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THE ONTARIO SERVICE SAFETY ALLIANCE (OSSA)

INTRODUCTION

This Governance Manual has been constructed to assist the Board of Directors of the Ontario Service Safety Alliance (OSSA) in fulfilling its responsibilities for effective governance. This manual sets out the Board's policies and processes that serve to guide the Board as it provides leadership and oversight to the management of OSSA. These policies and procedures reflect current best practices in corporate governance.

PURPOSE AND HISTORY OF THE ONTARIO SERVICE SAFETY ALLIANCE

The Ontario Service Safety Alliance (OSSA) is a not-for-profit association dedicated to delivering innovative health and safety training to its clients in Ontario's service sector. The service sector contains the following five sub-sectors:

- retail and wholesale distribution,
- restaurant and food services,
- office and related services,
- tourism and related services, and
- vehicle sales and service.

The OSSA concept was derived in 1994/95 during the implementation of the Workplace Health and Safety Agency's (WHSA) core certification program. During the period of core certification development and subsequent delivery, many of the service sector's employers provided convincing evidence that their sector had three predominant characteristics:

- high levels of staff turnover,
- greater numbers of part-time staff, and
- consistent patterns of seasonal employment.

In combination, these characteristics led to considerable costs in order for these employers to continually train "new employees" as certified members of joint health and safety committees.

The Ontario Service Safety Alliance was formed in order to supply the service sector with an alternate training program that would enable these employers to more effectively and efficiently comply with the legislation given their unique characteristics.

The July 1996 report of the Task Force on the Restructuring of Health and Safety Delivery Organizations included the following recommendation which was accepted by the Ministry of Labour: "A new association be established for the private service sector and the appropriate rate groups, and their funding be transferred from the Industrial Accident Prevention Association."

The Ontario Service Safety Alliance received its designation on January 1, 1998.

STRATEGIC DIRECTION

VISION, MISSION, STRATEGIC DIRECTIONS

With over 134,000 businesses and over 3.3 million workers representing a majority of Ontario's workforce, the Ontario Service Safety Alliance is the workplace health and safety association for Ontario's service sector.

Vision

A health and safety culture where workplace fatalities, injuries and illnesses are unacceptable and preventable, and are eliminated.

Mission

The Ontario Service Safety Alliance:

- raises H&S awareness,
- provides knowledge and services, and
- builds partnerships

to support the Ontario service sector.

Five-Year Strategic Directions

OSSA will:

Support a Cultural Shift

- develop and leverage strategic prevention partnerships to effect positive change in the cultural values and behaviours in boardrooms and workplaces.

Risk-based Approach

- utilize a risk-based approach to allocate resources and align our products and services.

The Voice of the Health & Safety

- be the voice of health and safety for prevention research, programs and services.

Operational Excellence

- continue to pursue operational excellence and efficiency that sustains our long-term viability and enables us to extend our reach.

Lead by Example

- sustain a healthy and safe culture and environment for our staff and visitors that will serve as a model for others.

CODE OF CONDUCT AND CONFLICT OF INTEREST GUIDELINES

CODE OF CONDUCT

Directors are expected to:

1. be committed to the mission and values of OSSA;
2. be knowledgeable of OSSA's Constitution and By Laws, organizational structure and policies;
3. be knowledgeable of their roles and responsibilities as a Director;
4. fulfil their fiduciary responsibilities by:
 - a. exercising the care, diligence and skill of a reasonably prudent person;
 - b. making all decisions as a Director, honestly and in good faith, and in the best interests of the Association;
 - c. acting in a manner that instils confidence and trust in the membership that the Board is, at all times, fulfilling its obligations in a fiscally accountable manner; and
 - d. balancing advocacy for interests of the community with their fiduciary responsibility to OSSA.
5. work cooperatively with their colleagues on the Board to achieve the organization's goals and objectives;
6. publicly support the Board's decisions to the membership and present the rationale supporting those decisions.

CONFLICT OF INTEREST

1. Directors are to perform their duties conscientiously and avoid any situation in which there is a real or apparent conflict of interest that could interfere, or could be perceived to interfere, with the Director's judgment in making decisions in the best interest of OSSA.
2. Directors must arrange their affairs and conduct themselves in a manner to avoid a conflict of interest, including the following:
 - must not act on behalf of, or deal with OSSA, in any matter where a conflict may exist;
 - must not personally benefit from any transaction with OSSA;
 - must not use their relationship with OSSA to confer an advantage on themselves or on a close friend, relative, business associate, or a firm, Corporation or partnership in which the member of a relative holds an interest;
 - must not use information acquired through membership on the Board for personal benefit.
3. A real conflict of interest arises when the Director is performing a duty or function of the position and, in the performance of that duty or function, takes advantage of opportunity to further his or her private interests.
4. An apparent conflict of interest arises when a reasonably well-informed person perceives that a Director's ability to perform a duty or function of the position was, is, or may be, affected by the Director's private interests.

PROTOCOL TO AVOID DIRECTORS' CONFLICT OF INTEREST

1. The Director is required to disclose all private and business interests and relationships that could result in a real or apparent conflict of interest at the first Board meeting after the facts related to a possible conflict have come to the member's attention.
2. After making a declaration, the Director shall:
 - advise the Secretary of the potential conflict of interest, so that s/he does not receive the background materials in respect to that agenda item. If background materials have been received already, s/he should immediately return them;
 - declare to the Board the circumstances of the perceived conflict of interest when the subject matter arises on the agenda;
 - leave the meeting until the discussion on that item is completed and a decision, if any, has been made;
 - not participate in the discussions or make any attempt in any way, before, during, or after the meeting, to influence the discussion and/or vote on any question in respect of the matter.
3. The person recording the minutes of the meeting shall:
 - record the member's declaration and the reason for it, and record the times that the member departed from and returned to the meeting;

- provide the Director with only the minutes that record the decision made, and must not provide the Director with minutes of any discussion that took place respecting the subject matter.

ENTERTAINMENT, GIFTS AND BENEFITS

1. Directors and their associates should not accept entertainment, gifts or benefits that grant or appear to grant preferential treatment to a potential or actual contractor to OSSA. Similarly, no Director may offer entertainment, gifts or benefits in order to secure preferential treatment for OSSA.
2. A Board member may accept a gift in the course of performing Board responsibilities under the following circumstances:
 - the gift, entertainment or benefit is lawful and would be considered by the local community to be within the bounds of propriety, taking into account the circumstances of the occasion;
 - the exchange does not, nor is it, expected to create an obligation;
 - the gift could not be construed by an impartial observer as a bribe, pay-off, or an improper or illegal payment; and
 - it occurs infrequently.

DEFINITIONS

1. Associate:
 - a spouse of the Director;
 - a son or daughter of a Director;
 - a son or daughter of the Director's spouse, if the son or daughter is under 19 years of age, or is living in the family residence of the Director;
 - a relative, who is living in the family residence with the Director;
 - a Corporation of which the Director beneficially owns, directly or indirectly, more than 20% of the voting rights attached to all outstanding voting securities of the Corporation;
 - a trust or estate in which the Director has a substantial beneficial interest.
2. Board: the Board of Directors of OSSA.
3. Contractor: a consultant, contractor, supplier or business associate.
4. Director: a person who has been elected to serve as a member of OSSA.
5. Gifts or benefits: cash, preferred loans or secret commissions.
6. Relative: a relative by blood, adoption or marriage.
7. Spouse: a person the Director is married to, or with whom the Director is living in a marriage-like relationship. This includes a person of the same gender, but does not include a person from whom the Director is separated or living apart.

TERMS OF REFERENCE

TERMS OF REFERENCE FOR THE BOARD OF DIRECTORS

DUTIES AND RESPONSIBILITIES

The functions and duties of the Board are detailed in Article 12 of the Ontario Service Safety Alliance's Consolidated Amended and Restated By-Law No. 1 (Appendix A). In addition, the Board has the following responsibilities:

1. to ensure that guidelines are in place governing ethical conduct and conflict of interest and monitoring the performance of the Corporation to ensure that its affairs are conducted in an ethical and moral manner;
2. to approve clear performance objectives against which the CEO will be measured to assess his/her performance and compensation;
3. to ensure that a succession plan is in place for the CEO;
4. to ensure that the Corporation has clearly stated communication policies so that communication and consultation with stakeholders is appropriate and effective;
5. to ensure the integrity of internal controls, and financial information systems, forecasts and audited statements;
6. to ensure the identification of principal risks facing OSSA and ensure that systems to manage the risks are in place;
7. to monitor compliance with all Board policies, procedures, legal and regulatory requirements;
8. to communicate, with one voice at the political level, issues of concern to OSSA;
9. to monitor the size and composition of the Board, and plan for Board succession (Directors and Officers);
10. to conduct a thorough orientation for new Directors; and
11. to evaluate Board performance annually.

MATTERS RESERVED FOR THE BOARD

The following matters may be referred to Committee for study, but the decisions regarding these matters are reserved for the Board:

1. approval of the strategic plan;
2. the review of the Corporation's performance, in light of the strategic plan and budget, and ensuring that any necessary corrective action is taken by the CEO;
3. approval of the annual operating and capital expenditure budgets, and any material changes to them;
4. approval of financial statements, and management's discussion and analysis;
5. appointment, or removal, of the CEO;
6. establishment of Board Committees, and their Terms of Reference;
7. extension of the Corporation's activities into new business;
8. any decision to cease to operate all, or any material part, of the group's business;
9. approval of the annual report;
10. major capital projects;
11. contracts, which are material strategically or by reason of size, entered into by the Corporation;
12. major investments;
13. approval of resolutions and corresponding documentation to be put forward to member firms at a general meeting;
14. changes to the structure, size and composition of the Board;
15. appointments to the Board;
16. selection of the Officers of the Board;
17. appointment, reappointment or removal of the external auditor;
18. approving the compensation system of the CEO, and senior management;
19. the division of responsibilities between the Board, and the CEO;
20. a formal review of the Board's performance;
21. approval of policies;
22. approval of the overall levels of insurance for the Board, including Directors' and Officers' liability insurance and indemnification of Directors.

