Responsibilities and Authority**

The Risk and Audit Committee is a standing Committee of the Diocesan Council and is accountable to the Council as defined in the Canons, By-laws and Regulations. The Risk and Audit Committee has authority as delegated by the Diocesan Council on matters of risk and internal control, and may administer a delegated budget. In particular, the Risk and Audit Committee is responsible for:

- Providing oversight of the actions of the Director of Administration in the establishment and maintenance of appropriate systems for accounting and internal controls, and of the external auditors in the planning and carrying out of a proper audit;
- Monitoring the quality and integrity of the accounting and financial reporting process, and the systems of internal control through discussions with the Director of Administration and with the external auditors;
- Oversight of the quality and objectivity of the financial statements and the independent audit thereof;
- Reviewing the results of the external audit, any significant problems encountered in performing the audit, and management's response and/or action plan related to any Management Letter issued by the external auditors and any significant recommendations contained therein;
- Providing oversight to the planning and execution of internal audits, and considering any areas of financial risk identified through the internal audits;
- Reviewing the Canons, By-Laws and Regulations of the Diocese that pertain to financial matters at least annually and recommending any changes to the Diocesan Council;
- Ensuring the effectiveness of systems for assessing and managing risk including financial risk, strategic risk, operational risk, reporting and disclosure risk and reputational risk;
- Providing oversight and direction to program evaluation activities, including establishing an evaluation framework and plan and monitoring the execution of the framework and plan;
- Acting as a liaison between the independent auditors and the Diocesan Council; and
- Establishing and overseeing sub-committees as deemed necessary by the Committee in collaboration with the Governance and Communications Committee.



# **Committee Terms of Reference**

## ***Risk & Audit Committee***

### **Membership and Composition**

- The Risk and Audit Committee will be composed of a maximum of eight members of which two to three members must also be members of the Diocesan Council.
- The Committee shall include a mix of clergy and lay members. The Council shall include a minimum of one member drawn from the rural regions of the Diocese. In addition, at least one member shall be experienced in each of the following areas: accounting and all aspects of risk management.

### **Committee Operations**

- Frequency - The Risk and Audit Committee will meet formally at least twice per year. The Chair may request additional meetings if deemed necessary.

# Common Committee Terms of Reference Components

## Responsibilities of Committee Members

- All members of Committees have the basic fiduciary duty to discharge individual duties in good faith. While the Diocese seeks Committees reflective of the diverse experiences and perspectives of the Diocese, Committee members are responsible to act on behalf of the Diocese as a whole when making a decision. Members are required to address and report potential conflict of interest situations in accordance with Diocesan policy. Members are expected to prepare for and attend Committee meetings.
- It is the responsibility of all members of Committees to act as partners with the Committee Chair and work with other Committee members so that the Committee functions as a deliberative and participative body. The Committee Chair is expected to facilitate effective and collaborative debate of the issues and suggestions brought forward to the Committee. Whatever views and opinions are shared in Committee, members are expected to impartially represent the actions or decisions of the Committee to others outside of the Committee.

## Membership and Composition

### Appointments, Nominations and Elections

- Nominations and appointments to Committees will be as per the Committee Nominations Process.

### Terms

- Members shall serve for a fixed term not to exceed three years, with a limit of two consecutive terms total (except where a specific role dictates the ongoing membership of a person on a Committee).

### Leadership

- The Chair will normally be a member of the Diocesan Council selected by the Diocesan Council. The Vice-Chair will be selected by the Chair from the Committee membership and need not be a member of the Diocesan Council.

## Committee Operations

- Attendance – Meetings shall require a quorum of 60% of the voting Committee members to be present. Committee members are expected to actively participate in meetings including attending meetings, reviewing meeting documentation, evaluating reports, and reading minutes.
- Administration - The agenda will be set by the Chair.
- Documents - All Committee meeting documents will normally be provided to members for review at least one week in advance of the meeting date. All items for the agenda are to be with the supporting staff member at least fourteen days prior to the date of the meeting.
- Decision Making Authority – The Committee exercises the authorities granted to it in the Canons, By-laws and Regulations, and authorities that may be granted to it at the discretion of the Diocesan Council and the Bishop. Committees may not further sub-delegate authorities without the permission of Council.
- Reporting - Reports to Council through the Chair.
- Sub-Committees – General guideline of between 3-6 members per sub-committee with the addition of ex-officio members as required. Membership to be established by the Committee based on interest and specialized skill requirements. Membership to consist of a mix of Committee and non-Committee members, with at least 50% of sub-committee members being Committee members.
- Staff Attendance – Staff will be assigned to Committees to attend and provide support as required.
- Additional Attendance - The Bishop is ex-officio a member of all standing Committees and may attend as a member or otherwise. At the invitation of the Bishop, any Coadjutor, Suffragan or Assistant Bishops of Ottawa may likewise attend any Committee meetings.
- Policies and Practices – As appropriate, Committees may establish internal rules and procedures, policies and practices for its operations.

