

3.0 CDSPI GOVERNANCE CHARTER Part 1 - General

“Outstanding Boards have clearly designed roles and responsibilities.”

~ CCGG (Canadian Coalition of Good Governance)

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Role of Members

The Members elect the Directors of the Corporation and approve amendments to the by-laws of CDSPI (typically at the Annual General Meeting), as well as approving the financial statements and appointing the auditor.

By electing the Board of Directors, the Members are empowering the Directors to manage the Corporation's activities and affairs on their behalf.

The Directors have a fiduciary duty to act in the best interests of the Corporation. This means that the overriding duty of each Board Director is to act, at all times, in the best interests of the Corporation without regard to any loyalties or obligations the Director may have to him/her or any other person or organization.

Role of the Board

The Board oversees the management of the business and affairs of CDSPI and is ultimately responsible for the overall performance of CDSPI.

The Board functions through *delegation to management* and its role is to provide leadership that is focused on fulfilling its stewardship responsibilities.

Therefore, the Board of Directors has adopted guidelines to create a framework that ensures the effective governance of CDSPI. The Board intends this framework to be flexible and may modify this framework based on its experience under it.

The Board explicitly delegates to senior management the responsibility for the day to day operations of the Corporation, including all matters not specifically assigned to the Board or to any committee of the Board.

The Board has the power to delegate its authority and duties to committees or individual members and to senior management as it determines appropriate.

Where a committee of the Board or senior management is responsible for making recommendations to the Board, the Board will consider those recommendations.

Role of the Directors

Each Director participates in fulfilling the Board's stewardship role by acting honestly and in good faith with a view to the best interests of CDSPI (fiduciary duty).

Each Director must perform his/her duties with the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

A Director's role is to advocate the best interests of CDSPI and indirectly advocate the interests of the Members, people and community that it serves.

The Director is required to manage the affairs of CDSPI in compliance with the provisions of the Canada Corporations Act as well as other applicable statutes and regulatory requirements, and in accordance with the provisions of the charter and by-laws of CDSPI and to exercise their powers as a Director for proper purposes.

Individual Directors and the President may consult with each other provided it is mutually acceptable and does not undermine the authority/accountability of the Board and/or committee chairs; and that any significant disagreement(s), disclosure(s) of new information or promise(s) for resolution(s) made between the parties be communicated to the Board as a whole at the next scheduled Board meeting, or sooner if either of the parties deem it more urgent.

Role of Management

CDSPI's business is conducted by its employees, managers and officers, under the direction of the President and the oversight of the Board, to achieve CDSPI's Purposes and Objects.

Management along with the Board recognizes that the long-term interests of CDSPI are advanced by responsibly addressing the concerns of all stakeholders and interested parties.

Role of President

The President reports directly to the Board and his/her role is to manage and supervise the day to day business, including making any decisions not specifically assigned to the Board or to any committee of the Board.

The President shall be the chief executive officer of CDSPI and shall have the general and active management of the affairs of CDSPI.

The President shall be responsible for seeing that all orders and resolutions of the Board of Directors are carried into effect and shall perform such other duties as may from time to time be directed by the Board of Directors.

As such, the President will have the required authority and be accountable to the Board for implementing and achieving the corporate goals and objectives approved by the Board.

More specifically, the President's responsibilities include:

1. Management of the day-to-day operations of CDSPI including all functional areas of the organization;
2. Under the direction of the Board, prepare the strategic plan for approval by the Board;
3. Establish an annual business plan and budget for approval by the Board;
4. Develop performance measurements for all functional areas of the Corporation and ensure that these performance measurements are applied, monitored and reviewed annually;
5. Under the direction of the Board, through the Risk Management Committee, prepare, implement and regularly review a Risk Management Plan;
6. Ensure that the Board is aware of relevant business trends, material internal or external changes, and any changes in the assumptions upon which any Board decision or approval has previously been made;
7. Reporting to the Board in a timely manner any actual or anticipated noncompliance with any of the Board's approved policies or decisions;
8. Under direction from the Secretary of the Corporation, shall be responsible for the keeping of the records and minutes and custodianship of books, papers, documents and the seal of the Corporation; and,
9. Be responsible for the custodianship of all monies, securities, deeds and real property of the Corporation.

