

# FGCA Proposed Constitution and Bylaw Changes and Rationale

## October 2016

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The Board of Directors recommended a set of bylaw changes to the membership in September 2016. These changes were voted down at a Special General Meeting. The Board views these changes as being very important for the functioning of the Society, and so it has taken the feedback received at that meeting into account to present a revised version of changes. Rationale for each change is provided below.

### Changes and Rationale:

Section 4, Subsection 1.

- A**
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. ~~A Special General Meeting may be called upon written request by any five (5) members submitted to the Board of Directors.~~ 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 either:
    - a. 75 members; or
    - b. 10% of the voting members of the Society;whichever is the lesser number.  
A requisition must comply with any requirements set out in the applicable statute governing societies in the Province of British Columbia.

- A.** This change increases the threshold for members calling a general meeting. 10% of the voting members is the threshold set out 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; it makes sense to require a larger proportion of members to request it. We currently have about 800 members. Any member may view our membership list upon request to the office.

Section 5, Subsection 7 (b)

~~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.~~

**b) Nominations will close 5 business days before each annual general meeting. The Nominations Committee will place all eligible nominees on the ballot presented to the members at the annual general meeting.**

**B**

**B.** There are a number of reasons for this change:

1. The new Societies Act introduces new requirements for Directors. These come into 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.

By closing nominations 5 business days prior to the AGM, we will be able to vet these qualifications.

2. The FGCA has had to face the issue of nominees from the floor sometimes resigning quickly from the Board or not attending meetings.
3. It is important to provide candidates with the information they need to decide if serving as a Director will be a good fit, which will be possible with the 5 business days notice.
4. **All** eligible nominees will be added to the ballot. Entrenching this in the bylaws means the Nomination Committee is obligated to present all eligible nominees.
5. Because proxy voting is allowed, people signing over their proxy vote should have a chance to learn about nominees for the Board. The time limit will mean candidate bios can be circulated prior to the election.

Section 5, subsection 7 (e)

- C 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~~ a general meeting. No member shall act as proxy for more than one (1) other member. Only a member in good standing may act as a proxy holder.

C. Proxy voting allows those who cannot attend a meeting to vote. It is often used in organizations that are geographically spread out, while FGCA members all live close by. In response to the issue raised that members may be ill, be travelling, have mobility issues, or have other restrictions on attending general meetings, this proposal is amended to allow one proxy vote per member in attendance. Unlimited 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. In addition, those signing over their proxy votes do not have a chance to hear the discussion at the meeting.

Section 5, Subsection 9

- D 9. Each Director's tenure of office shall terminate:
- a) at the completion of his/her term of office;
  - b) on receipt and acceptance of resignation by the remainder of the Board of Directors;
  - ~~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:
    - i) unbecoming to a Director, or
    - ii) which may be prejudicial to the best interests of the Society,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;

**D.** This change sets a lower threshold for removal of a Director whose conduct has not been in the best interests of the Association. It is still quite high, at  $\frac{3}{4}$  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. The *Societies Act*, Section 53 states that a director **must** “act honestly and in good faith with a view to the best interests of the society” (amongst other requirements), so this is an appropriate standard of behavior.

Section 5, Subsection 11

**E** ...~~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 Directors plus one.

**E.** This change removes the requirement around Executive members for quorum and establishes the quorum for the Board of Directors as a simple majority. This follows Robert’s Rules of Order. It will also make it less difficult to achieve quorum in some instances.

Section 8, Subsection 2

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

**F** 2. Signing officers of the Society shall be **at least two (2)** of the following individuals: an Officer of the Society, and a person appointed by the Directors of the Society as a Senior Manager by resolution of the Directors and in compliance with the applicable statutes governing societies in the province of British Columbia.

**F.** This change adds a Senior Manager as signing authority. A Senior Manager is the term used in the new Societies Act for an Executive Director or any similar senior staff position. Our policies require two signatures for all financial transactions, so there is always a Board Director signing items as well as the Executive Director.

It is necessary for the Executive Director to be a signing officer in order to do such things as sign contracts, pay bills, apply for funding, and run the operations of the FGCA, as it can be difficult to have two Board Directors available to sign cheques and documents at short notice, especially in the summer.