# Nominations Processes

# Diocesan Council Nominations Process

## General Composition

- The Diocesan Council will be composed of nineteen members as follows:
  - Three (3) Senior Officers of Synod: The Bishop, the Chancellor and the Dean.
  - Eight (8) Clergy Representatives
  - Eight (8) Lay Representatives
- The Council shall include a minimum of four members drawn from the rural regions of the diocese. In addition, at least one member shall be experienced in each of the following areas: financial management, communications/public relations and strategic planning. A matrix describing a profile of mandatory and desirable member skills and demographic characteristics will be used to inform the Council nominations process (see illustration in Appendix A). The composition matrix will be made available to anyone who wishes to see it.
- Any baptized member in good standing of the Diocese of Ottawa may be nominated.

## Terms

- Members shall serve for a fixed term not to exceed three years, with a limit of two consecutive terms total (except where a specific role dictates the ongoing membership of a person).

## Chair and Vice-Chair

- The Bishop will Chair the Council and the Dean will serve as Vice-Chair.

## Appointments, Nomination and Elections Process

- Positions on Council will be filled as follows:
  1. Three by virtue of position.
  2. Twelve will be confirmed by Synod.
    - a) Nominations based on established criteria will be sought from the following sources:
      - i. By nomination of the Governance and Communications Committee
      - ii. By nomination of the Territorial Archdeacons
      - iii. By nomination of a member of Synod including Accompanying Statement of Support
      - iv. Self nomination including Accompanying Statement of Support
    - b) In an open meeting, the Governance and Communications Committee (or its subcommittee) will review all nominees and, based on a Council composition matrix, will develop a slate of candidates for review and endorsement by the Diocesan Council. The full list of nominees will also be available to Diocesan Council.
    - c) The slate will be published prior to Great Chapter meetings for review and feedback.
    - d) The Governance and Communications Committee will make revisions to the slate based on feedback from the Great Chapter meetings.
    - e) Synod will provide final confirmation of Council membership by majority vote.
  3. Four will be appointed by the Bishop within one month after Synod, also guided by the Council composition matrix.

# Committee Nominations Process

## General Composition

- Committees will be composed of a set number of members as outlined in their respective Terms of Reference. As per their Terms of Reference, a combination of Diocesan Council members and non-Diocesan Council members will make up the Committee, with at least two (2) and no more than one third of the Committee being Diocesan Council members.
- Specific skill requirements for each Committee are outlined in their Terms of Reference. A skills matrix outlining the mandatory skills/characteristics (e.g. financial, clergy/lay, rural, etc), as well as desirable skills/characteristics for consideration and basic criteria (e.g. broad diverse representation), exists for each of the Committees to inform the Committee nominations process.

## Nomination and Appointment Process

### ***Allocation of Diocesan Council Members to Committees;***

*Completed when new members join Council*

- I. The Governance and Communications Committee will ask [new Council members] which Committees they are interested in serving on.
- II. The Governance and Communications Committee will then review this information, along with the skills matrices for each Committee to develop a proposed allocation of Council members to Committees based on:
  - Council member interest
  - Committee requirements, and
  - Specific skill requirements.
- III. The Governance and Communications Committee will then present this proposed allocation to Council for modification and approval.
- IV. The Council will then make adjustments as necessary and approve the allocation of members to Committees.

### ***Nominations for Remaining Committee Membership; Completed as vacancies arise***

- I. Each Committee, in conjunction with the Governance and Communications Committee, will review skill and characteristic requirements (using the skills matrix) and identify the type of Committee member(s) required.
- II. Each Committee, with assistance from the Governance and Communications Committee, will then identify and solicit nominations for additional Committee members from outside of Council.
- III. The Committee will then review all nominees and, based on the Committee composition matrix, develop a proposed slate of candidates.
- IV. The Governance and Communications Committee will review and provide feedback on the proposed candidates.
- V. The Committee will make revisions based on the feedback.
- VI. The Committee will present the proposed slate of candidates for the Committee to the Diocesan Council for endorsement.

## Terms

- Members shall serve for a fixed term not to exceed three years, with a limit of two consecutive terms total (except where a specific role dictates the ongoing membership of a person on a Committee).

## Chair and Vice-Chair Appointment Process

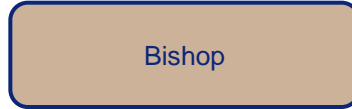
- The Diocesan Council will appoint the Committee Chair from the Diocesan Council members appointed to the Committee.
- The Vice-Chair will be selected by the Committee Chair from the Committee membership and need not be a member of the Diocesan Council.

