

## FGCA Proposed Constitution and Bylaw Changes and Rationale August 2016

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As a registered BC Society, the FGCA is governed by the BC Society Act. The government has introduced a new Societies Act which comes into effect in November 2016. We have 2 years to fully comply with the new Act, and we will need to review and substantially update our constitution and bylaws by 2018. There are some parts of the new Act which we must comply with immediately.

Any small but significant changes we want to make to our constitution and bylaws must be made BEFORE the new act comes into effect. If we do not make these before the new act comes into effect, any changes we make must bring us into full compliance with the new Act.

Therefore the Board of Directors is recommending the following bylaw changes to the membership, denoted by the letters A through H. Rationale for each change is provided below. Each change can be seen within the context of the full bylaws document as attached.

### Changes and Rationale:

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| A | <p>1. The Annual General Meeting shall be held once a year within 3 months of the fiscal year end. Other meetings of members, whether general or special, may be convened by order of the Board of Directors at such time and place as may be determined by the Board. <del>A Special General Meeting may be called upon written request by any five (5) members submitted to the Board of Directors.</del> <b>Voting members may requisition the Directors to call a general meeting for the purposes stated in the requisition. The requisition must contain the written names and be signed by no less than 10% of the voting members of the Association. A requisition must comply with any requirements set out in the applicable statute governing societies in the Province of British Columbia.</b></p> |
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**A.** This change increases the threshold for members calling a general meeting. 10% of the voting members is the threshold required in both the current Society Act and the new Societies Act, and is common practice for most non-profit corporations. Our current bylaws, at 5 members, provide an extremely low threshold. Any requisition for a general meeting requires significant resources and so it makes sense to require a larger proportion of members to request it. We currently have about 750 members.

2. All Directors must be members of the Association. ~~The duties of a Director shall be:~~ In addition to the duties of directors set out in the applicable statutes governing societies in the province of British Columbia, the duties of a Director shall include, without limitation:

**B**

- a) to take an interest in and promote the aims and objectives of the Association;
- b) to chair or take an active role in **at least** one of the committees of the Association; and
- c) to attend the Directors' meetings; **and**
- d) **to act in accordance with the Bylaws and policies of the Association.**

**B.** Our current Bylaws are quite minimal regarding the duties and obligations of a Director, so it is proposed to add compliance with Bylaws and policies. This is essential to ensure good governance of the Society.

5. Only Directors shall be eligible for election as Officers of the Society. The Officers **and the Chair of the Governance and Nominating Committee** shall constitute the Executive of the Society.

**C**

**C.** It is proposed to add a member to the Executive Committee:

- The chair of the Governance and Nominating Committee, because Governance work is closely tied to that of the Executive Committee

~~b) Nominations may also be made from the floor of the Annual General Meeting by any two non-related members, provided that:~~

- ~~i) where the nominee is present in person, he/she states his/her willingness to stand for election and that he/she is a member of the Association;~~
- ~~ii) where the nominee is not present in person, the nominators have obtained a signed statement from the nominee indicating his/her willingness to stand for office and that he/she is a member of the Association.~~

**D**

**b) Nominations from the floor for the Board of Directors are not permitted.**

**D.** The intent of this change is to be more proactive in having candidates step forward prior to the AGM. There are a number of reasons for this change:

1. The new Societies Act introduces new requirements for Directors. These come in to effect immediately on November 28, 2016. A person may *not* serve as a Director if they are:
  - found by the court to be incapable of managing their own affairs;
  - convicted of an offence in connection with the promotion, formation or management of a corporation or unincorporated entity, or convicted of an offence involving fraud; or
  - an undischarged bankrupt.

If nominations from the floor are allowed, it would be impossible to know if a candidate filled these requirements before standing for election.

2. The FGCA has had issues with nominees from the floor being less serious about their commitment, sometimes resigning quickly from the Board or not attending meetings.
3. Nominations from the floor mean that candidates may not know much about the organization or about the responsibilities and commitment required of a Board member. It is important to provide candidates with the information they need to decide if serving as a Director will be a good fit for them.
4. Nominations from the floor make it more difficult for the Board to do succession planning, transfer knowledge, and fill gaps in skills in experience on the Board.
5. The Board is committed to ensuring that all candidates for election provide biographical information about their skills and experience, so that FGCA members have that information available to them when they vote for the new directors, and it is not possible to achieve this objective with nominations from the floor.

~~e) Voting by proxy is permitted at general meetings. Proxy votes must be in writing, signed and dated not more than thirty (30) days prior to an election.~~

**E**

e) Voting by proxy is not permitted at any meetings of the members of the Association.

**E.** The reason for proxy voting is to allow those who can't attend a meeting to vote. It is often used in organizations that are geographically spread out, while FGCA members all live close by. It is very unusual to allow proxy voting with so few limitations. This type of proxy voting can allow a single individual with enough proxy votes to decide the outcome of an election, effectively cancelling out the votes of those who attend the meeting. Those signing over their proxy votes do not have a chance to learn about candidates or about the issues at stake, and so it is problematic to allow proxy voting.

~~e) with the unanimous decision of the remainder of the Board that the Director has been seriously negligent of the duties as a Director (and Officer, if appropriate); or~~

c) With a resolution passed by a minimum of three quarters (3/4) of the Board of Directors, excepting the impugned Director, to expel a Director for any conduct unbecoming to a Director or which may be prejudicial to the best interest of the Association, by a vote at a regularly constituted meeting of the Directors, one week prior notice of the said meeting having been given to the Director, and such Director having been given the right to be heard in the Director's own defense before the Board. The vote shall be held by secret ballot....

F

F. This change sets a slightly lower threshold for removal of a Director whose conduct has not been in the best interest of the Association. It is still quite high, at ¾ of the remainder of the Board, because of the seriousness of removal. This change gives the Board an important mechanism to hold Directors accountable if they do not fulfill their duties as Director. This change also gives the Director the right to be heard in his/her defense.

~~A majority of the Directors, to include two (2) members of the Executive, shall form a quorum for transaction of business.~~

A quorum for the transaction of business at Board meetings is half the voting members plus one.

G

G. This change removes the requirement around Executive members for quorum and establishes quorum as a simple majority. This follows Robert's Rules of Order.

~~2. — Signing officers of the Society shall be the Treasurer, and at least two (2) of the other three Officers of the Association.~~

2. Signing officers of the Society shall be the Treasurer, at least two (2) of the other three Officers of the Association, and a person appointed by the Directors of the Association as a senior manager by resolution of the directors and in compliance with the applicable statutes governing societies in the province of British Columbia.

H

H. This change adds a senior manager as signing authority. Our policies require two signatures for all financial transactions, so there is always a Board Director signing items as well as a senior manager (such as an Executive Director). It is necessary for a senior manager to be a signing officer in order to do such things as sign contracts, apply for funding, and run the operations of the Association.