CALENDAR FOR OSSA BOARD AND COMMITTEES

Activity	Leadership	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
A. Mission, Strategy and Plans													
Review Vision, Mission, and Values	Board		✓										
Review Strategic Priorities	Board		✓										
Approve Strategic Plan	Board						✓						
Approve annual Business Plan & Capital Budget	Board									✓			
Review CEO Report	Board		✓		✓		✓			✓		✓	
Review accomplishments of prior year	Board		✓										
B. Financial & Risk Factors													
Appoint auditors and approve fees					✓								
Approve Audited Annual Financial Statement					✓								
Conduct Annual General Meeting							✓						

Activity	Leadership	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Review and Approve monthly financial statements for recommendation to the Board of Directors	Audit & Fin. C.		✓		✓		✓			✓		✓	
Review financial condition and activities	Audit & Fin. C.		✓		✓		✓			✓		✓	
Review compliance with financial policies, legal and regulatory requirements	Audit & Fin. C.				✓								
Review annual operating budget and capital plan and budget for recommendation to the Board of Directors	Audit & Fin. C.						✓						
View major tenders or contracts as described in the Banking and Financial Resolution for recommendation to the Board of Directors (as needed)	Audit & Fin. C.												
Review asset liability and management	Audit & Fin. C		✓		✓		✓			✓		✓	
Review risk management systems	Audit & Fin. C						✓						
Approve audit plan	Audit & Fin. C											✓	
Review audit results	Audit & Fin. C				✓								

Activity	Leadership	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Accept Annual Audited Statements for recommendation to the Board of Directors	Audit & Fin. C				✓								
Accept and review auditor's observations and management's response and subsequent interaction with senior management to ensure all recommendations are implemented	Audit & Fin. C				✓								
C. Human Resources and compensation													
CEO Performance Review CEO self-eval (Oct) Board input (Oct) HR C. consolidates (Nov) Chair's performance review (Jan)	CEO Board HR Committee Board Chair	✓									✓ ✓	✓	
Recommend and approve CEO compensation	HR Committee Board		✓										
Review Measurable Performance Objectives for CEO for fiscal year and recommend for approval by the Board of Directors	HR Committee											✓	

Activity	Leadership	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Review of Succession Plan	Board		✓										
Review CEO Emergency Succession Plan	HR Committee		✓									✓	
Review plans for management succession and development	HR Committee		✓									✓	
Election of Officers	HR Committee						✓						
Review compensation philosophy and guidelines	Board									✓			
Review organizational structure and resourcing with the CEO	HR Committee									✓			
Monitor Compliance with HR policies	HR Committee				✓								
Monitor HR challenges	HR Committee				✓								
D. Governance													
Review Terms of Reference for Board committees and schedule of activities	All Committees Board											✓	
Recommend slate of Officers and Committee Chairs	Gov. Committee						✓						
Appoint Committee Chairs and members	Board Chair in cooperation with Gov Chair												

Activity	Leadership	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Appoint Committee Vice Chairs	Each Committee Chair									✓			
Conduct three evaluations (Board, individual, committee)	Gov. Committee											✓	
Review evaluation results	Board		✓										
Conduct new Directors' orientation	Gov. Committee							✓	✓				
Conduct Committee Orientation	All Committees											✓	
Develop Board education and development plan (use results of Board Evaluations)	Gov. Committee				✓								
Plan for Board composition (see matrix, Appendix M)	Gov. Committee		✓										
Recommend nominees for Board of Directors	Gov. Committee				✓								
Review By Laws and Policy and Procedures Manual	Gov. Committee		✓										
Review Board schedule for next year	Gov. Committee											✓	
Draft By Law changes for approval at AGM (if necessary)					✓								

TERMS OF REFERENCE FOR THE CHAIR

The duties of the Chair are detailed in Article 17.2 of the Ontario Service Safety Alliance's Consolidated Amended and Restated By-Law No. 1 (Appendix A). In addition, the Chair has the following duties and responsibilities.

DUTIES AND RESPONSIBILITIES

1. Chair Board meetings and ensure that the appropriate issues are addressed.
2. Ensure that the Board and its committees receive relevant information one week in advance of meetings.
3. Ensure that Board meetings are conducted in an efficient, effective and focused manner.
4. Ensure orderly discussion and adequate opportunity for all opinions to be heard and valued.
5. Ensure that the Board refrains from day to day administration of the organization.
6. Appoint a Chair for each standing committee in cooperation with the Governance Committee Chair.
7. Ensure the coordination of the agenda and information packages for Board meetings.
8. Ensure that the Board has the information it needs to make informed decisions.
9. Build consensus and teamwork within the Board.
10. Address inappropriate Board member behaviour.
11. Foster a constructive and harmonious relationship between the Board and management.
12. Attend committee meetings as appropriate.
13. Communicate the Board's direction to the CEO.
14. Act as a sounding Board for the CEO.
15. Ensure the CEO is aware of concerns of the Board and the membership.
16. Serve as spokesperson for the Board.
17. Represent the organization at meetings or appearances with government or at public forums.

TERMS OF REFERENCE FOR THE VICE CHAIR

The duties of the Vice Chair are detailed in Article 17.3 of the Ontario Service Safety Alliance's Consolidated Amended and Restated By-Law No. 1 (Appendix A).

TERMS OF REFERENCE FOR THE SECRETARY-TREASURER

The duties of the Secretary-Treasurer are detailed in Article 17.4 of the Ontario Service Safety Alliance's Consolidated Amended and Restated By-Law No. 1 (Appendix A).

TERMS OF REFERENCE FOR INDIVIDUAL DIRECTORS

The duties of individual directors are detailed in Article 10 of the Ontario Service Safety Alliance's Consolidated Amended and Restated By-Law No. 1 (Appendix A). In addition, they have the following duties and responsibilities.

DUTIES AND RESPONSIBILITIES

1. Be knowledgeable about the industry, and the environment in which it operates.
2. Keep informed as to the policies, business and affairs of the organization.
3. Understand and respect the difference between governing and managing.
4. Prepare for Board and committee meetings by reading reports and background materials.
5. Use relevant business knowledge and experience to assist in the development of long-range policy objectives.
6. Contribute fully and honestly in the Board and committee discussions.
7. Strive to maintain a 100% attendance record.
8. Demonstrate high ethical standards.
9. Respect confidentiality.
10. Attend association-related social events.
11. Participate in on-going education.
12. Respect the policy that establishes the CEO, and the Chair, as the organizational spokespersons.
13. Publicly support Board-approved policies and positions, on decisions and issues.
14. Disclose any potential conflict of interest, and abstain from discussing or voting in such an eventuality.

TERMS OF REFERENCE FOR COMMITTEE CHAIRS

DUTIES AND RESPONSIBILITIES

1. Set the agenda for the committee meeting in consultation with the CEO.
2. Oversee the logistics of the committee's operations.
3. Ensure the committee members have the information they need to make decisions regarding recommendations for Board consideration.
4. Set the tone for the committee's work.
5. Chair committee meetings in an efficient, effective and focused manner.
6. Ensure the committee fulfils its monitoring responsibilities.
7. Report to the full Board on the committee's recommendations.

TERMS OF REFERENCE FOR THE AUDIT AND FINANCE COMMITTEE

STATUS

The Audit and Finance Committee is a Standing Committee established by By-Law No. 1.

PURPOSE

The purpose of the Audit and Finance Committee is to focus on the financial performance of the organization and its adherence to financial policies and procedures.

COMPOSITION

1. The Committee shall be comprised of five (5) members from the Board as selected and approved by the Board. The Chair of the Board shall appoint one (1) member to be Chair, and the Audit and Finance Committee shall elect one (1) member to be Vice-Chair.
2. The quorum for the Committee shall be three (3).
3. All Committee members shall be “financially literate,” and at least one member shall have “accounting or related financial expertise.”
4. The Committee shall meet with the external auditor, as it deems appropriate.

OBJECTIVES

1. The Finance Committee shall supervise the fiscal affairs of the Ontario Service Safety Alliance with the following objectives:
 - a. to provide financial advice and information to the Board, so that the Board can fulfil its obligations pursuant to By-Law No. 1;
 - b. to ensure that the financial affairs of the Ontario Service Safety Alliance are conducted in an effective and business-like manner; and
 - c. to ensure that long-range planning and forecasting are undertaken to enable informed decisions on major financial matters.

RESPONSIBILITIES

1. Review and recommend for approval to the Board:
 - a. the appointment and compensation of external auditors;
 - b. the annual operating budget;
 - c. the annual capital plan and budget;
 - d. major tenders or contracts as described in the Banking and Financial Resolution;
 - e. financial policies; and
 - f. acceptance of the annual audited statement.
2. Work with the auditor to define the purpose of the audit, formulate and approve the audit plan and review audit results.
3. Monitor the integrity of the Corporation’s financial reporting, and ensure that the Board receives meaningful reports on the organization’s financial situation.
4. Review existing management processes to identify and manage risk.

5. Ensure that financial information presented to government and stakeholders accurately represents the business activities of the organization.
6. Recommend investment guidelines for Board approval.
7. Monitor compliance with financial policies and legal and regulatory requirements as delegated by the Board.
8. Perform other duties as may be delegated from time to time by the Board.
9. Review the Terms of Reference annually, and recommend to the Governance Committee any changes the Committee considers necessary.

MEETING DATES

The Committee shall meet a minimum of four times per year. Extraordinary meetings to address specific issues may be held at the call of the Chair.

ACCOUNTABILITY

The Committee will report to the Board following each committee meeting.

STAFF RESOURCES:

The CEO and the Board Liaison, or their designate, will be non-voting members of the Committee for the purposes of providing management support and liaison to the Committee in the execution of its responsibilities.

CALENDAR FOR AUDIT AND FINANCE COMMITTEE

ACTIVITY	JAN	APRIL	JUNE	SEPT	NOV
Elect Audit and Finance Committee Vice Chair				✓	
Review and approve monthly financial statements.*	✓	✓	✓	✓	✓
Review financial condition and activities	✓	✓	✓	✓	✓
Review compliance with financial policies, legal and regulatory requirements		✓			
Review annual operating budget and capital plan and budget*			✓		
Review major tenders or contracts as described in the Banking and Financial Resolution					
Review asset liability and management			✓		
Review risk management systems			✓		
Approve audit plan					✓
Review audit results		✓			
Accept Annual Audited Statements for recommendation to the Board of Directors		✓			
Accept and review Management letter and subsequent interaction with management to ensure all recommendations are implemented.					
Review appointment and compensation of external auditors *		✓			
Review Audit and Finance Committee Terms of Reference and schedule of activities				✓	
Conduct Committee Orientation					✓

TERMS OF REFERENCE FOR THE HUMAN RESOURCES COMMITTEE

STATUS

The Human Resources Committee is a Standing Committee established by By-Law No. 1.

PURPOSE

The purpose of the Human Resources Committee is to focus on the performance and policies of OSSA at a broad policy level.

COMPOSITION

1. The Committee shall be comprised of five (5) members from the Board, as selected and approved by the Board. The Chair of the Board shall appoint one (1) member to be Chair, and the HR Committee shall elect one (1) member to be Vice-Chair.
2. The quorum for the Committee shall be three (3).

OBJECTIVES

1. The Human Resources Committee shall review the human resource affairs of the Ontario Service Safety Alliance with the following objectives:
 - d. to monitor human resource policy, and compliance advice and information to the Board, so that the Board can fulfil its obligations pursuant to By-Law No. 1;
 - e. to ensure that long-range planning and forecasting are undertaken to enable informed decisions on major human resource matters.

RESPONSIBILITIES

1. Recommend for approval to the Board the CEO's job description.
2. Conduct the CEO recruitment process, when required, and recommend a candidate for approval to the Board. (See Appendix D, Section 1.7 for requirements)
3. Recommend for approval to the Board the CEO's annual measurable performance objectives.
4. Recommend a performance evaluation process for the CEO to the Board for approval.
5. Lead the CEO evaluation process.
6. Recommend the CEO's compensation and variable payment to the Board.
7. Review major changes in the organizational structure of management, as proposed by the CEO, and advise the Board of these changes.
8. Review the CEO succession plan and report to the Board.
9. Ensure that a variable pay compensation strategy and an employee benefit plan for Executive Management are in place and recommend for approval to the Board any major changes to either.
10. Recommend for approval to the Board:
 - a. the organization's performance management program;
 - b. compensation policies;
 - c. broad human resource policies; and
 - d. an action plan to address human resource challenges within the organization.

11. Monitor and report to the Board on all human resource policy and compliance matters affecting the Ontario Service Safety Alliance and advise the Board.
12. Review the management succession plan with the CEO, including specific development plans for potential successors for the CEO and other senior managers, and advise the Board.
13. Perform other duties as may be delegated from time to time by the Board.
14. Review the Terms of Reference annually, and recommend to the Governance Committee any changes the Committee considers necessary.

