

# GOVERNANCE

These pages outline the mandate of the Board, the roles and responsibilities of the Directors and the committees of the Board, and definitions of terms used within the governance of Pearson College. Specific questions on these matters are welcome and can be directed to the Board Secretary. Contact: [board@pearsoncollege.ca](mailto:board@pearsoncollege.ca).

## DEFINITIONS

### PEARSON COMMUNITY

The Pearson Community includes students, teaching and non-teaching staff, Directors, alumni, Patrons, donors, volunteers and friends of the College.

### THE CORPORATION

Pearson College is a federally registered non-for-profit corporation under the name Lester B. Pearson College of the Pacific and United World Colleges (Canada) Inc. and operates within the legal parameters and spirit of the Canadian Not-for-profit Corporation Act. The federal Minister of Industry has formally approved the bylaws of the College.

### PATRONS AND MEMBERS

Patrons are members of the Corporation, invited by the Board of Directors to join the Corporation as a result of their significant and demonstrated commitment to the College. Other members of the Corporation are individuals elected to the Board of Directors (Core Members), who remain members for the length of their term as Directors. For a list of the Patrons and Directors of the College, please refer to the College's Annual Report.

## PEARSON COLLEGE BOARD

### MANDATE

The Board of Directors is responsible for the overall affairs of the College, including strategic and financial planning. The Board sets policies for the College as a whole but operates at arm's length from the Administration and does not manage on a day-to-day basis. The Board is the guardian of the mission and values of the College. It also has authority over College finances and has the power to enter into contracts and draft

bylaws, rules and regulations with regard to the control, management and government of the College. The College President is appointed by and accountable to the Board. The College President is responsible for hiring and evaluating all other staff of the College.

## STRUCTURE AND COMPOSITION

The Board of Directors consists of no less than 10 and no more than 20 Directors, who serve as volunteers. Members of the Corporation elect new Directors each year at the Annual General Meeting. Directors serve on the Board, for a maximum of two three-year terms. To be considered for election as a Director, a person's name with biographical information can be submitted by anyone in the Pearson Community to the Board's Nominating Committee during the Nomination Period. Following due consideration, a slate of nominees is then presented for election at the Annual General Meeting.

## MEETINGS

The Board of Directors meets in-person at least twice a year, via videoconference twice a year and as required. One meeting takes place at the College, the other elsewhere in Canada. Quorum for meetings is half of all Directors. The Annual General Meeting of the Corporation usually takes place in the fall.

## ROLES AND RESPONSIBILITIES

### DIRECTORS

Good governance requires people who are committed to the College and its purpose and who have a variety of skills in order to assure its most effective governance. Candidates considered for nomination as Directors have experience in fundraising, volunteer boards, education, and international activities. Others may have a specific skillset such as finance, accounting, communications, or legal qualifications. Board positions are not reserved for representatives of any particular constituency. Employees are not eligible to be Directors. The personal qualities needed for a Director are common sense, integrity, judgment and knowledge, as well as the ability to be objective and fair, to be respectful of opinions expressed by other Directors, to keep Board deliberations confidential pending final resolutions, and to be cognizant of the Board's role as policymaker. Effective Directors focus on the broad picture and the establishment of strategies and policies that will benefit the College overall.

SPECIFIC ROLES OF DIRECTORS INCLUDE:

- Appointment of the College President.
- Fiduciary responsibility to ensure that the College functions within all appropriate laws, regulations and contractual agreements.
- Securing sufficient funding to enable the College to fulfill its objectives (the bylaws give the Board authority to enter into contracts and make financial arrangements to manage the College's funds including, if necessary, the securing of loans).
- Reviewing and approving the College's annual operating and capital budgets.
- Managing the College's finances, including investments, loans and other major contracts or financial decisions.
- Providing advice to further the development of the College or to assist the President.
- Through committees, monitoring specific aspects of the College's operation and reporting to the Board as required.

BOARD COMMITTEES (UPDATED NOVEMBER 2021)

The Chair of the Board may establish committees to advance the work of the Board and appoint Directors or others to participate as committee members. Most committee meetings involve teleconferencing or videoconferencing. The Head of the College and the Chair of the Board of Directors sit as ex-officio members of every Board Committee.

EXECUTIVE COMMITTEE

The Executive Committee includes the Board Chair and Vice-Chair, representatives of Standing Committees, and the College President (ex-officio). This committee receives reports from all committees of the Board and reviews major recommendations from the various committees or significant changes in programs or procedures before they are presented to the full Board. The Executive Committee meets at the call of the Chair in the event an urgent interim decision is required between regularly scheduled board meetings. The Executive Committee is responsible for conducting an annual evaluation of the College President's performance as well as monitoring and making recommendations for changes to the President's compensation.

This committee also reviews and recommends Board approval of College policies related to Human Resources, students and other policies not review by other Committees. During the COVID-19 pandemic the Executive Committee initially met on a weekly basis and more latterly has moved to meeting bi-monthly.