CDSPI's Vision and Mission Statements

The **Mission Statement for CDSPI** as developed by the Board of Directors in Aug. 2008 is:

"To provide a full range of customized financial solutions for individuals in the Canadian dental community throughout their lives."

The **Vision Statement for CDSPI** as developed by the Board of Directors in Aug. 2008 is:

"To become the # 1 choice of the Canadian dental community for a full range of financial solutions."

Members

There are ten (10) Members of CDSPI. Each Member is granted one and only one vote. These Members are as follows:

1. Canadian Dental Association,
2. British Columbia Dental Association,
3. Alberta Dental Association and College,
4. College of Dental Surgeons of Saskatchewan,
5. Manitoba Dental Association,
6. Ontario Dental Association,
7. New Brunswick Dental Society,
8. Nova Scotia Dental Association,
9. Dental Association of Prince Edward Island, and
10. Newfoundland and Labrador Dental Association.

Current Directors and Attendance

The CDSPI Board of Directors currently consists of 7 Directors: **Mr. Lyle Best (Chairman of the Board), Dr. Jeff Williams (Vice-Chairman), Dr. Ron Beaton, Dr. Wayne Chou, Dr. Tom Larder, Mr. Mitch Orr, and Dr. Robert Sullivan.**

During 2008, the Board held 4 meetings and the attendance by Directors at scheduled Board meetings was 100%, plus all Directors attended the Annual General Meeting.

Chairman of the Board

Independence:

The Board of Directors supports the best practice that advocates that the Chairman of the Board should not be a member of management and that the Board should function independently of management.

Election of Chairman:

The Chairman is appointed by the Board of Directors until such time as the Board wishes to rescind such appointment.

Duties and Responsibilities of Board Chair:

Leadership

1. Providing overall leadership to ensure that the Board works in an independent, cohesive fashion;
2. Providing Board leadership in times of crisis;
3. Acting as a primary spokesperson for the Corporation; and
4. Representing the Board on occasions that require a member of the Board of Directors to be present.

Meetings

1. Presides at meetings of the Board of Directors and the AGM of the Corporation and perform such duties as custom and procedure requires;
2. Ensuring the conduct of the Board meetings provides adequate time for serious discussion of appropriate issues and that appropriate information is made available to Board members on a timely basis;
3. Effectively chairing Board meetings, including encouraging full participation and discussion by each of the Directors, facilitating consensus, and ensuring that clarity regarding decisions is reached and duly recorded;
4. Ensuring that the Board has the requisite resources to support its work;
5. Setting the agenda of each Board meeting, the AGM and special meetings of the Members;
6. Chairing the Board meetings and ensuring that matters arising from the Board meetings are appropriately dealt with by/through the President;
7. Dealing directly with the President on matters that arise between Board meetings that require discussion with members of the Board;
8. Leading the discussion at the Board on the performance of the organization as a whole and the President; and
9. Calling special Board meetings or Member meetings as required.

Committees & Task Forces

1. Establishing committees and special task forces on the direction of the Board as required; and
2. Where tasks are delegated to Board committees or task forces, ensuring that these responsibilities are carried out as represented and that the results are reported back to the Board.

Other

1. Ensuring that a process is in place to regularly assess the effectiveness of the Board, its committees and individual Directors;
2. Ensuring that a process is in place to monitor legislation and best practices which relate to the responsibilities of the Board (the Chair should be a member of the Governance Committee);
3. Ensuring that the respective responsibilities of the Board and those of management are well understood, and that the boundaries between Board and management responsibilities are respected; and,
4. Communicating the expectations of the Board to management.

Vice-Chairman

The Vice-Chairman of the Board assists the Chairman as required and stands in for the Chair in the event that he or she cannot fulfill any of the above responsibilities. The Vice-Chairman along with the Chair and President may sign documents on behalf of the Corporation.

Committee Chairs

The Chair of a Committee of the Board of Directors is responsible for providing leadership to enhance effective and independent functioning of the Committee in order that the Committee may fulfill its duties and responsibilities as outlined in the Committee charter or mandate.

A principal responsibility of the Chair of any Committee is to ensure that the committee has created a written mandate and developed a methodology that is empirical, objective and repeatable.

