

**Policy Name: EXE-01 Executive Limitations Policy – Executive Scope and Limitations**

**Date Approved:** June 21, 2017

**Motion Number:** 17-37

**Review Date:**

**Date Amended:**

**Motion Number:**

*It is the policy of the Board that the Chief Executive Officer (CEO) is required to act according to the highest ethical, professional and legal standards, in all respects and at all times. This policy defines the executive scope and limitations of the CEO.*

*It is therefore required that he or she not cause or allow any practice, activity, decision or organizational circumstance which is unlawful, or in violation of the Public Libraries Act, RSO 1990 Ch. 44, and other relevant legislation.*

**Definitions**

**Assets** means property assets that include all tangible capital assets, e.g. land, buildings, collections, furniture, equipment, technological infrastructure and electronic assets, and financial assets of the Kitchener Public Library Board (Board)

**Library** means the Kitchener Public Library

**Employee** means a person who is employed by the Library

**Asset Management and Protection**

The CEO shall ensure that:

- All property assets of the organization are protected, adequately maintained, and not necessarily risked, and that insurable assets of the organization are insured against losses for replacement value
- The organization, its employees, and the Board are not unnecessarily exposed to claims of liability and that adequate third-party liability insurance is in place
- Effective internal financial control systems are in place to protect the organization from fraudulent access or use of material amounts of the organization's funds
- Adequate internal financial controls are in place to meet the auditor's standards, and that the controls are tested periodically

**Budget and Forecasts**

*The CEO shall be responsible for continuously monitoring the finances of the organization to ensure that the financial condition remains sound and is in accordance with the requirements under the Public Libraries Act, RSO 1990 Ch. 44, or any other relevant legislation and municipal requirements.*

The CEO shall ensure that:

- All budgets disclose planning assumptions, cash flow projections, capital requirements, including justification and a reasonable projection of costs and revenues

- Budgets are regularly presented to the Board using generally accepted accounting principles and formats
- Audited financial statements are presented to the Board annually
- Operating and capital budget requirements for the ensuing year are prepared and presented according to prescribed time lines to meet the requirement of the Municipal budget cycle

The CEO shall not:

- Borrow money or pledge the assets of the Kitchener Public Library
- Invest funds of the Library in high risk instruments
- Allow assets to drop below the amount needed to meet Library contractual obligations and settle debts in a timely manner.
- Allow tax or other government-mandated payments or filings be overdue or inaccurately filed
- Acquire, encumber or dispose of real property without Board approval
- Settle a claim in excess of \$100,000 without Board approval

### **Communication and Counsel to the Board**

*The CEO shall provide professional counsel to the Board and ensure that the Board is always informed about all significant matters related to the achievement of the Board's Policies and Strategic Plan.*

The CEO shall:

- Advise the Board in a timely, complete and accurate manner of relevant trends, anticipated adverse controversial media coverage, *material* external and internal changes, customer complaints, which in the judgement of the CEO are of pressing concern, and changes in the assumptions upon which any governance policy has been previously established.
- Never knowingly withhold or distort information that is needed for fully informed Board decisions
- Provide a mechanism for all Board internal and external communications, including the distribution of media releases
- Deal with the Board as a whole except when responding to individual requests for information relevant to Board motions and processes, or when responding to officers or committees charged by the Board
- Advise if, in the CEO's opinion, the Board is not in compliance with its own Governance Policies

## **Emergency Executive Succession**

*In order to protect the Board from sudden loss of the CEO's services, the CEO may not have fewer than two other senior managers familiar with Board and CEO policies, issues and processes, who are able to carry on the responsibilities of the CEO as set out in the policies.*

The CEO shall ensure:

- The Board knows and understands the competencies of those individuals
- The Board is notified of CEO vacations or other absences of more than 10 consecutive working days, with assigned designates named during the absence

## **Employment**

*The CEO supports a values-centred, high performance culture, which provides a mutually respectful, safe workplace, free of harassment and workplace violence, for all Employees and Volunteers. He or she will not cause or allow conditions that are unfair, undignified or unsafe, or are in violation of any human rights and employment legislation*

The CEO shall ensure that all human resources policies and practices:

- Comply with applicable legislation, and are made available to all employees
- Are updated regularly and changes/updates are made available to all employees

## **Compensation and Benefits**

*The CEO shall have in mind fairness and the fiscal integrity and public image of the organization in all matters relating to employment, compensation and benefits to Employees and Consultants.*

The CEO shall:

- Oversee the compensation practices of the Kitchener Public Library
- Oversee the administration of the Library's compensation and benefits programs for employees
- Review the performance and development of the Library senior management in achieving corporate goals and objectives and ensure they are compensated in a manner consistent with the strategy of the Library and competitive practice
- Review and approve any offers of employment above a Grade F, and all severance agreements
- Only change his or her own compensation or benefits with prior approval from the Board

