

Governance Policy

I. Purpose of the Governance Policy

The Governance Policy establishes the governance framework for the Ukrainian Canadian Foundation of Taras Shevchenko (Shevchenko Foundation). The objectives of this policy are to:

- (a) Define the Shevchenko Foundation’s purpose, mandate and structure;
- (b) Define Board and Management roles and responsibilities;
- (c) Provide a consistent, coherent and comprehensive accountability framework which spans the entire organizational structure;
- (d) Facilitate strategic decision-making for the Board and Management;
- (e) Heighten Board, staff and external stakeholder confidence in the stewardship of the Board, the professionalism of Management and the integrity of the organization’s activities and processes.

II. OVERVIEW OF THE SHEVCHENKO FOUNDATION

OUR HISTORY

In 1959, the Ukrainian community in Canada embarked on a significant undertaking – to erect a monument to Taras Shevchenko, Ukraine’s national poet, on the grounds of the Manitoba Legislature. \$175,000 was raised for this endeavor.

Two years later, on July 9, 1961, nearly 25,000 Ukrainian Canadians from across the country gathered in Winnipeg to witness the official unveiling of the monument by Prime Minister John G. Diefenbaker.

The fundraising for this monumental project led to a surplus of \$30,000, which was invested in an endowment fund dedicated to the preservation and development of Ukrainian culture in Canada. This fund was named the *Ukrainian Canadian Foundation of Taras Shevchenko*.

Through the efforts of Senators John Hnatyshyn, William Wall and Paul Yuzyk, and Member of Parliament Nicholas Mandziuk, Bill S-21 – “An Act to Incorporate the Ukrainian Canadian Foundation of Taras Shevchenko” was successfully introduced in the Canadian Parliament and signed on July 22, 1962, by Governor General G.P. Vanier.

The Ukrainian Canadian Congress (UCC) appointed the first Board of Directors, and in 1964 the Shevchenko Foundation was officially launched. Dr. Isydore Hlynka was founding President of the Shevchenko Foundation, leading the organization for its first fifteen years.

OUR MISSION

The Shevchenko Foundation is a national, chartered philanthropic institution dedicated to the preservation, promotion and development of the Ukrainian Canadian cultural heritage, and to the advancement of a flourishing Ukrainian Community for the enrichment of Canada by providing leadership in building and sustaining a permanent endowment fund.

OUR VISION

The Shevchenko Foundation will be a premier not-for-profit foundation inspiring community development in a Canada that acknowledges Ukrainian Canadians as nation-builders and a fundamental component of Canadian society.

OUR VALUES

The Shevchenko Foundation respects the past, celebrates the present and promotes the future of the Ukrainian community in Canada with the synergy of all its stakeholders, including grantees, donors, supporters, volunteers, staff and Board members. The Shevchenko Foundation's core values include integrity, sustainability, spirit, excellence, innovation and inclusiveness.

STATUTORY AND REGULATORY FRAMEWORK

As a national charitable institution, the Shevchenko Foundation is bound by the rules set out in the Canada Not-for-profit Corporations Act (NFP Act) and has specific obligations pursuant to the Income Tax Act and rules set by the Canada Revenue Agency.

The Shevchenko Foundation is required to obey all federal or provincial laws of general application that are relevant to it.

III. THE BOARD

3.1 Roles and Responsibilities of the Board

The Board shall:

Governance

- i. Define, approve and be responsible for the quality of its own governance.
- ii. Establish, approve and periodically review the overall policies and programs of the Shevchenko Foundation and oversee the effectiveness of such programs, including the Governance Policy, as well as enact, amend or repeal By-Laws.

- iii. Contribute to and approve the roles and functions that the Board and the Board Members are expected to perform.

Strategic Oversight

- iv. Participate in the development, approval and fulfillment of Shevchenko Foundation's Strategic Plan and ensure it is consistent with the Foundation's mission, vision and values.
- v. Provide direction and counsel to management in the strategic planning process.

Quality and Performance Measurement and Performance of the Board

- vi. Establish a process and schedule for monitoring and assessing performance in areas of Board responsibility against approved performance standards and indicators.

Board Committees

- vii. Approve the membership of all standing committees based on the members' expertise, availability and overall requirements of the Board.
- viii. Establish Committees and Terms of Reference, through formal Board resolutions.

Oversight and Relationship with Management

- ix. Approve the skills and characteristics that are identified as essential for the position of Executive Director.
- x. Approve and review the job description and perquisites of the Executive Director.
- xi. Approve and review on an annual basis a set of corporate objectives for which the Executive Director is accountable.
- xii. Review and approve the Executive Director's annual performance appraisal.

Financial Oversight

- xiii. Oversee the stewardship and accuracy of financial information with respect to the Shevchenko Foundation's assets and liabilities.
- xiv. Approve the annual financial statements and major financial decisions, including without limitations, the recommendations for revenue, grants, services, administration, capital expenses and budgets.
- xv. Monitor financial performance against budget and ensure that appropriate and effective internal controls and financial reporting mechanisms are in place.
- xvi. Oversee the stewardship of the investment funds through the Investment Committee.

- xvii. Ensure that the granting process is decided in a rigorous manner with clear guidelines, and authorize the awarding of grants either directly or through a delegated authority.