# Crosswalk of Current Committees to New Structure

# Crosswalk of Current Committees to New Structure

- The following is a proposed initial mapping of existing committees and working groups to the new governance structure to be employed until a rationalization of governing bodies can be undertaken after Synod by the newly created committees.

## Advisory Panels



- Bishop's Advisory Council
- Bishop's Salary Board
- Synod Mgt Steering Committee
- Postulant Assessment Committee
- Agenda Committee
- Advisory Committee on Terminations
- Companion Diocese
- Financial Development Panel
- Appointments Committee

## Council



- Executive Committee
- Long-range Planning – Statistics Committee
- Transition Team

## Committees



- Governance Task Force



- Communities Ministries Board



- Parish & Diocesan Services



- Administration & Finance Committee



- Audit Committee

## Sub-Committee Level

- Synod Mgt Committee
- Credentials Committee
- Resolution Committee
- Diocesan Profile
- Nominations Committee
- Canons, Bylaws and Regulations
- Communications Committee

- Management Boards
- CMB Personnel Committee
- The Ottawa Pastoral Counselling Centre
- The Well
- Cornerstone
- Centre 454

- Advisory Committee of the Anglican Studies Program
- Parish Growth and Renewal
- Parish Ministry Development and Support Unit
- Christian Life and Nurture
- Temple Pastures
- Stewardship Council

- Investments Committee
- Apportionment Review
- Insurance
- Benefits

## Task Forces, Working Groups and Programs

- Website; Community News; Support for Crosstalk; Info Technology; Community Ads; Sign Project; Diocese List

- PWRDF
- Refugee Work Group
- Outreach and Justice
- Mission education



- **Eco-Justice, Ecology and Theology**
- **Youth and Young Adult Ministries:** Youth Retreats; New Beginnings; Youth Leadership Development; Youth Synod; Training and Consultancy; University and College ministry (Carleton University Ecumenical Chaplaincy, Algonquin College Campus Ministry); Jeremiah Project
- **Lay Leadership Development and Christian Formation:** Resource Centre; From G2G; Anglican Fellowship of Prayer; Marriage Education; CAFÉ; Lay Leadership Training; Congregational Development
- **Parish Ministry Supports:** Resource Centre; Pastoral Care
- (CURSILLO/Challenge)

- Archives Committee
- Budget Management Committee

# Decision Rights/Delegation of Authority Framework



# Decision Rights/Delegation of Authority

## *Introduction*

- In October, 2008, Synod approved a recommendation to adopt a more structured approach to decision rights as part of the overall package of governance reforms.
- Clarifying decision rights for committees and staff is critical to realizing the overall governance principles of simplicity and accountability, and to assisting the new Diocesan Council and Committees in shifting from an operational orientation towards a policy/oversight mandate.
- This section outlines a proposed framework to guide the delegation of decision making authority, as well as considerations around decision principles and implementation.

# Decision Rights/Delegation of Authority

## *Principles*

- Many organizations develop decision making principles to inform the process and to deal with decisions types that are raised in the future.
- The following are some initial decision making principles for consideration:
  - Authorities should be delegated as low in the organization as possible
  - No decision-making authority should be delegated to sub-committees (except on an exceptional basis)
  - The accountabilities and authority for decision-making should be clear
  - Delegated authorities must include requirements for reporting on actions taken
  - Decision rights should be conditional on the competency or office of the individual or committee
  - The delegation of authority document is an evolving document that is continually being updated and modified as required

# Decision Rights/Delegation of Authority Framework

- The framework below represents a practical approach to developing clearly defined decision rights
- Applying this framework will require, at a minimum, an inventory of significant decisions, a listing of committees and staff leadership roles and a series of consultations or workshops to complete the matrices

Decision	Delegations		Decision Process			Decision-making Practices
	Thresholds	Decide	Recommend	Consult	Informed	
The <b>Decision</b> is a significant decision, for which the Diocese wishes to clarify roles, delegations, rules and practices.	<b>Thresholds</b> developed to allow the Diocese to delegate the decision to lower levels within the organization based on some criteria (e.g. \$value, risk, complexity).	The <b>Decision-Maker</b> is the person who is the formal decision-maker, accountable for the decision and has the authority to commit the organization to action.	The <b>Recommender</b> is the person who is responsible for making a proposal, gathering input, and providing the right data and analysis to make the decision.	The <b>Consultees</b> are those individuals or groups that should be consulted to provide advice in making the decision. The “ <b>Consult</b> ” role is limited to providing information only. No input is binding but this shouldn’t undermine its importance.	The <b>Informed</b> are the individuals or groups which must be informed of the decision.	Related decision-making <b>Practices</b> are identified to provide specific rules or procedures to be followed for each decision.