ACCOUNTABILITY

The Committee will report to the Board following each Committee meeting.

MEETING DATES

The Committee shall meet a minimum of four times per year. Extraordinary meetings to address specific issues may be held at the call of the Chair.

SUPPORT

The CEO and the Board Liaison, or their designate, will be non-voting members of the Committee for the purposes of providing management support and liaison to the Committee in the execution of its responsibilities.

CALENDAR FOR THE HUMAN RESOURCES COMMITTEE

ACTIVITY	FEB	APRIL	JUNE	SEPT	NOV
Elect Human Resources Committee Vice Chair				✓	
Develop and/or review the job description for the CEO					✓
Conduct CEO recruitment process when required					
Conduct CEO Evaluation					✓
Recommend CEO Compensation to the Board of Directors for approval	✓				
Approve Measurable Performance Objectives for CEO for fiscal year for approval by the Board of Directors					✓
Review compensation philosophy and guidelines			✓		
Review organizational structure with the CEO			✓		
Monitoring compliance with Human Resource Policies		✓			
Monitor Human Resource capacity		✓			
Review CEO Emergency Succession Plan for approval by the Board of Directors					✓
Review plans for management succession and development	✓				
Review Committee Terms of Reference and work plan				✓	
Create plan for conducting CEO performance evaluation for approval by the Board of Directors				✓	
Conduct Committee Orientation					✓

TERMS OF REFERENCE FOR THE GOVERNANCE COMMITTEE

STATUS

The Governance Committee is a Standing Committee established by By-Law No. 1.

PURPOSE

The purpose of the Governance Committee is to focus on the performance of the Board of Directors and its adherence to the Board's policies for itself.

COMPOSITION

1. The Committee shall be comprised of five (5) members from the Board, as selected and approved by the Board. The Chair of the Board shall appoint one (1) member to be Chair, and the Governance Committee shall elect one (1) member to be Vice-Chair.
2. The quorum for the Committee shall be three (3).

OBJECTIVES

1. The Governance Committee shall supervise the governance affairs of the Ontario Service Safety Alliance with the following objectives:
 - a. to provide governance advice and information to the Board, so that the Board can fulfil its obligations pursuant to By-Law No. 1;
 - b. to ensure that the governance of the Ontario Service Safety Alliance reflects best practices.

RESPONSIBILITIES

1. Advise the Board on all governance matters affecting the Ontario Service Safety Alliance.
2. Recommend to the Board for approval and implement a succession plan for the Board of Directors.
3. Recommend to the Board for approval and implement an orientation program for new Directors, and ongoing development for all Directors.
4. Recommend to the Board for approval and implement annually an evaluation process for the Board, committees and individual Directors.
5. Advise the Board of emerging best practices in corporate governance.
6. Monitor and advise the Board on matters pertaining to the Designation Standards of Health and Safety Associations.
7. Review the by-laws annually, and recommend changes to the Board for adoption.
8. Ensure there is a means for Directors to engage separate independent counsel, in appropriate circumstances, at the Corporation's expense.
9. Assume such other governance responsibilities as, from time to time, may be delegated by the Board.
10. Review the Board Governance Policy Manual and website annually, and recommend any changes to the Board for approval.

MEETING DATES

The Committee shall meet a minimum of four times per year. Extraordinary meetings to address specific issues may be held at the call of the Chair.

ACCOUNTABILITY

The Committee will report to the Board at each Board meeting.

SUPPORT

The CEO and the Board Liaison, or their designate, will be non-voting members of the Committee for the purposes of providing management support and liaison to the Committee in the execution of its responsibilities.

CALENDAR FOR THE GOVERNANCE COMMITTEE

ACTIVITY	FEB	APRIL	JUNE	SEPT	NOV
Elect Governance Committee Vice Chair				✓	
Conduct Board evaluation				✓	
Review of Board and Individual Director Evaluations					✓
Conduct new Directors' orientation				✓	
Develop Board education and development plan for the next year					✓
Deliver Board education program	✓				
Plan for Board composition (needs matrix)	✓				
Review Bylaws and Policy and Procedures Manual for recommendation to the Board of Directors		✓			
Review Board Schedule and calendar			✓		
Recommend slate of Officers and Committee Chairs			✓		
Recommend nominees for Board of Directors		✓			
Review Committee Terms of Reference and work plan					✓
Conduct Committee Orientation					✓

TERMS OF REFERENCE FOR THE CEO

DUTIES AND RESPONSIBILITIES

1. Report to the Board and maintain open communication with the Board, keeping the Board informed of all significant matters.
2. With the Chair, enable the Board to fulfil its governance function.
3. Manage and control the operation of the Association on a day-to-day basis in accordance with the plans, policies and parameters approved by the Board.
4. Give direction and leadership toward the implementation and achievement of the Association's strategic plan.
5. Recommend the yearly budget for Board approval, and prudently manage the Association's resources within those budget guidelines, according to current laws and regulations.
6. Develop and recommend for Board approval a strategic plan that is consistent with the Board's vision, mission, values and priorities, including consulting with the membership and the Board.
7. Oversee the design, marketing, promotion, delivery and quality of programs, products and services.
8. Support operations and administration of the Board by advising and informing Board members, interfacing between Board and staff, and supporting the Board's evaluation of the CEO.
9. Manage the human resources of the organization according to authorized personnel policies and procedures that fully conform to current laws and regulations.
10. Ensure the Association and its mission, programs, products and services are consistently presented in a strong, positive light to stakeholders.
11. Identify the principal risks facing the Association, and implement appropriate systems to manage the risks.
12. Maintain a plan for the succession of the CEO, and other senior managers.
13. Provide a customer feedback process for the membership.
14. Ensure that the Association has written personnel policies, clarifying personnel rules for staff.
15. Provide for effective handling of disputes, and protect against wrongful conditions such as nepotism and grossly preferential treatment for personal reasons.
16. Maintain good working relationships with stakeholders.

TERMS OF REFERENCE FOR THE BOARD LIAISON

DUTIES AND RESPONSIBILITIES

1. Organize Board, Committee and members' meetings in accordance with procedures set out in the OSSA By-Laws and Board policies.
2. Advise the CEO, and the Chair and Committee Chairs of items for Board discussion.
3. Prepare and distribute all agenda material and documents, as directed by the Chair or the Committee Chairs.
4. Record all votes and maintain the minutes of all proceedings (Board of Director meetings, Committee meetings and the Annual General Meeting).
5. Organize logistical support for Board of Directors' and Committee meetings. Arrange Board member travel to meetings and conference events.
6. Ensure that appropriate records of the Corporation are maintained in a safe and secure environment.
7. Ensure that adequate procedures are in place to maintain confidential data in a safe and confidential manner.
8. Review and authorize expenses for payment, provided that the expenses fall within OSSA guidelines.
9. Serve as a point of contact for Board member inquiries.
10. Ensure that the corporate record is at all times accurate and current.
11. Provide other support functions as required from time to time by the Chair and the Board of Directors.

ACCOUNTABILITY

The Board Liaison is accountable to the CEO for fulfilment of responsibilities.

BOARD OF DIRECTORS GOVERNANCE POLICIES

MEETINGS

1. The Board of Directors will meet a minimum of four times a year.
2. Meetings will be held in accordance with the Ontario Service Safety Alliance By-Law No.1.
3. The Chair and the CEO, with the assistance of the Board Liaison, will be responsible for developing the agenda for all Board meetings.
4. Directors may forward items for the Board agenda, either to the Chair directly or to the Board Liaison.
5. Board materials will be sent to Directors ten (10) working days in advance of the Board meeting.
6. The quorum will be a majority of Directors.
7. Directors may participate in a meeting of the Board, or a Committee of the Board, by means of conference telephone or other electronic means.

IN- CAMERA MEETINGS

IN CAMERA MEETINGS

- The CEO is present.
- Agenda items include:
 - o land,
 - o legal, and
 - o labour.
- Minutes are kept.

“DOUBLE” IN CAMERA MEETINGS

- The CEO is excluded.
- Agenda items
 - o Matters related to the CEO including performance, employment, compensation and termination.
 - o Board performance/processes (addressed in what is commonly referred to as *Meetings without Management*).
- Minutes are kept.
- The Chair debriefs the CEO following the meeting.

MEETINGS WITHOUT MANAGEMENT

- Discussion is limited to concerns and/or kudos about:
 - o information coming the Board from management,
 - o the Board’s internal working relationships,
 - o the Board’s management of its work, and
 - o the Board’s relationship with the CEO.
- Directors do not rehash the agenda, revisit issues or make business decisions.
- Minutes are kept.
- The Chair debriefs the CEO following the meeting.

To ensure that the Board meets appropriately, the Board agreed that the Governance Committee should draft terms of reference for in camera meetings for the Board's review and approval. The Board also agreed to be sparing in its use of Meetings without Management. Rather than meeting without management after each regularly scheduled Board meeting, directors will request in advance that the Board meet without management.

COMMITTEES

COMMITTEES

1. The Board will have the following committees:
 - a. Audit and Finance Committee;
 - b. Human Resources Committee; and
 - c. Governance Committee.
2. As it deems necessary, the Board may establish and constitute task forces, external advisory bodies and sub-committees to standing committees.

APPOINTMENT OF COMMITTEE MEMBERS

1. The Chair will, in consultation with the Governance Committee, and with the agreement of the Board:
 - a. appoint members of all committees, and name members to fill any committee vacancies;
 - b. appoint one member of each committee as Committee Chair. In the case of standing committees, the Committee Chair shall be an incumbent Director. The committees shall appoint a Vice Chair from amongst their members.
 - c. It is expected that under normal circumstances, the Committee Vice Chair will serve as the next Committee Chair.
2. Ensure that there is equal representation on the three standing committees.
3. The Board Chair will be an ex-officio and voting member of all committees on which he/she is not formally a member.
4. The CEO will be an ex-officio and non-voting member of all committees.
5. Members of committees will be appointed at the Board meeting immediately following the Annual General Meeting.

DUTIES AND RESPONSIBILITIES

1. Study, discuss, formulate and recommend a course of action for consideration by the Board.
2. Fulfil assigned monitoring responsibilities, and report to the Board.
3. Prepare policy recommendations for presentation to the Board.
4. Act on behalf of the Board for specific purposes, when delegated and authorized by the Board to do so.

OPERATIONS

1. Each committee will report to the Board at the next Board meeting.
2. The minutes of each meeting will be available to all members of the Board.

3. Each committee will review its own Terms of Reference annually and submit suggested changes to the Governance Committee for review, and to the Board for approval.
4. Each committee shall have a committee schedule, outlining when it will address each of its duties and responsibilities.

QUORUM

The quorum will be a majority of Directors.

EXECUTIVE COMMITTEE

The OSSA By Laws specify that there shall be an Executive Committee which shall be a standing committee of the Board. The membership shall consist of the Chairperson, Vice-Chairperson, Secretary-Treasurer, CEO and one other Director elected to the Executive Committee by the Board.

The By Laws also specify that the Executive Committee's only functions are those which are delegated in writing by the Board, from time to time. Currently, the Board's policies do not specify any duties for the Executive Committee which means that it remains dormant unless the Board provides it with written instructions to act. The Board agreed, however, to elect a Director to the Executive Committee to ensure that the committee is ready to act should the Board empower it to act on the Board's behalf for a specific purpose.

