

**Proposed Final Commodity Board and Commission (Board) Governance Measures**  
**August 15, 2018**

| <b>Governance Area</b>                      | <b>Draft Measure / Indicator</b>   | <b>Annual Target</b>  | <b>Actual</b> |
|---|--|---|---------------|
| Board Governance – General                  | 1. % Score of Good Governance Tools in Place: <ul style="list-style-type: none"> <li><input type="checkbox"/> Board composition and approved board election rules</li> <li><input type="checkbox"/> Board responsibilities are clearly defined with job descriptions</li> <li><input type="checkbox"/> Director orientation in place – legal, regulatory and public policy basis of governance; principles of accountability, transparency and independence</li> <li><input type="checkbox"/> Training and professional development plans and programs in place for board and staff</li> <li><input type="checkbox"/> Training and professional development on director responsibilities, mandate and fiduciary duties, role of officers, ethics, confidentiality, privacy, conflict of interest and recusal policies and governance best practices</li> <li><input type="checkbox"/> Performance expectations &amp; evaluations – annual board and director evaluation: board and director effectiveness.</li> <li><input type="checkbox"/> Code of ethics/conduct</li> <li><input type="checkbox"/> Strategic plan</li> <li><input type="checkbox"/> Annual report</li> <li><input type="checkbox"/> Succession planning/plan for staff and members, as applicable or appropriate</li> <li><input type="checkbox"/> Communications strategies with industry stakeholders, including crisis management</li> <li><input type="checkbox"/> Consolidated orders and other policies published and up to date</li> </ul> | 100% score on good governance tools in place and kept up to date.                             |               |
|   | 2. Organizational governance controls up to date and accessible (published) – policies, guidelines, products, supporting documents and other tools for good governance.  | 100% published policies and other organizational governance controls in place and up to date. |               |
| Financial Responsibility and Accountability | 1. Audited annual financial statements, presented in annual reports and at annual general meetings.  | 100% unqualified audited financial statements by appropriately appointed auditor              |               |
|   | 2. Auditors appointed in accordance with Scheme requirements.  |   |               |
|   | 2. Approved commodity board member remuneration and expense policy consistent with legislation and relevant policies   | Approved remuneration and expense policy in place   |               |
|   | 3. % Score of Financial and Policy Controls Place: <ul style="list-style-type: none"> <li><input type="checkbox"/> Internal controls and policy checklist defined, in place and published</li> <li><input type="checkbox"/> Evidence that the Board engaged senior staff in annual budget development and approval</li> <li><input type="checkbox"/> Accounting practices that are in accordance with legislation, regulations, published standards and stakeholder expectations of accountability and transparency</li> <li><input type="checkbox"/> Establishing and maintaining appropriate financial accountabilities with producer associations and other organizations that may receive funding from boards to carry out delegated responsibilities under the <i>Natural Products Marketing Act</i> and the schemes. This includes evidence that the Board, in its budget approval process, has satisfied itself that any producer association expenses the board funds are legally authorized and the expenditures are consistent with sound marketing policy.</li> </ul>   | 100% score on financial controls and policies in place and kept up to date.                   |               |

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| Stakeholders / Producer Consultation and Involvement | <ol style="list-style-type: none"> <li>1. Stakeholder experience with board operations, processes and policies and communications</li> <li>2. Stakeholder feedback actioned where appropriate (e.g., specific initiatives or new policy or program development)</li> <li>3. Consultation with stakeholders (e.g., producers, other supply chain members, BCFIRB, national agencies, other provincial agencies, Ministry of Agriculture), as deemed appropriate and meaningful by the boards, to address sound marketing and public interest expectations including emerging social, environmental, production and demand issues in BC.</li> </ol> | Description of effective tools, actions and outcomes involving stakeholder feedback where appropriate   |  |
| Sound Decision Making / Sound Marketing Policy       | 1. Type and outcome of appeals to BCFIRB  | Appeal outcomes to demonstrate sound commodity board processes and decision making.   |  |
|  | 2. Demonstrated transparency on significant or major commodity board decisions (e.g., pricing or quota allocation), including process and rationale for decisions or reasons for change. This includes: <ul style="list-style-type: none"> <li>- clear objectives, goals and outcomes, demonstration of market understanding</li> <li>- articulation of the principles for evidence based decision making</li> <li>- application of SAFETI principles (strategic, accountable, fair, effective, transparent and inclusive)</li> </ul>   | Clear and transparent description of process and rationale on commodity board decisions, to be determined by BCFIRB review of minutes and any related decision documents. |  |
|  | 3. Meeting quorum and other decision-making governance requirements, including management, documentation and disclosure of conflicts of interest and recusals.  | Decisions made with quorum as appropriate, with documentation of exceptions and disclosures of conflict of interest; documentation of recusals.                           |  |
|  | 4. Prompt timing, delivery and disclosure of commodity board decisions.   | Decisions with rationale provided to stakeholders in a timely fashion.  |  |
|  | 5. Copies of all minutes, orders, reports, rules and regulation of every commodity board shall be forwarded as they are made or amended, to BCFIRB (as required by regulation).   | Submitted to BCFIRB in a timely fashion.  |  |