# Decision Rights/Delegation of Authority Framework

## Example 1

- Two examples of how the framework could be employed to capture decision rights and delegation of authority have been developed for illustration only.
- The first relates to withdrawals from the Consolidated Trust Fund.

Decision	Delegations		Decision Process			Decision-making Practices
	Thresholds	Decide	Recommend	Consult	Informed	
Withdrawal from Consolidated Trust Fund	up to \$100,000	Director of Admin and Finance	Parish Corporation	Archdeacon	Financial Affairs Committee	Compliance to the terms and conditions of any will, bequest, or trust document
	\$100,000 +	Financial Affairs Committee	Director of Admin and Finance & Parish Corporation	Archdeacon	Diocesan Council	Compliance to the terms and conditions of any will, bequest, or trust document

# Decision Rights/Delegation of Authority Framework

## Example 2

- The second example relates to two types of real estate transactions.

Decision	Delegations		Decision Process			Decision-making Practices
	Thresholds	Decide	Recommend	Consult	Informed	
Lands and Buildings	Capital improvement up to \$20,000	Parish Council or relevant Committee	Parish Corporation or Director of Community Ministry	Archdeacon/ Director of PDS	Director of Administration	Regulation 5 PARISH LANDS AND BUILDINGS
	Capital improvement \$20,000 and \$100,000	Director of Administration	Parish Council or relevant Committee	Archdeacon/ Director of PDS	Diocesan Council	Regulation 5 PARISH LANDS AND BUILDINGS
	Capital improvement above \$100,000	Financial Affairs Committee	Parish council or relevant Committee	Director of Administration Archdeacon	Diocesan Council	Regulation 5 PARISH LANDS AND BUILDINGS
	All new real estate purchases	Diocesan Council	Financial Affairs Committee	Director of Administration Archdeacon	Bishop	Regulation 5 PARISH LANDS AND BUILDINGS

# Decision Rights/Delegation of Authority

## *Implementation Guidelines*


- An inventory of significant decisions should be developed.
- Initial focus should be on the authorities for decisions that are high impact, complex (e.g. number of inputs) or ambiguous.
- The decision inventory should be validated with various parties in the Diocese in order to:
  - Identify priority decisions.
  - Ensure the decisions are sufficiently specific.
  - Create alignment on the interpretation of the decision.
  - Validate decision categories and classification (see below).
- Typically, decisions are grouped into four categories: strategy, direction, integration and delivery with general guidelines established for each category of decision, e.g.:

Decision Category	Generally Decided By
Strategic	Bishop or Diocesan Council
Direction	Committees or Senior Staff
Integration	Committees, joint Committees, or Staff depending on decision at hand
Delivery	Staff

## APPENDIX A:

# Illustrative Example of Council Composition Matrix

**APPENDIX A: ILLUSTRATIVE EXAMPLE OF DIOCESAN COUNCIL COMPOSITION MATRIX**

		MANDATORY						DESIRABLE									
		PROFILE			SKILLS / COMPETENCIES			GEO-GRAPHY	DEMOGRAPHICS				OTHER SKILLS / COMPETENCIES				
		SENIOR OFFICERS OF SYNOD	CLERGY	LAITY	FINANCIAL	COMMUNICATIONS/ PUBLIC RELATIONS	STRATEGIC PLANNING	RURAL	GENDER BALANCE	SMALL URBAN	AGE < 30	AGE > 65	ADVANCED THEOLOGY / ETHICS	GOVERNANCE / LEGAL	SOCIAL WORK / JUSTICE	INVESTMENT / REAL ESTATE	HUMAN RESOURCES
		3	8	8	1	1	1	4	1	1	1	1	1	1	1	1	1
1	Bishop	x															
2	Chancellor	x															
3	Dean	x															
4	Nominee A			x	x		x							x			
5	Nominee B			x													
6	Nominee C		x			x											
7	Nominee D		x										x				
8	Nominee E		x												x		
9	Nominee F		x														
10	Nominee G		x													x	
11	Nominee H		x														
12	Nominee I			x								x					
13	Nominee J			x		x				x							
14	Nominee K		x														
15	Nominee L		x														
16	Nominee M			x													
17	Nominee N			x													
18	Nominee O			x							x						
19	Nominee P			x													
THRESHOLD		3	8	8	1	1	1	4	N/A	1	1	1	1	1	1	1	1
ACTUAL		3	8	8	1	1	1	3	0	1	1	1	1	1	1	1	0
DIFFERENCE		0	0	0	0	0	0	-1	N/A	0	0	0	0	0	0	0	-1

Illustrative