ELECTION OF BOARD OFFICERS

1. The Board shall elect Board Officers annually.
2. The Governance Committee shall approach each Director to ascertain his/her interest in serving as an Officer.
3. The Governance Committee will present a slate of candidates at the Annual General Meeting.

BOARD RENEWAL

1. The Board will, following the recommendation of the Governance Committee, approve new Directors for appointment to the Board.
2. The Board will, following the recommendation of the Governance Committee, approve candidates selected to fill any vacancies occurring on the Board during the year.
3. The Board will have a succession plan for the Board of Directors. The plan will take into account the mix of knowledge, skills and experience required for good governance.
4. The Board will utilize its established leadership progression where the Board will select from amongst its Executive Committee members, a new Chair and a new Vice Chair for each two-year term.

RESIGNATION OF THE CHAIR OF THE BOARD

1. The Chair of the Board may resign from his or her membership at any time, and the resignation shall be effective on the date provided in the written notice to the Chair of the Governance Committee and the CEO.

2. In the event of a vacancy in the office of Chair, the Vice Chair shall succeed the Chair in an interim capacity, or for the remainder of the Chair's term, at which time the existing policy for Chair selection would ensue.
3. If the Vice Chair chooses to succeed the Chair in an interim capacity, the interim Chair will, in consultation with the Executive Committee, appoint a Board member to serve for the remainder of the Vice Chair's term.

RESIGNATION OR TRANSFERENCE OF A DIRECTOR

1. A member of the Board of Directors may resign his or her membership at any time, and the resignation shall be effective on giving written notice to the Chair of the Board and the CEO. Such resignation shall take effect at the time the notice is delivered, unless the notice specifies a later agreed date.
2. In the event of a vacancy in the office of a Director, the Governance Committee shall implement its recruitment plan to determine the method by which it shall fill the vacancy.
3. The Governance Committee is accountable for ensuring that individuals elected to the Board meet the composition criteria set out in By-law sections 10.2, 10.4 and 10.5.
4. Individuals elected to the Board shall reflect a composition of 10 industry seats, and four open seats.
5. In the event that a Director, appointed to the Board while in a industry position, accepts a new position of employment outside the service sector, the Director shall advise the Chair. The Director may be required to resign his or her seat at the discretion of the Board.
6. Existing policy for recruitment is a responsibility of the Governance Committee, and is initiated each year as defined in the Terms of Reference and Calendar for the Governance Committee.

DIRECTOR ORIENTATION AND DEVELOPMENT

1. The Board will provide an orientation session for new members of the Board, and continuing education for all Directors.
2. The Board Chair, the Chair of the Governance Committee, and the CEO will conduct the orientation session.
3. The orientation session will be open to all Board members.
4. The new Director/s will be provided with an orientation binder (distinct from the Board's Governance Policy Manual) which includes materials such as annual reports, strategic and business plans and other essential studies and reports.
5. The orientation program will provide a comprehensive overview of the organization and its governance rules and practices. The program will include:
 - a. OSSA history;
 - b. OSSA programs, products and services;
 - c. OSSA funding, budget and most recent audited statement;
 - d. Organizational structure;

- e. Fiduciary duties, Board roles and responsibilities, conflict of interest, confidentiality, and interaction with management;
 - f. Overview of the Board's governance policies, committee structure and calendars;
 - g. Director expenses and other administrative issues;
 - h. Tutorial on the Board extranet site;
 - i. Facility tour.
6. The Board will participate in continuing education programs designed to expand its knowledge of industry issues, relevant government policy, business risk, and best practices in governance.

COMMUNICATIONS AND MEDIA RELATIONS

1. The CEO will serve as OSSA's official spokesperson for communication and media relations, and may delegate this responsibility as appropriate.
2. When it is inappropriate for the CEO to be the spokesperson, the Chair will assume the role.
3. All media inquiries received by a member of the Board of Directors are to be directed to the CEO.

BOARD RELATIONS WITH MANAGEMENT

1. Director concerns or questions about management performance may be raised with the Chair, the CEO, or at Board and committee meetings.
2. Directors are to refrain from:
 - interfering with the day-to-day administration of OSSA, by contacting individual employees in order to influence their conduct or decisions;
 - assisting individuals in their dealings with OSSA, if this would result in preferential treatment for the individual.

SAFE INTERNAL DISCLOSURE POLICY

PURPOSE

The purpose of this policy is to establish a process that allows individuals to bring forward information, in good faith, concerning allegations of wrongdoing without fear of reprisal or retaliation.

This policy is not intended to supplant or circumvent other established processes or usual reporting structures.

SCOPE

1. This policy applies to all individuals associated with the OSSA including:
 - a. Employees of OSSA
 - b. CEO and management
 - c. OSSA Board of Directors
 - d. Staff on contract
2. For the purposes of this policy, wrongdoing means:
 - a. A violation or suspected violation of any federal or provincial Act or regulation.
 - b. Improper or fraudulent financial reporting or accounting practices.
 - c. Business conduct in contravention of OSSA's code of conduct policy.
 - d. Conduct or practices that constitute a substantial and specific danger to the health, safety, environment or well being of OSSA's employees, officers, and directors or third parties, where applicable.

EXCEPTIONS TO THE SCOPE

This policy does not cover matters for which there are other established processes for the reporting and investigation of alleged improper conduct or violations, including:

1. Reports on safety hazards and unsafe conditions made in accordance with the provisions of the Workplace Safety and Insurance Board Occupational Health and Safety Regulations.
2. Discrimination or harassment based on prohibited grounds set out in statute.

PROCEDURES

1. Reports of suspected wrongdoing should be made to the Integrity Officer, currently the VP of Corporate Services..
 - a. In the usual course of events, reports by employees should be made to their manager. In an employee is not comfortable reporting the matter to his/her manager, or is not satisfied with the manager's response, then the employee should report the matter to the Integrity Officer.
 - b. Reports involving the President & CEO or a member of the Board of Directors should be made to the Board Chair.
 - c. Reports involving the Board Chair should be made to the [Chair of the Governance Committee or to the CEO of the Worksafe Safety and Insurance Board]. (Not certain how OSSA would want to handle a report that involves the Board Chair.)
2. Reports under this policy must be made in writing and signed by the individual. The disclosure should include the nature of the perceived wrongdoing, the name of the person(s) alleged to have committed or been involved in the perceived wrongdoing, the date and description of the perceived wrongdoing and other relevant objective information.
3. Reports should be made in a timely manner.

POLICY

1. Individuals must act in good faith when reporting any suspected wrongdoing and to refrain from making vexatious or unsubstantiated allegations with the intent to harm the reputation of any individual or OSSA as a whole.
2. Individuals who are reporting suspected wrongdoing must handle confidential and proprietary information responsibly and in good faith.
3. An individual who reports a perceived wrongdoing in good faith under this policy will not be subject to adverse employment/contractual consequences as a result of making a report.

ROLE OF MANAGEMENT

Managers will:

1. Provide education and advice about this policy to employees.
2. Ensure that employees have ready access to this policy.
3. Assist individuals who wish to file a report.

4. Be open and accessible to employees who express concerns about suspected wrongdoing.
5. Act promptly and in good faith when employees raise concerns about suspected wrongdoing.
6. Co-operate in enforcing this policy and in conducting any related investigations.
7. Protect employees who report suspected wrongdoing from reprisals.

INVESTIGATING ALLEGATIONS

The individual responsible for assessing whether there may be substance to an allegation shall act as a neutral party to facilitate and process reports of suspected wrongdoing. This includes:

1. Receiving and processing reports of suspected wrongdoing promptly.
2. Ensuring that individuals accused of wrongdoing are fully informed of the particular allegations against them and given a full and fair opportunity to respond.
3. Assessing internal disclosure reports and determining if there are sufficient grounds to warrant further action.
4. Arranging for an investigation when required.
5. Conducting any investigation in a manner that, to the greatest extent possible, respects the individual privacy and confidentiality of everyone involved.
6. Determining what action must be taken to address the suspected wrongdoing, including providing a report to upper management or to outside law enforcement agencies, where necessary.
7. Informing the individual making the report of the general outcome of the investigation as soon as practicable.
8. Implementing measures to protect individuals who report suspected wrongdoing in good faith, from reprisals.
9. Making recommendations for sanctions if an internal disclosure report is filed maliciously or in bad faith.
10. Keeping records of all internal disclosure reports and any investigations or remedial action taken,

FREEDOM FROM RETALIATION

1. The intention of this policy is to encourage individuals to raise legitimate concerns about suspected

wrongdoing in a safe and secure manner.

2. Any retaliatory action by individuals will be considered a serious breach of this policy and shall be subject to disciplinary and administrative measures, up to and including termination of employment or contractual relationships or association with OSSA.

REPORTING TO THE BOARD

The Board of Directors will be advised of any reports of perceived wrongdoing, the results of any investigation and action taken.

BOARD PROCESSES

OSSA STRATEGIC PLANNING PROCESS

PURPOSE

The Board of Directors is responsible for defining the vision, mission, values and strategic objectives of the organization.

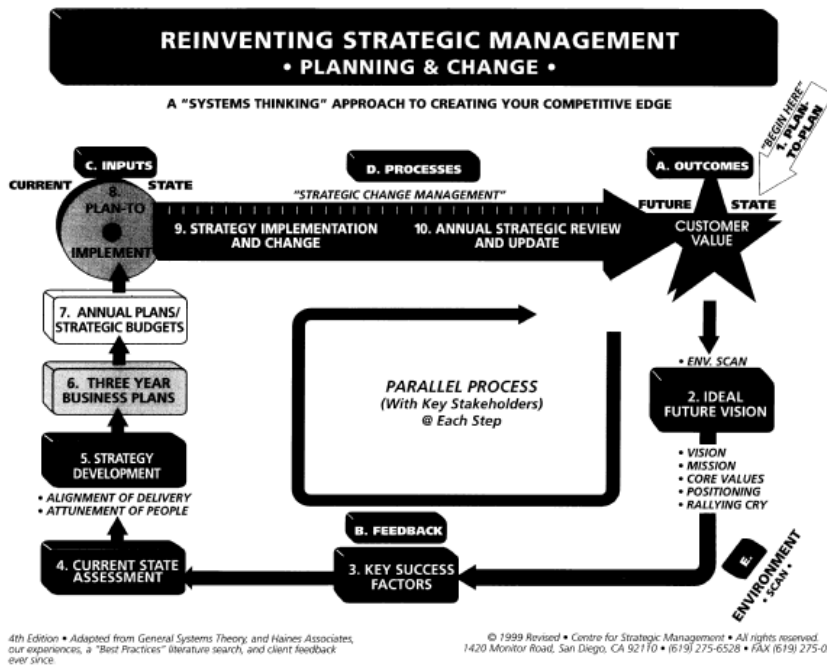
OSSA enters into Strategic Planning every five years. The first Strategic Plan was written in 1997. It was revised in the fall of 2002, to be implemented January 2003 until 2008.

OSSA PLANNING PROCESS

Strategic Planning is the process that determines where an organization is going over a set number of years, how it is going to get there and how it will know if it got there. The questions to be considered in Strategic Planning include:

- Outputs: Where do we want to be?
- Feedback: How will we know when we get there?
- Inputs: Where are we now?
- Throughputs: How do we get there?
- Ongoing: What will/may change in the environment?