#### EXTERNAL ENGAGEMENT COMMITTEE

The External Engagement Committee ensures the Board has oversight in the College's relationship with external stakeholders. The Committee will also provide leadership to alumni and government relations and external communications. The committee meets at least two times per year, with additional meetings at the call of the Chair. Specific responsibilities of the committee include but are not limited to:

- Provide advice and support in the building and maintaining of relationships between the College and all external stakeholders, including, but not limited to, Government, First Nations, other UWC Schools, National Committees and UWC International
- Provide advice to the President on the development and implementation of an overall communications and government relations strategy for government and other stakeholders including objectives and targets for each and aligned with the College' strategic plan
- Through building and fostering strong external relationship, raise support for scholarship, projects and other operations
- Assist with the resolution of government-related matters and matters arising from donors, potential donors and other stakeholders

#### FINANCE AUDIT AND RISK COMMITTEE

This Finance Audit and Risk Committee has responsibility for all financial aspects of the College, including financial systems and budget development, as well as compliance and reporting issues. The Director of Finance, Governance and Administration serves as an ex-officio member of the Committee. The committee meets at least two times per year, with additional meetings at the call of the Chair. The committee acts as the College's liaison with the external auditors. The Finance Committee:

- Reviews and provide recommendations to the Board regarding annual budgets, developed by the Administration in accordance with the College's strategic plan, including recommendations with respect to all revenue streams to the College

- Reviews quarterly budget-to-actual reports provided by Administration
- Review and make recommendations to the Board regarding the approval of authorized signing officers in respect of all banking and make recommendations to the Board in respect of banking services
- Ensures that the College meets its statutory obligations and conducts its affairs in accordance with legal and regulatory requirements (for example CRA requirements, environmental laws, employment and labour laws) and Board-approved policies.
- Review and make recommendations to the Board regarding policy issues relating to operating, endowment and capital budgets
- Ensure the Investment Committee is kept apprised of annual and forecasted financial plans and reports
- Review and make recommendations to the Board in respect of all proposed transactions regarding the leasing or disposal of real property
- Lead the Board's oversight of the College's risk management and advise the Board on risk strategy
- Understand the material risks to the College
- Co-ordinate and promote Risk Management by ensuring that risk processes, including the identification, assessment and management of Strategic and Operations risk are operated efficiently and effectively
- Review the College's risk management controls and policies and seek the input and assistance from other Board Committees as appropriate
- Obtain reasonable assurance that management's systems to eliminate or manage these risks are effective
- Identify new or emerging risks and ensure that they are being considered by the appropriate College Committees
- Encourage a Risk management culture throughout the College and ensure that risk is embedded as part of the College's decision making and operations
- Receive regular reports on the management of material risks at the College

- Annually review the College's insurance coverage of material business risks and uncertainties
- Review the College's disaster recovery plan
- Provide advice as necessary to ensure that the College's Risk Management is in line with best practice and fit for purpose

#### GOVERNANCE COMMITTEE

The Governance Committee monitors the implementation of the bylaws and operating procedures of the College governance and makes recommendations to the Board for any amendments. Board practices and governance-related policies are reviewed through this Committee on an ongoing basis. This committee also has the responsibility of Nominations for the Board. The committee reviews nominations from the Nominations Subcommittee and presents candidates to the Board and to the Annual General Meeting regarding the election of new members as outlined in the [Nomination and Election Policy and Procedure](#).

#### INVESTMENT COMMITTEE

The Investment Committee is appointed by, and has responsibility to, the Board of Directors of Pearson College to assist the Board of Directors in fulfilling its purpose to advise and make recommendations on investment matters. Specific responsibilities of the Committee include but are not limited to:

- Researches and recommends to the Board an investment policy and operational guidelines, including an allocation of assets that satisfies the standard of prudence and which will seek to optimize total return, consistent with the risk profile approved by the Board.
- Recommends to the Board a level of disbursement from the investments which over the long term, will result in retention of sufficient capital to offset the effects of inflation to preserve as much as possible the purchasing power of the invested funds by taking into account environmental factors and the needs of the College.
- Oversees implementation of the investment policy as recommended by the Committee and approved by the Board.
- Oversees investment policy performance and regularly recommends revisions to the policy as required.

## PEARSON COLLEGE



- Monitors, evaluates and recommends the selection of investment advisors and/or investment entities to the Board.
- Reports regularly on investment matters to the Board.

### A RELATED ORGANIZATION:

#### PEARSON COLLEGE OF THE PACIFIC US FOUNDATION

Graduates and friends of Pearson College living in the United States and wishing to promote, support and further the mission of the College and the UWC movement established the *US Foundation*. Through this Foundation, donors can make contributions that are tax-deductible in the US.

In the course of business, the Board of Directors of Pearson College works closely with other groups that are separate and distinct, including the UWC International Board of Directors. For more information about the UWC movement, please visit the *UWC International website*.

LESTER B. PEARSON COLLEGE OF THE PACIFIC AND UNITED WORLD COLLEGES (CANADA) INC

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Located on the unceded territory of the Sc'ianew (Beecher Bay) First Nation