Risk Identification and Oversight

- xviii. Be knowledgeable about risks inherent in the Shevchenko Foundation's operations and ensure that appropriate and regular risk analysis is performed as part of Board decision-making.
- xix. Ensure that the Shevchenko Foundation's control and information systems and its management practices are sound.
- xx. Approve the Shevchenko Foundation's internal audit plan and communicate with the internal and external auditors.

Stakeholder Communication and Accountability

- xxi. Identify Shevchenko Foundation stakeholders, understand stakeholder accountability and contribute to the development of strong stakeholder relationships.
- xxii. Act as ambassadors of the Foundation with stakeholders, where required, in support of the mission, vision, values and strategic direction of the Shevchenko Foundation.

Legal Compliances of the Board

- xxiii. Ensure that appropriate processes are in place to ensure compliance with legal requirements.

3.2 Selection and Composition of the Board

- i. Board members are selected in accordance with Section 6.09 of the By-laws of the Ukrainian Canadian Foundation of Taras Shevchenko.
- ii. The appointment of Officers of the Board of Directors is in accordance with Section 7 of the By-laws of the Ukrainian Canadian Foundation of Taras Shevchenko.

3.3. Board Evaluation

- i. The Board of Directors of the Shevchenko Foundation will establish a mechanism for assessing its capacity and evaluating its performance on a regular basis. The responsibility for assessing the effectiveness of the Board rests with the Governance Committee.

3.4 Board Meetings

Meetings of the Board are governed by Sections 5 and 6 of the By-laws of the Ukrainian Canadian Foundation of Taras Shevchenko that include provisions for notice, place, participation, quorum and votes to govern.

IV BOARD MEMBERS

4.1 Composition

In accordance with the By-laws of the Ukrainian Canadian Foundation of Taras Shevchenko and its Articles, the Board shall be comprised of a President, First Vice-President, Second Vice-President, Secretary-Treasurer and not more than 8 other Board members.

4.2 Roles and Responsibilities of Board Members

a) Standard of Care

Every Board Member shall exercise a degree of care, diligence and skill in managing the affairs of the Shevchenko Foundation that a reasonably prudent person would exercise in comparable circumstances.

b) Duty of good faith and honesty

In exercising their powers and discharging their duties, every Board Member shall act honestly and in good faith with a view to the best interests of the Foundation.

c) Duty of diligence

Every Board Member must be diligent in attending to their legal duties. This includes being familiar with all aspects of the Shevchenko Foundation's operations through attending board meetings and reviewing the minutes of missed board meetings.

d) Duty of obedience

Board Members must comply with all applicable legislation and the Shevchenko Foundation's governing documents and they must assist in implementing valid corporate decisions. Every Board Member is also

obliged to see that the corporation and its officers and agents obey the general law applicable to the corporation.

e) Duty to avoid conflict of interest

Every Board Member shall avoid any conflict that may include financial interest, improper use of information or appropriation of an opportunity that belongs to the Foundation. A conflict of interest is a conflict between an individual's personal interests and his or her public duty. A conflict may exist whether a monetary benefit has been or may be conferred, and it includes both actual and perceived conflicts.

Every Board Member shall be knowledgeable of and comply with the Board Policy on Conflict of Interest.

Every Board Member is required to sign a Conflict of Interest Disclosure form every year and to disclose conflicts as they occur.

f) Education

New Board Members will familiarize themselves with any orientation material and shall be knowledgeable about:

- The activities of the Shevchenko Foundation;
- The mission, vision and values of the Shevchenko Foundation;
- The Shevchenko Foundation's various committees and their function within the corporation;
- The Shevchenko Foundation's stakeholders;
- The duties and expectation of a Board Member;
- The Board's governance role, structure and processes;
- The Board adopted governance policies;
- The policies applicable to Board Members.

g) Board Culture

Every Board Member shall develop and maintain sound relations and work co-operatively and respectfully with the Board Officers, Board Members and management.

Every Board member shall contribute to the governance role of the Board by:

- Reading materials and preparing in advance of meetings;
- Offering constructive contributions and voicing opinions during Board and Committee discussions, but ultimately respecting the final decision of the Board;
- Contributing his or her skills and knowledge to the benefit of the Shevchenko Foundation;
- Respecting the role of the Board Chair during Board discussions and respecting the views of other Board Members; and
- Helping communicate and promote the Shevchenko Foundation mission and programs to the community

Every Board member is expected to contribute to any Board performance review as may be required and act upon the results.

V. OFFICERS AND SENIOR MANAGEMENT

In accordance with the By-Laws of the Ukrainian Canadian Foundation of Taras Shevchenko, the officers of the Shevchenko Foundation shall be the President, First Vice-President, Second Vice-President, Secretary-Treasurer and Executive Director and such other officers, if any, as the Board Members may appoint from time to time. The duties and powers of the officers are set out in Section 7.02 of the By-Laws.

VI. BOARD COMMITTEES

There are 5 Standing Committees of the Shevchenko Foundation: the Investment Committee, the Audit Committee, the Governance Committee, the Nominating Committee, and the Human Resource Committee. Board Committees are composed of Board Members, with some Committees expanded to include external experts selected for their knowledge and expertise. Subject to the By-Laws and this Policy, the Committees are advisory and remain always accountable to the Board.