OSSA PLANNING MODEL



Centre for Strategic Management 2002

In a Strategic Planning year, a Strategic Planning Team is formed consisting of a cross section of executives, management, staff and representative Board member(s). At each major step of the process, input is sought from selected Board members, internal and external stakeholders, through a Parallel Process.

STRATEGIC PLANNING PROCESS

Outcomes – Future State

The purpose of this step is to formulate the dream for the future – Where do we want to be? Environmental scanning, stakeholder and customer interviews take place during this step. From this a Vision, Mission and Values document is drafted.

Key Success Factors

The purpose of this step is to develop the quantitative outcome measures of success for achieving all elements of the vision, measured year by year, and benchmarked against competition. KSF should measure what is really important to the business. OSSA measures elements based on a Balanced Scorecard: Customers, People, Processes and Financial.

Current State Assessment

The CSA is carried out using a Strength, Weaknesses, Opportunities and Threats (SWOT) analysis. This step is done at this point in the process so that the assessment is looked at in light of the desired future and not where the organization is now.

Strategy Development

This step creates the core strategies to bridge the gap between the ideal future vision and the Current State Assessment, resulting in five to seven core strategies to be implemented organization-wide.

Three-Year Rolling Business Plan

The development of a business plan guides the organization in the implementation of the core strategies. Each year the business plan is updated to include another year, always giving a three-year picture of the plan.

Annual Plans and Budget

During this phase, the business units develop plans with prioritized actions and the resources required to implement the plan annually.

Strategy Implementation

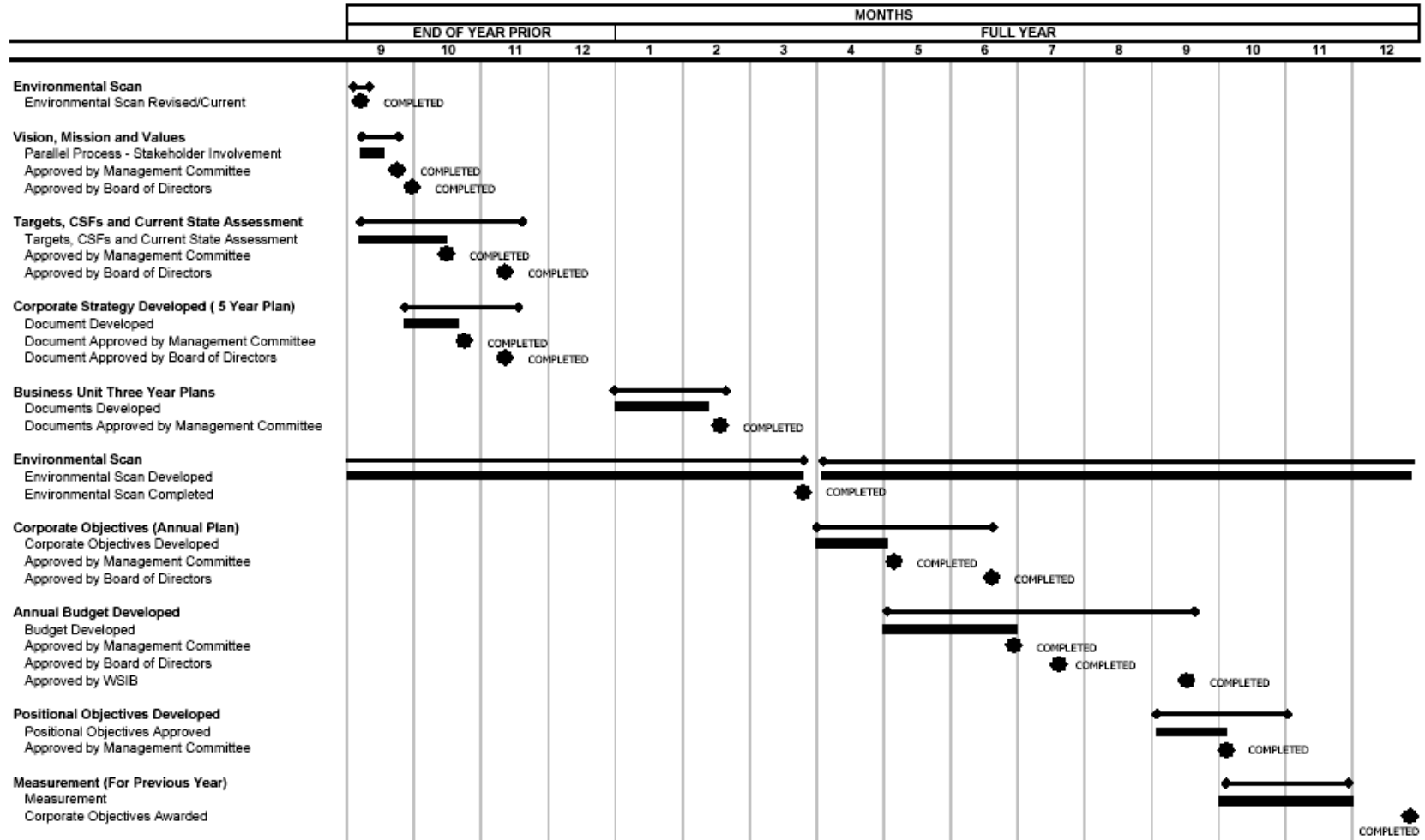
A plan for implementation is created that includes: assignment of strategy sponsors, champions, communication, tracking and measurement of elements, alignment of resources, skills development, etc.

Annual Review and Update

Each year, the annual plan is evaluated. Revisions are made as necessary and communicated to all stakeholders.

STRATEGIC PLANNING CYCLE

OSSA Business Planning Cycle - Strategic Planning Year



STAKEHOLDER CONSULTATION SCHEDULE — STRATEGIC PLANNING YEAR

	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
Phase 1 – Customer Value & Ideal Future Vision						
CSPT – 2 days	2 nd Week					
Parallel Process – Key Stakeholders – ½ day Staff Group Client Group External Partners BOD	3 rd Week					
Phase 2 – Targets, Key Success Factors & Current State Assessment						
CSPT – 2 days		1 st Week				
Parallel Process – Key Stakeholders – ½ day Staff Group Client Group External Partners BOD (@ Nov. Meeting)		2 nd Week				
Phase 3 – Strategy Development						
CSPT – 2 days		3 rd Week				
Parallel Process – Key Stakeholders – ½ day Staff Group		4 th Week				

	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
Client Group External Partners BOD (@ Nov Meeting)						
Phase 4 – Business Plan & Annual Plan						
CSPT – 2 days			1 st Week			
Parallel Process – Key Stakeholders – ½ day Staff Group Client Group External Partners BOD (@ Nov Meeting)			3 rd Week			
Phase 5 – Plan to Implement the Plan						
CSPT – 1 day				2 nd Week		

ANNUAL BUSINESS PLANNING PROCESS

Business Planning comprises the overall business portfolio for the organization's future growth, profitability and direction.

In conjunction with the Strategic Plan, OSSA has developed a 3 Year Rolling Business Plan that is updated annually. The 3 year Business Plan is amended annually to delete the first year and include a new year to the business plan. This ensures that the planning process extends three years out at any one time.

Business Planning is completed annually and includes the development of Corporate Objectives as well as budgets and projections.

The Business Planning process is outlined on the accompanying chart. The steps include:

Environmental Scan

The Environmental Scan is completed by March of each year.

Corporate Objectives with Metrics

The Corporate Objectives with Metrics are drafted by a cross-functional team based on the 3-year rolling Business Plan, Business Metrics including customer feedback, and the Environmental Scan. The Corporate Objectives are approved by the Board of Directors.

Annual Budget

The Annual Budget is developed by the business units based on the Corporate Objectives and the 3-year rolling Business Plan. The budget is approved by the Board of Directors.

Positional Objectives with Metrics

Individual objectives for staff are developed supporting the implementation of the Corporate Objectives and 3-year rolling Business Plan. Positional Objectives are approved by the CEO.

Measurement

Each Corporate and Positional Objective is measured for level of success as outlined in the metric for each.

BUSINESS PLANNING CYCLE—NON STRATEGIC PLANNING YEAR

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Environmental Scan	◆—————◆											
Environmental Scan Developed	—————											
Environmental Scan Completed			✱									
Corporate Objectives				◆—————◆								
Corporate Objectives Developed				—————								
Approved by Management Com					✱							
Approved by Board of Directors						✱						
Annual Budget Developed				◆—————◆								
Budget Developed				—————								
Approved by Management Com					✱							
Approved by Board of Directors						✱						
Approved by WSIB									✱			
Positional Objectives Developed								◆—————◆				
Positional Objectives Approved								—————				
Approved by Management Com											✱	
Measurement										—————		
Corporate Objectives Awarded												✱

CEO PERFORMANCE EVALUATION PROCESS

BENCHMARKS

The Board of Directors is responsible for the establishment and implementation of a timely, fair, objective and constructive process for evaluating the performance of the CEO. A good performance evaluation process focuses on the results achieved by the CEO, the CEO's overall leadership and the development of future goals. When well done, it promotes healthy dialogue between the Board and the CEO.

TIMETABLE

ACTIVITY	RESPONSIBILITY	TIMELINE
Board approves Corporate Objectives and Metrics for next fiscal year.	Board	June/September
CEO develops a set of personal objectives for next fiscal year for Board approval.	CEO	November
CEO writes self-appraisal of accomplishments for the year under review and submits to the HR Committee	CEO	Before November meeting
CEO discusses self-appraisal with the HR Committee	CEO	At November meeting
The CEO's self-appraisal is distributed to the Board.		At November meeting
Board members submit their written assessments of the CEO to the Chair of the HR Committee.	Board Members	Before November meeting
Input from Board members is summarized.	HR Committee	Before November meeting
Consolidated input is discussed within the HR Committee.	HR Committee	At November meeting
HR Committee reviews consolidated input with Board and recommends compensation and incentive award to Board.	HR Committee	January ¹
Approval of CEO compensation and bonus	Board	February
CEO Performance Review	Board Chair	November-December
The CEO's written response to the Board through the Chair	CEO	February

BOARD, COMMITTEE AND DIRECTOR EVALUATION PROCESS

PURPOSE

Board evaluation, which includes Committee and individual Director assessments, gives Directors the opportunity to reflect on how effectively the Board functions as a collective body and fulfils its leadership, oversight, monitoring and stewardship responsibilities, to identify strengths as well as areas for improvement.

The value of a formal evaluation process comes from the discussion that ensues, not from the statistical detail. This process will result in the Board identifying ways in which it can enhance the way it governs.

PROCESS

1. The Board's Governance Policy Manual and specifically the Terms of Reference for the Board of Directors constitute the benchmarks against which the assessment takes place.
2. The Governance Committee has the responsibility for implementing the evaluation process.
3. In September of each year, Directors complete on-line questionnaires for the Board, the Committee on which they serve as well as their individual self-assessments.
4. The results of the evaluation are consolidated and summarized by the Chair of the Governance Committee, the Board Liaison or by a third party on a confidential basis.
5. The aggregate results are prioritized and reviewed by the Governance Committee.
6. In November of each year, the Chair of Governance, or a neutral third party, reports the results to the Board and facilitates a full and open discussion.
7. The Board agrees on an action plan to improve its corporate governance.

