



POLICIES AND PROCEDURES

SECTION TITLE: BOARD OF DIRECTORS	SECTION REFERENCE: BD
POLICY TITLE: DIRECTOR PROTOCOL	POLICY NUMBER: BD-022

POLICY STATEMENT:

DIRECTORS SHALL EXERCISE THEIR DUTIES AND RESPONSIBILITIES IN A PRUDENT AND DILIGENT MANNER, UNDERSTANDING AT ALL TIMES THEIR OBLIGATIONS AT LAW AND THEIR FIDUCIARY RELATIONSHIP TO THE YUSC.

PURPOSE: To outline the roles, duties, expectations, and liabilities of directors.

A. ROLES:

1. Directors are responsible for overseeing the management of the YUSC, including supervising the Executive Director, providing strategic planning to the YUSC, and developing and implementing corporate policy.
2. Directors must be knowledgeable about the business and financial affairs of the YUSC.
3. In discharging the mandate of oversight of management, directors must comply with the objects of the YUSC as stated in the Letters Patent.
4. Directors shall act in a manner consistent with the Management Agreement with York University, the York University Act (insofar as it may be applicable to YUSC), and the Ontario Corporations Act.

B. DUTIES:

Directors shall:

1. Determine the Student Centre's mission and purpose.
2. Select the Chairperson and the Executive.
3. Support the Chair and assess their performance.
4. Endeavour to ensure that there are adequate resources allocated to manage the facility and administer operational programs.
5. Monitor the Student Centre's programs and services.
6. Enhance the Student Centre's public image.
7. Maintain accountability measures.
8. Assess the board's performance.
9. Exercise their powers, fiduciary duties, and standards of care with competence and diligence in the best interests of the YUSC.

- a. As established by Common Law, fiduciary duties require directors to act loyally, honestly, and in good faith in the best interests of the YUSC. Directors must avoid any situation in which self-interest and these duties come into conflict.
- b. Standard of care requires that in carrying out their duties, a director must exercise the care, diligence and skill that may reasonably be expected of a person with their knowledge and experience.

C. EXPECTATIONS:

Directors are expected to:

1. Attend all meetings of the Board of Directors.
2. Participate on committees of the Board, insofar as is reasonably possible.
3. Be available to the various York constituencies to represent the interests of the Student Centre.
4. Respond to student queries, complaints, and communications in consultation with the Chair or Executive Director.
5. Promote interest in serving on the YUSC Board and to be available to prospective candidates for the purpose of information sharing.
6. Maintain a professional relationship with the other officers and directors of the Board, as well as staff of the YUSC.
7. Avoid using their Board position to circumvent the normal operating procedures of the YUSC.
8. Represent the interests of the YUSC over the interests of all other constituencies when acting as a director of YUSC.

D. LIABILITIES:

Potential liabilities associated with a director's position are:

1. Liability for breach of fiduciary duty

Directors may be held personally liable for a loss to the YUSC that can directly be attributed to their wrongful actions or omissions.

- a. Directors must always consider whether the decision or action being taken is in the best interests of the YUSC.
- b. Directors must avoid any conflicts of interests. (Policy BD-002)

2. Liability in tort

Directors may be held accountable for "negligent mismanagement", whereby injury suffered by a person can be attributed to carelessness in the oversight of some aspect of the YUSC's operations. It relates to situations where a director knew of, or ought to have foreseen a systemic problem and failed to address it.

3. Common-law liabilities

Directors acting outside the scope of their authority as defined by the letters patent, supplementary letters patent, by-laws, or other governing documents of the YUSC are personally responsible for any decisions or actions they take. This liability may arise owing to statutes, contracts, torts or the common law. Effectively, such directors are considered to

have taken the decision or action as individuals rather than as a corporate body, so the 'corporate shield' may not apply.

4. Statutory liabilities

Directors are responsible for ensuring that the YUSC complies with applicable laws, letters patent, bylaws and policies. Known possible sources of such liability include the following:

- 4.1 Directors may be held personally liable for unpaid employee wages and salaries for a period not exceeding six months and up to twelve months of employee's vacation pay.
- 4.2 Directors may be held liable for up to six years after they cease to be a director for any of the following that occurs during their directorship:
 - a. Failure of the YUSC to deduct, withhold, collect or remit amounts for federal and provincial income tax;
 - b. Failure of the YUSC to deduct, withhold, collect or remit amounts for unemployment insurance;
 - c. Failure of the YUSC to deduct, withhold, collect or remit amounts for the Canada Pension Plan;
 - d. Failure of the YUSC to deduct, withhold, collect or remit amounts for retail sales tax (PST) and the goods and service tax (GST);
 - e. Non-payment or evasion of the Ontario employer health tax;
 - f. Failure of the YUSC to take reasonable care to ensure compliance with the Ontario Occupational Health and Safety Act;
 - g. Violations of Ontario Employment Standards Act;
 - h. Violations of federal or provincial environmental standards.

5. Limitation of liability and Indemnity

- a. Directors may protect themselves from the liabilities listed above and are encouraged to do so, by asking questions, attending board meetings and, if in disagreement with a proposed action or decision of the board, by voting against such action or motion, and ensuring that the objection is recorded in the minutes.
- b. In so far as permitted by law, directors' and officers' liabilities have been limited by Section 7.1 of Bylaw Number 1 and the YUSC has indemnified its directors and officers under Section 7.2
- c. The YUSC maintains Directors' and Officers' Liability insurance, but such insurance generally does not insure against dishonesty, fraud, or any of the statutory liabilities enumerated in section 4 above. (Section 7.2, Bylaw 1)

E. REMUNERATION:

A director of the Board is not eligible for remuneration for duties performed as such, in accordance with the Ontario Corporations Act.

F. DIRECTORS UNDERTAKING:

All directors, in order for their appointment to be confirmed, must sign a Director's Undertaking as attached to this policy.



YORK UNIVERSITY
STUDENT CENTRE

DIRÉCTOR UNDERTAKING

I acknowledge that, as a director of York University Student Centre Incorporated (the “YUSC”), I have read and understood, and I agree to uphold my fiduciary duties to the YUSC as outlined in Policy BD 022 (Director Protocol).

I agree to take no action as a director which will impair the interests of the YUSC under the Management Agreement with York University, applicable statutes, bylaws, and regulations of civil authorities, as well as the by-laws, regulations, and policies of the YUSC.

As a fiduciary of the YUSC, I shall adhere to the highest level of conduct in carrying out my duties and responsibilities, which include acting in good faith and in the best interests of the YUSC. I acknowledge that I must avoid conflicts of interests as defined by YUSC Policy BD 002.

I undertake to keep in the strictest confidence all confidential or proprietary information communicated or disclosed to me as a director of the YUSC in accordance with YUSC Policy BD 001.

I further acknowledge and understand that a breach of this undertaking, or the terms of policy BD 022, shall constitute *prima facie* evidence of an improper act under Article 4.6 (a) of By-Law Number 1.

(please print)

NAME: _____

TITLE: _____

ADDRESS: _____

PHONE: _____

E-MAIL: _____

Signature: _____

Witness: _____

Date: _____

Date: _____

Contact Person (title):	Chairperson / Executive Director
Cross-Manual Reference:	Duties and Liabilities of Directors of Non-Share Capital Corporations, Borden & Elliot 2005; Primer for Directors of Not-for-Profit Corporations, Industry Canada 2002
Monitoring Tools:	Board Minutes

Board Approval Date:	November 28 th , 2005
Review Dates:	
Revised Date(s):	25 June 2007 (administrative edits to provide internal paragraph numbering)