



# BOARD TERMS OF REFERENCE

## A. OVERVIEW

The Board's role is to oversee the management and affairs of Engineers and Geoscientists BC (EGBC) and to take reasonable steps to ensure that EGBC achieves its legislated mandate as defined in the Professional Governance Act (Act). The Board delegates responsibility for the day-to-day operations of EGBC to the Chief Executive Officer (CEO).

## B. ACCOUNTABILITY

The Board is accountable to the public through the Ministry of the Attorney General, under the Office of the Superintendent of Professional Governance (Office of Superintendent).

## C. RESPONSIBILITIES

In carrying out the duties of the Board, Board members will act in accordance with all relevant powers, and responsibilities set out in the Act, regulations, EGBC's bylaws and policies. In addition, the Board will act in accordance with the Office of the Superintendent's standards and directives. These terms of reference set out the Board's approach and responsibilities in key areas.

## STRATEGY

EGBC's senior leadership is responsible for the development of a strategic plan and supporting capital plans and budgets, which the Board assesses and ultimately approves.

The Board is responsible for:

- a) Reviewing and approving EGBC's mission, vision and values;
- b) Reviewing and approving EGBC's strategic plan;

- c) Monitoring the performance and implementation of EGBC's strategic plan, and ensuring overall alignment of EGBC's capital plans and budget;
- d) Taking reasonable steps to ensure the implementation and integrity of EGBC's performance metrics (including areas such as strategy, risk and HR) against which the strategic plan can be measured.

## REGULATORY

The Board is responsible for ensuring EGBC discharges its duties and responsibilities to safeguard and uphold the public interest in the practice of the professions of engineering and geoscience in BC.

The Board is responsible for:

- a) Reviewing EGBC's regulatory requirements and ensuring management has appropriate processes to discharge EGBC's responsibilities; and
- b) Ensuring EGBC reports annually (before April 1) to the Office of the Superintendent on the general operations of EGBC for the preceding year.

## CAPITAL PLANS AND BUDGETS

The Board is responsible for:

- a) Approving EGBC's annual budgets;
- b) Approving EGBC's capital plans and budgets required to support the strategic plan;
- c) Monitoring the performance and implementation of the strategic and capital plans and budgets; and
- d) Taking reasonable steps to ensure the implementation and integrity of EGBC's performance metrics against which the capital plans and budgets can be measured.

## FINANCIAL INFORMATION AND SYSTEMS

The Board is responsible for:

- a) Taking reasonable steps to ensure that senior management has established and is applying appropriate audit, accounting and financial reporting principles;
- b) Reviewing and approving the annual audited financial statements and ensuring financial results are reported fairly and in accordance with generally accepted accounting standards;
- c) Liaising with EGBC's external auditor as required; and
- d) Approving the appointment of the EGBC's external auditor.

## MONITORING AND REPORTING

The Board is responsible for:

- a) Directing management to develop, implement and maintain a reporting system that accurately measures EGBC's performance set out in its strategic plan;
- b) Monitoring EGBC's financial and strategic results;

- c) Ensuring EGBC reports to the public annually on EGBC's financial results; and
- d) Ensuring EGBC reports to the public in a timely manner on any developments outside of the ordinary course of business that has a material effect on EGBC.

## LEADERSHIP AND HUMAN RESOURCES

The Board is responsible for:

- a) Appointing and replacing the CEO;
- b) Setting performance goals and objectives for the CEO and monitoring and evaluating their performance on an annual basis;
- c) Ensuring there is a succession plan for the CEO, including plans to deal with a planned or emergency departure of the CEO;
- d) Ensuring there is an approved budget and professional development plan for the CEO in place;
- e) Ensuring that EGBC's human resources strategies provide for the development of key personnel consistent with the future leadership needs of EGBC;
- f) Providing advice, counsel and support, as necessary, to the CEO in the execution of their duties; and
- g) Approve EGBC's employee compensation philosophy in accordance with policy.

## RISK MANAGEMENT

The Board is responsible for:

- a) Reviewing and approving EGBC's risk appetite statement;
- b) Understanding EGBC's process to identify its strategic, financial, operational, compliance and reputational risks;
- c) With the advice of the CEO, understanding EGBC's key risks and monitoring performance against EGBC's risk appetite; and
- d) Taking reasonable steps to ensure, through regular reviews and assessments, that management has established appropriate systems and processes to identify and manage these risks and that these systems and processes are effective.

## CODE OF CONDUCT AND CONFLICTS OF INTEREST

The Board is responsible for:

- a) Developing, and updating from time to time as required, a Code of Conduct for all members of the Board and monitoring compliance therewith;
- b) Ensuring development and the ongoing adherence to a Code of Conduct for EGBC's employees, contractors and volunteers and ensuring mechanisms are in place to monitor compliance therewith;
- c) Developing a process to understand, identify, declare and resolve Board conflicts of interest; and

- d) Obtaining reasonable assurance that EGBC operates at all times within applicable laws and regulations, and to the highest ethical and moral standards.

## COMMUNICATIONS

The Board is responsible for:

- a) Ensuring EGBC has in place guidelines to enable management and the Board to communicate effectively with the Office of Superintendent, stakeholders and the public generally; and
- b) Ensuring timely reporting to the Office of Superintendent and any relevant stakeholders of any other developments that have a material effect on EGBC's ability to deliver on its legislated mandate.

## BOARD EFFECTIVENESS

The Board is responsible for:

- a) Regularly reviewing and updating the Board's governance and other policies;
- b) Ensuring that all members of the Board receive a comprehensive orientation and there is a professional development program in place; and
- c) Examining the effectiveness of the Board, its Committees<sup>1</sup> and Committee Chairs.

## DELEGATION

To enable the Board to carry out its objectives, authority will be delegated to Committees appointed by the Board (as required), as appropriate from time to time. The Board will establish terms of reference for each Committee that sets out the powers and duties that are delegated to the Committee. The Committee remains accountable to the Board.

## D. GENERAL RESPONSIBILITIES

The Board is responsible for ensuring legal requirements have been met, and documents and records have been properly prepared, approved and maintained. All members of the Board are under a fiduciary duty to EGBC to carry out the duties of their office to act:

- honestly and in good faith;
- in the best interests of EGBC; and
- with the care, diligence and skill of a reasonably prudent person.

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<sup>1</sup> Audit, Governance and Executive Sub-Committees.