BOARD EVALUATION

	Strongly Agree	Agree	Disagree	Strongly Disagree	Comments
Industry Knowledge					
Directors have a solid understanding of OSSA.					
Directors have a solid understanding of the political and social environment in which OSSA operates.					
Governance					
Directors have full and common understanding of the roles and responsibilities of a Board and recognize their primary obligation is to monitor management and performance, not to manage the organization.					
Directors understand their overarching duties, including the duty of care and the duty of loyalty.					
There are clear written Terms of Reference for the Board, Officers, Committees, the CEO, Directors and the					

	Strongly Agree	Agree	Disagree	Strongly Disagree	Comments
Board Liaison.					
The Board does a good job of evaluating the CEO's performance.					
The Board conducts a thorough review and approves the compensation for the CEO.					
OSSA maintains a conflict-of-interest policy, and all Directors and management staff review and/or sign to acknowledge and comply with the policy.					
There are mechanisms in place that allow the Board to act independently of the CEO.					
There is an effective annual review process for the evaluation of the Board as a whole, its committees and individual Directors.					
There is a clear and well-communicated set of Board guidelines or operating procedures to which the Board is committed.					

	Strongly Agree	Agree	Disagree	Strongly Disagree	Comments
The Board's nominating process ensures that the Board remains appropriately diverse with respect to age, perspective, skills, and experiences.					
Directors receive regular training and information about the industry and their responsibilities.					
New Directors are oriented to OSSA, including the mission, bylaws and policies, as well as their roles and responsibilities as Board members.					
The Board effectively represents the organization to the community.					
Strategic Planning					
The Board defines the vision, values and mission of OSSA.					
The Board provides input and advice to the strategic plan prior to its finalization.					
The Board approves corporate strategy.					

	Strongly Agree	Agree	Disagree	Strongly Disagree	Comments
The Board regularly monitors and evaluates progress toward strategic goals and performance.					
The Board has an effective strategic planning process.					
Board-CEO Linkage					
The roles of the Board and the CEO are defined and respected, with the CEO delegated as the manager of OSSA's operations and the Board focused on policy and planning.					
Directors receive information in a format that is intelligible and enables them to understand OSSA's performance relative to similar organizations.					
The Board is regularly exposed to the senior management team and key managers on a formal and informal basis.					

	Strongly Agree	Agree	Disagree	Strongly Disagree	Comments
Monitoring					
The Board has the tools and knowledge to effectively monitor the organization's performance.					
Directors receive information on a regular basis about OSSA's financial performance.					
Directors receive information on a regular basis about OSSA's non-financial performance.					
As you understand your role as a Board member; do you feel well informed of all significant issues affecting OSSA.					
Board Communication					
Board meetings allow sufficient time for the discussion of agenda items.					
Meeting time is appropriately allocated between Director discussion and management presentation.					

	Strongly Agree	Agree	Disagree	Strongly Disagree	Comments
The Board’s dialogue is sufficiently broad and insight generating.					
Board discussions are frank and constructive.					
Directors feel free to speak openly and honestly without fear of criticism, even when voicing a minority opinion.					
Directors and management work together to achieve “constructive interaction” in a healthy atmosphere of give and take.					
The atmosphere of the Boardroom encourages critical thinking.					
Board discussions reach closure.					
Committees					
The Board has established the appropriate committees to undertake the Board’s mandate.					
Committees report their activities, decisions, and recommendations to the full					

	Strongly Agree	Agree	Disagree	Strongly Disagree	Comments
Board in a concise, understandable manner.					
Chair The Chair fulfils his/her duties and responsibilities as established in the Terms of Reference for the Chair.					
Services Provided by the Office of the President					
The written information provided by the Office of the President (e.g. Board package, emails) is in plain English and is clear and easy to understand.					
The information provided is at the right level (i.e., policy, planning and performance, not operations) and offers useful insights that facilitate productive discussion at Board meetings.					
The information provided is candid and objective; it includes bad news and uncertainties as well as good news.					
The amount of information					

	Strongly Agree	Agree	Disagree	Strongly Disagree	Comments
provided meets the Board's needs and is not overwhelming.					
Information is sent out in a timely manner and provides Board members with enough time to review it.					
OSSA staff's response to Board members' requests for assistance are characterized by courtesy and promptness.					

Please complete the following:

1. What was the Board's most significant achievement in the past year?
2. What was the Board's most notable shortcoming in the past year?
3. What suggestions or comments do you have regarding the performance of the Chair?
4. I would like to see more
5. I would like to see less
6. What one specific recommendation would you make to improve Board effectiveness?

INDIVIDUAL DIRECTOR SELF-ASSESSMENT

	Strongly Agree	Agree	Disagree	Strongly Disagree	Comments
Governance					
I understand and support OSSA's Vision, Mission and Values.					
I have a good understanding of OSSA's strategic objectives.					
I have a good understanding of the OSSA By Laws and governing policies.					
I understand the role of the Board and my legal and ethical responsibilities as a Board member.					
I recognize the Board must "speak with one voice" and I avoid taking any action on issues unless instructed to do so by the Board.					
I avoid participating in Board issues that are self-serving or may be perceived as conflict of interest.					

	Strongly Agree	Agree	Disagree	Strongly Disagree	Comments
Participation					
I maintain a 75% attendance record at Board and committee meetings.					
I support and participate in educational opportunities.					
I come to meetings well prepared, having done the necessary reading prior to the meeting.					
I actively participate in Board and committee meetings by listening respectfully and discussing ideas openly.					
I ask probing questions, focused on policy and strategy, rather than tactics and details.					
I encourage others to express their opinions.					
I apply my experience and business/professional wisdom to matters that come before the Board.					
I take into account the viewpoints of stakeholders.					
I contribute to the CEO's					

	Strongly Agree	Agree	Disagree	Strongly Disagree	Comments
perspective and wisdom by sharing my knowledge and experience without trying to run the operation.					
I open doors to my network to help the CEO and OSSA.					
I am an effective ambassador and representative of OSSA.					

Please complete the following:

1. What one specific recommendation would you make to improve your effectiveness?
2. Is there anything else that you would like to communicate?
3. In what areas would you like more support/training?

COMMITTEE ASSESSMENT

NAME OF COMMITTEE _____

	Strongly Agree	Agree	Disagree	Strongly Disagree	Comments
The mandate of the Committee continues to be appropriate.					
The Committee is the right size.					
The Committee lays out a full year's agenda.					
The Committee has the right mix of skills and experience.					
The Committee allocates the right amount of time for its work.					
Members of the Committee receive adequate material in advance of meetings and in sufficient time and detail to permit effective consideration of issues.					
Committee meetings are conducted in a manner that ensures open communication, meaningful participation and timely decisions.					

	Strongly Agree	Agree	Disagree	Strongly Disagree	Comments
There is a good balance between Director discussion and management presentations.					
The Committee provides the Board with a clear summary of its deliberations and recommendations.					
The Committee fulfills its duties as described in the Board-approved Terms of Reference.					
The Chair fulfils his/her duties and responsibilities as established in the Terms of Reference for the Chair.					

Please complete the following:

1. What one specific recommendation would you make to improve your effectiveness?
2. What suggestions or comments do you have regarding the performance of the Chair?
3. Is there anything else that you would like to communicate?

BOARD OF DIRECTORS ORGANIZATIONAL POLICIES

FINANCIAL EXPENDITURE POLICY

FINANCIAL SERVICES AND BANKING RESOLUTION

CONTRACTS AND COMMITMENTS RESOLUTION

BANK ACCOUNT: SCOTIABANK, 5075 YONGE STREET, NORTH YORK ON M2N 6C6

BANKING

Cheques, drafts or orders for the payment of money, notes, acceptances and bills of exchange, may be drawn, accepted, endorsed and signed by such Officers and in such manner as the Board may from time to time designated by resolution.

Persons authorized to sign and deliver the Scotiabank Financial Services Agreement. Any two (2) of these persons may sign:

- Chair, Board;
- Chair, Audit and Finance Committee;
- President/CEO;
- Vice President, Corporate Services;
- Vice President, Client Services;
- Executive Director, Corporate Development

INVESTMENT AND BORROWING

Persons authorized to borrow money on behalf of OSSA, up to and including the amount of two hundred thousand dollars (\$200,000). These two (2) persons must sign:

- President/CEO and
- Chair, Audit and Finance Committee

Persons authorized to make investments on behalf of OSSA. Any one (1) of these persons may sign:

- President/CEO or
- Vice President, Corporate Services

EMPLOYMENT AND SALARY

Persons authorized to employ and pay salaries to employees on behalf of OSSA. Any one (1) of these persons may sign:

- President/CEO; or
- Vice President, Corporate Services; or
- Vice President, Client Services; or
- Executive Director, Corporate Development

CONTRACTS AND COMMITMENT

Subject to Board resolutions, from time to time, specifically authorizing one or more persons as authorized signatories of the Corporation in connection with a specific transaction, all contracts, documents and any instruments in writing requiring the signatures of the Corporation shall bear the signatures of the following:

Persons authorized to sign contracts and/or purchase orders on behalf of OSSA, for amounts up to and including \$1,500. Any one (1) of these persons may sign:

Regional Manager or
I.S. Manager or
H.R. Manager or
President/CEO's Office Manager or
Sales Manager or
Product Development (RPD) Manager or
Service Delivery Manager or
Marketing Manager or
Strategic Partnership Manager

Persons authorized to sign contracts and/or purchase orders on behalf of OSSA, for amounts in excess of \$1,500 up to and including \$50,000. Any one (1) of these persons may sign:

- OSSA Staff Director or Executive Director

Persons authorized to sign contracts and/or service agreements on behalf of OSSA, for amounts in excess of \$50,000 up to and including the amount of one hundred thousand dollars (\$100,000). Any one (1) of these persons may sign:

- President/CEO; or
- Vice President, Corporate Services; or
- Vice President, Client Services;

(please also see Appendix D, Standards for Designated Entities 2006, Section 4.4 for further reference)

For amounts or obligations in excess of \$100,000 up to and including \$250,000 – both (2) persons must sign:

- President/CEO and
- Vice President, Corporate Services
-

For amounts or obligations in excess of \$250,000 – all three (3) persons must sign:

- Chair, Audit and Finance Committee; and
- President/CEO and
- Vice President, Corporate Services

NOTE: Officers of the Company: Board Chair, Board Vice Chair, Chair, Audit & Finance Committee, Secretary Treasurer and President/CEO

Revised: October 2008

CEO COMPENSATION POLICY

OVERVIEW

This document outlines the compensation model used for determining compensation for the OSSA CEO.

The model takes into account the factors unique to OSSA including:

- organizational philosophy, values and culture
- market conditions
- current compensation trends and research
- the approach used by other organizations including not-for-profit associations in Canada and the U.S., the Ontario public service and other SWAs and private industry
- the special considerations needed due to the organization's not-for-profit status
- the need for simplicity, objectivity and a measure of discretion and
- parallels the employee compensation model.

THE MODEL

The OSSA compensation model is based on a total rewards concept which includes: base pay, variable pay, benefits, perquisites, work environment, training, etc. The model utilizes a base salary competitive to market and variable pay to reward and recognize achievements. It supports the stated compensation objectives for OSSA to:

- provide compensation that is competitive to similar organizations including other associations and the other HSAs
- attract, retain and motivate an excellent CEO
- recognize and pay for performance and to align pay with meeting specific organizational objectives
- hinges on OSSA business results and strategy.

BASE SALARY

1. Base salaries (including the CEO) in the OSSA compensation system were determined by a process that included:
 - Completion of Job Information Questionnaires
 - Job evaluation review
 - Grouping similarly valued jobs into grades
 - Benchmarking jobs relative to market
 - Development of pay line and salary ranges for each grade
 - Establishment of target variable pay
2. From this process, eight (8) job grades were created with minimum, midpoint and maximum base salary values as associated with each position. Progression through salary

range is tied to job performance and competency development. The CEO is the highest grade on the scale – grade 8. For example, the scale in 2005 was:

Grade	Salary Range (80% Midpoint)	Salary Range (Midpoint)*	Salary Range (120% Midpoint)
8	111,565.29	139,456.61	167,347.93

* Note: Midpoint is considered to be the job rate.

3. Merit increases in base pay are determined annually following the performance review and are based on performance. The overall performance rating will result in one of four ratings, each with a multiplier used in the calculation (see formula):
 - Exceptional Performance (EP) = 1.25
 - Quality Performance (QP) = 1.0
 - Satisfactory Performance (SP) = 0.5
 - Unsatisfactory Performance (UP) = 0
4. The maximum merit increase allowed annually is determined each year in January based on organization performance and budget considerations. For example, the 2005 merit increase matrix is:

Compa Ratio Grid:

Competency Rating	EP	5.00%	3.50%	2.50%
	QP	3.50%	2.50%	1.50%
	SP	1.50%	0.00%	0.00%
		50% - 90% Compa-ratio	90% - 105% Compa-ratio	105%+ Compa-ratio
Placement in Range				

VARIABLE PAY

1. An incentive award of up to 15% of the previous year's base salary may be awarded to the CEO as variable pay. Once the annual performance evaluation is complete, the variable pay will be determined. The award will be paid within one month thereafter.
2. The variable payment does not form part of the annual salary and must be re-earned the following year.
3. Payment of the variable pay will be based on a formula that measures accomplishments of Corporate Objectives. See formula below.
4. If the objective is reached, the bonus is paid out. The variable pay will be related only to that particular year, and should not be influenced by the previous year's goal attainment.
5. The payment and amount of any variable payment is solely at the Board's discretion and does not form part of the CEO's wages. The CEO must be actively employed on the date the award is payable in order to be eligible. If the CEO's employment ceases before the award is payable, the CEO will not be entitled to any portion of the award. The payment of variable pay in one year does not automatically dictate payment of an award in any future

years—the variable pay award must be earned. The formula for calculating the variable pay is below.

Example: Assumptions: \$100,000 Base Salary, all Corporate Objectives were met.

Base salary x	Target x (% of base salary)	Corporate Performance Multiple = Weighted average of “Success Scorecard” metrics	Variable pay
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Example: Assumptions: \$100,000 base salary and all Corporate Objectives were met.

Base salary x	Target x (% of base salary)	Corporate Performance Multiple= 1 = (weighted average of success)	Variable pay
\$100,000 x	15% x		\$15,000

BENEFITS

1. The CEO will receive the same benefits as OSSA’s senior executives and must meet the same obligations. The CEO is not eligible for overtime flextime or lieu time.
2. The OSSA Board of Directors may approve additional or supplemental benefits for the CEO on an individual basis.

MEASURING INDIVIDUAL PERFORMANCE

1. The performance evaluation forms will be distributed in October of each year to be returned by the end of the month to enable the information to be compiled. The review of the CEO’s performance will be conducted in January of each year and will be completed on a timely basis.
2. In light of the inherent difficulties in evaluating a CEO, the Board will strive to obtain feedback from a variety of sources to achieve a balance of feedback, including direct reports (for example, through a staff satisfaction survey), the WSIB and Board members. The current self-assessment process will be maintained.
3. In conjunction with the evaluation process, the CEO and Board Chair will set approximately two to three individual objectives relating to *individual* performance.
4. A single rating for overall performance will be generated for the purposes of determining increases to base salary.

SETTING CORPORATE OBJECTIVES

1. The responsibility for setting the corporate objectives will be shared by the CEO, Human Resources Committee and Board as a whole. This provides the necessary checks and balances to ensure appropriate objectives are set.

2. Some of the measurement tools for achieving the goals will involve other parties and tools (e.g., a customer satisfaction survey)
3. The Board and CEO will use the balanced scorecard approach, which sets objectives from the following four areas:

<i>Financial</i>	<p>OSSA's ability to meet its financial targets. It covers:</p> <ul style="list-style-type: none"> • cost reduction • productivity improvement • ability to work within budget
<i>Internal Business</i>	<p>OSSA's people and infrastructure—the driving force behind future success. It covers:</p> <ul style="list-style-type: none"> • employee satisfaction • employee retention • productivity • competencies
<i>Customer Focus</i>	<p>How well OSSA meets customer needs. It covers:</p> <ul style="list-style-type: none"> • customer satisfaction • increasing customer base • customer retention
<i>Innovation/Learning</i>	<p>This focuses on the development of a true learning organization. It covers:</p> <ul style="list-style-type: none"> • innovation • operations • service

For each quadrant, one or two objectives can be established. The total number of objectives will be limited to four to six.

TIPS FOR SETTING OBJECTIVES FOR ALL BOARD MEMBERS

In setting objectives, the Board will keep in mind the following guidelines:

1. Avoid disguising activities (e.g., number of meetings attended) with results. Identify the value-added contribution made to the organization as a result of the activity and make that contribution the result.
2. Do not set too many objectives. Some objectives may be combined to make one larger, overall objective.

3. If the results are achieved, there should be a payout; if they are not achieved, there is no payout. The objectives must have internal and external integrity.
4. Decide who will make the decision about whether an objective has been met and how. Use objective measures where possible. Gaining feedback from a wider spectrum of parties is also helpful, such as through customer feedback surveys and employee satisfaction surveys.
5. Ensure that what is being measured is strategically important. The measures you use should be derived from and support your overall business strategy.
6. Make sure the objective is directly linked to what OSSA needs to do in order to succeed.
7. Consider the extent to which the CEO can make a meaningful impact on the result. If she or he cannot influence the results, the goal will no longer be motivating and will become meaningless.
8. Consider how to measure the achievement of the objective. If an objective is critical to the business of the organization but cannot be tracked or reported, consider how you can begin to develop a process that will enable you to get the required information.
9. For each objective, the Board will ask the following:
 - What is the purpose of this objective?
 - Is it aligned with key business strategies and objectives—both short and long term?
 - How will it be accomplished?
 - What resources are required?
 - How will it be measured?
 - What is the time frame for meeting the objective?
 - How well do the evaluators and the CEO understand what drives the achievement of the objective? In other words, is it a SMART objective (specific, measurable, achievable, relevant and time dated)?

APPOINTMENT OF AUDITORS

PURPOSE

To define a fair business practice for the selection of a chartered accounting firm to conduct the annual audit for Ontario Service Safety Alliance (OSSA).

PROCEDURE

1. At a minimum of every five years, the OSSA will change auditor firms or audit firm partner and request proposals from five chartered accounting firms.
2. The Request for Proposal (RFP) will be submitted to the Audit and Finance Committee for review and approval prior to distribution.
3. The RFP will be distributed to five chartered accounting firms.
4. The RFPs will be analyzed and rated against criteria by the Audit and Finance Committee.
5. The Finance Committee will recommend a chartered accountant firm to the Board of Directors for submission to the Annual General Meeting.
6. The appointment of the Auditor will be finalized by a vote of the membership at the Annual General Meeting.

CRITERIA FOR SELECTION

Selection of the OSSA external auditor will be based on the following criteria:

1. past experience of the firm with respect to not-for-profit and government-regulated organizations;
2. availability of staff with professional qualifications and technical abilities;
3. assurance of continuity and availability of assigned staff and policies, and notification of changes in key staff;
4. understanding of OSSA operations;
5. location of office;
6. ability to present audited financial statements at a Board of Directors meeting;
7. audit fees, estimate of time and all chargeable costs required to complete the annual audit;
8. audit fees, estimate of time and all chargeable costs required to complete subsequent audits, including the assurance that the fees will not increase above a pre-determined rate;
9. ability to complete the financial statements and audit by April 10 each year; and
10. explanation of value-added services.

EVALUATION PROCESS

1. The Audit and Finance Committee, with assistance from the senior management team, will identify the respondent who can provide the required services in a cost effective manner to the organization. Neither the lowest price proposal nor any proposal will necessarily be accepted.
2. The organization may, at its sole discretion, arrange a meeting with any or all of the respondents at any stage of the evaluation process.

3. OSSA reserves the right, at its sole discretion, to change any aspect of this selection, including, but not limited to criteria, process, timing and scope. The organization also reserves the right to terminate this process at any time.
4. All information provided by OSSA in this process, in whatever form, is confidential and remains the property of the organization. All documentation submitted by the respondents is likewise the property of the organization. By involving themselves in this process, respondents automatically agree to this confidentiality provision.
5. No sub-contracting, or substitution, on the part of the audit services supplier will be accepted.

BUDGET APPROVAL POLICY

The Board will approve the budget annually, and submit it to the Workplace Safety & Insurance Board for funding approval based on the WSIB pre-determined schedule.

PROCEDURE

	Procedure	Timeline
1.	OSSA Board of Directors and Senior Management team set business context for the upcoming year.	February
2.	Approval of the annual Corporate Objectives by the Board of Directors.	April
3.	The Senior Management team drafts a budget for review by the Audit and Finance Committee.	May
4.	Approval of the Budget by the Board of Directors	June
5.	Submit the annual budget and Business Plan to WSIB	August
6.	The senior management team presents the budget to WSIB.	September
7.	OSSA receives notification of its funding grant from WSIB	December/January
8.	OSSA senior management team makes necessary adjustments to the budget upon receipt of the WSIB funding grant notification, and forwards the revised budget to the Board for information.	February

- As of October 2008, the business planning is reflected above but given transition expectations, adjustments and flexibility will be required.
- ** OSSA Board policy and practice provides the Board opportunity to assign the Audit and Finance committee specific tasks and approvals, if required.

Updated : October 2008

VOLUNTEER TRAVEL EXPENSE POLICY

OSSA volunteers will be reimbursed for necessary travel expenses incurred while participating in OSSA business activities.

Mileage:

1. OSSA will reimburse OSSA volunteers at the rate of 52¢ per km, when participating in OSSA business activities.
2. The applicable mileage rate is based on the distance between the volunteer's home, or place of work, and the volunteer activity destination.

Parking:

1. Volunteers will be reimbursed for parking expenses, when carrying out OSSA business, upon submitting the appropriate receipt.
2. Volunteers will be reimbursed on the honour system for coin operated parking meters.

Meal Expenses:

1. When early morning, late day, or overnight travel is required to attend Committee activities and meals are not provided, volunteers may claim expenses for breakfast, lunch, and dinner.
2. Volunteers on OSSA business for the day may claim meal expenses up to the following limits:
 - breakfast: \$10.00;
 - lunch: \$15.00;
 - dinner: \$22.00
3. These amounts are maximums only; OSSA requests financial prudence from members when travelling.
4. OSSA volunteers are not authorized to entertain others at OSSA's expense.
5. OSSA meal expenses do not include alcoholic beverages, which must be paid separately and should not show on the OSSA receipt.

Travel Expenses

1. Volunteers have the option to make travel arrangements themselves, or may contact the Board Liaison if assistance is required. OSSA requests financial prudence from members who make their own arrangements.
2. The Chair and CEO will endeavour to ensure meetings are held on pre-arranged dates with at least three (3) weeks notice, to facilitate discount travel arrangements for those involved.
3. In the event of an early meeting start (before 10:00 a.m.), volunteers are entitled to overnight accommodation and/or air flight if travelling from locations more than 300 km from the location of the business activity.
4. If volunteers are required to travel overnight, OSSA will grant the following:
 - meal expenses as noted in this document;
 - one brief (five to ten minute) personal phone call a day from the place of accommodation.

5. OSSA will not cover sundry items such as mini-bar purchases, dry cleaning or movies in the room, etc.
6. To ensure maximum cost efficiency, all arrangements for group bookings or other bulk expenses shall be coordinated by the Board Liaison.

Reporting Expenses

1. Expenses must be reported within 30 days of each meeting. They must be entered on the OSSA "Volunteer Travel Expense Form" and submitted to the Board Liaison for processing (see Appendix).
2. Expense reports will not be processed before the meeting has been completed.
3. Original receipts for all expenses must be attached, except those for which no receipt is available; e.g. tips, metered parking, etc. Dollar value limits (e.g. meals) are provided on the Volunteer Travel Expense Form.
4. Applicable GST must be reported separately on every entry, including items such as parking and taxis.
5. Reimbursement cheques are processed twice a month and an electronic fund transfer is also available. .
6. Processed expense claims will be returned directly to the claimant's business or residence, depending on their choice.

Updated : October 2008

EMERGENCY SUCCESSION PLANNING

PURPOSE

The Emergency Succession Plan provides guidance to Board members and Executive Team staff in event of unforeseen circumstances, or crisis with respect to four key positions:

- President and CEO;
- Vice President Corporate Services;
- Vice President Client Services; and
- Executive Director Corporate Development.

PROCEDURE

In such circumstances regarding the position of President and CEO, the following steps should be taken:

1. The Vice President Corporate Services will advise all Board members of the known circumstances or crisis.
 - The Vice President Client Services will immediately assume an Acting President and CEO role, including all of the position's responsibilities. This will continue until such time as the President and CEO returns to normal duties, or permanent recruitment decisions or notice are received from the Board of Directors
 - The Vice President Client Services will call an emergency meeting of the Board of Directors to advise them of current information, dependent on the circumstances.
2. If the emergency circumstances require a permanent replacement, consistent with OSSA values, policies and practices, the Board of Directors will post, internally and externally, the position of President and CEO. Recruitment will take place within a three month period, during which time the acting role assumed by the Vice President Client Services will continue.
3. In such circumstances, regarding the positions of Vice President Client Services and Corporate Services and Executive Director of Corporate Development, as part of this emergency succession plan annual review, a single candidate will be identified and supported by the Executive Team to assume those duties in an acting role. This will continue until such time as the Vice President returns to normal active duties, or permanent recruitment is initiated consistent with OSSA values, policies and practices.
4. This emergency succession plan is to be reviewed and updated annually, and provided to the Board Chair and each member of the Human Resources Committee of the Board of Directors.

PURCHASING POLICY

COMPETITIVE BID PROCESS

1. Three (3) written quotations will be obtained for materials and services over \$25,000 .
2. Two (2) written quotations will be obtained for materials and services over \$5,000 , but less than \$25,000 .
3. An informal written quotation will be obtained for materials and services over \$1,500 , but less than \$5,000 .
4. In the case of a re-order of less than \$10,000 from a Vendor of Record (VOR), the quotation process is required for every third order, or if the last order was placed more than eight (8) months ago.

WAIVER OF COMPETITIVE BID PROCESS

1. The competitive bid process may be waived when:
 - there is only one qualified firm available when all factors are taken into account;
 - prior experience with a firm in a specialized area makes it beneficial to continue the relationship;
 - the product, equipment or service is proprietary in nature, and no alternate vendor is known to exist;
 - emergency situations exist which preclude the normal competitive process; and
 - the specific product, equipment or service has been selected in previous acquisitions, and its sole use is being extended throughout OSSA as part of a technology or standardization program.

SOLE SOURCE CONTRACTS

1. Sole source contracts over \$20,000 must be supported by written justification, and approved by the CEO or Vice President, Corporate Services.
2. Sole source contracts are to be reported to the Audit and Finance Committee on an annual basis.

APPROVAL LIMITS

1. All contracts and commitments for capital equipment in excess of Board-approved amounts must be authorized by the Board.
2. Persons authorized to sign contract and /or purchase orders on behalf of OSSA, for amount up to and including \$1,500. Any one (1) of these persons may sign:
 - i. Regional Manager or
 - ii. I.S. Manager or
 - iii. H.R. Manager or
 - iv. President/CEO's Office Manager or
 - v. Sales Manager or
 - vi. Product Development (RPD) Manager or
 - vii. Service Delivery Manager or

- viii. Marketing Manager or
 - ix. Strategic Partnership Manager
3. Persons authorized to sign contracts and/or purchase orders on behalf of OSSA, for amounts in excess of \$1,500 up to and including \$50,000. Any one (1) of these persons may sign:
- i. OSSA Staff Director or
 - ii. Executive Director
4. Persons authorized to sign contracts/purchase orders and/or service agreements on behalf of OSSA, up to and including the amount of one hundred thousand dollars (\$100,000). Any one (1) of these persons may sign:
- i. President/CEO;
 - ii. Vice President, Corporate Services;
 - iii. Vice President, Client Services.
5. The Vice President Corporate Services and the President/CEO must sign contracts/purchase orders for amounts over \$100,000 and up to \$250,000.
6. For amounts or obligations in excess of \$250,000 – all three (3) persons must sign
- i. Chair, Audit and Finance Committee
 - ii. President/CEO and
 - iii. Vice President, Corporate Services

Updated: October 2008

STATEMENT OF INVESTMENT POLICY AND GUIDELINES

PURPOSE

The purpose of this Statement of Investment Policy and Guidelines (this "Policy") is to establish investment guidelines for the Ontario Service Safety Alliance (OSSA). From time to time, the OSSA will have surplus cash. In the interest of gaining value from these funds, the OSSA Board of Directors authorizes the CEO or his/her designate to invest OSSA funds in certain authorized classes of securities.

POLICY

- All persons involved in the OSSA investment program are to comply with this policy, the OSSA Financial and Banking Resolution provisions relating to the deposit and investment of funds, and any other laws or policies relating to the OSSA.
- The OSSA executive leadership team is responsible for the management of daily receipt and investment of cash and related accounting operations. The CEO or his/her designate is the investment officer and designated to make investments on behalf of OSSA and may be directed by the Board of Directors or outside professional fund managers, in accordance with this Policy.
- It is the policy of the OSSA to invest all funds under its control in a manner that provides the highest investment return using authorized instruments while meeting the organization's daily cash flow demands in conformance with all related policies.
- The OSSA will not invest funds in excess of the total allowable amount of Unrestricted Net Assets, as per the Workplace Safety & Insurance Board Surplus policy.
- As per the OSSA Financial and Banking Resolution, either the CEO or the Vice President Corporate Services, must sign the investment authorization.

OBJECTIVES

The primary objective of the OSSA investment program is to ensure the safety of the principal, while managing liquidity requirements and other financial obligations of the organization, providing the highest investment return using authorized investment instruments outlined below.

- Safety: The safety of the principal is the foremost objective of the investment program. OSSA investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the portfolio and is guaranteed if held to maturity.
- Liquidity: The investment portfolio shall remain sufficiently liquid to enable the OSSA to meet all operating requirements that might be reasonably anticipated. All investments shall be short-term and open (i.e. capital is guaranteed if redeemed prior to expiration) and redeemable as to principal and interest within 365 days from the date of purchase.
- Finance Committee approval is required for funds that are to be invested for a period in excess of 365 days.

AUTHORIZED INVESTMENTS

The OSSA has authorized the following types of investments:

- Certificates of deposits, savings accounts, deposit accounts, or depository receipts of a bank which is insured by the Canadian Deposit Insurance Corporation.
- Bankers acceptance of banks, Treasury Bills, A-rated short-term bonds.
- The Board can authorize other investments, with a longer term if applicable.

PRUDENCE

To accomplish the objectives of the OSSA, all authorized persons engaged in the investment process will perform their duties responsibly in accordance with the following standard:

"Investments shall be made with care, skill, prudence, and diligence under the circumstances then prevailing, specifically including, but not limited to, the general economic conditions and the anticipated needs of the OSSA, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of like character and with like aims, to safeguard the principal and maintain the liquidity needs of the OSSA."

The standard of prudence to be used by the OSSA investment officers shall be the "prudent investor" standard and shall be applied in the context of managing an overall portfolio. Investment officers shall: (i) act in accordance with written procedures and this Policy; (ii) exercise due diligence; (iii) prepare all reports in a timely fashion; and (iv) exercise appropriate action to control adverse developments.

ETHICS AND CONFLICT OF INTEREST

It is the policy of the OSSA that no person acting on behalf of the investment function shall, in any manner, have any interest, either directly or indirectly, in any investments in which the OSSA is authorized to invest; or receive in any manner, compensation of any kind, from any investments from the sellers, sponsors or managers of such investments. Investment officers and other staff involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

REPORTING

The OSSA shall record all investment transactions. A written report will be generated five times a year for internal purposes listing all pertinent information. This report will be submitted to the OSSA Finance Committee at each meeting.

The OSSA will report all investment transactions in the OSSA Financial Statements in accordance to the Accounting Standards (S.1530, S.3855, S.3861, S.3862, S.3863) of the Canadian Institute of Chartered Accountants.

POLICY ADOPTION AND AMENDMENT

This Policy shall be adopted with approval of the OSSA Board of Directors. This Policy may be reviewed from time to time and amended upon approval by the OSSA Board of Directors.

Date: March 2008

DOCUMENT RETENTION AND DESTRUCTION

1. It is neither feasible nor necessary for each Director to indefinitely maintain copies of the Board packages that are distributed by OSSA prior to Board meetings.
2. Each Director when they decide to dispose of this material shall shred all documents, or return the packages to the OSSA Board Liaison for disposal.
3. OSSA Board materials, both historical and current documents will be kept in electronic format on a Board-secure site on OSSA.com.

OSSA maintains its financial records in accordance with current auditing and accounting practices, and its corporate minute book resides with Corporate Counsel and is maintained in accordance with the Business Corporations Act.

APPENDICES

- APPENDIX 1: CONSOLIDATED AND AMENDED RESTATED BY LAW NO. 1
- APPENDIX 2: EXCERPT FROM THE 1997 WORKPLACE SAFETY AND INSURANCE ACT
- APPENDIX 3: PERFORMANCE AGREEMENT
- APPENDIX 4: SUMMARY OF DESIGNATION APPLICATION
- APPENDIX 5: OSSA STRATEGIC PLAN
- APPENDIX 6: ORGANIZATIONAL CHART
- APPENDIX 7: CONTACT LIST FOR BOARD OF DIRECTORS
- APPENDIX 8: CONTACT LIST FOR EXECUTIVE MANAGEMENT
- APPENDIX 9: BOARD MEETING DATES
- APPENDIX 10: COMMITTEE MEMBERSHIP
- APPENDIX 11: VOLUNTEER TRAVEL EXPENSE FORM
- APPENDIX 12: PERFORMANCE REVIEW FOR THE YEAR
- APPENDIX 13: MEMBER RECRUITMENT AND COMPETENCIES