

Ontario Volleyball Association Backgrounder Motions of Proposed By-Law Revisions for Special General Meeting

Overview

Aligning this Association's by-laws with the *Not-for-profit Corporations Act, 2010* ("ONCA") – scheduled to be proclaimed and in force on October 19, 2021 – requires us to amend a number of by-law provisions. Broadly defined, these required changes include:

1. Amended voting rights for AGMs and Special Meetings, including redefining the eligible voting classes.
2. Corrections and clarifications to the processes for appointing additional directors, which can be done only in limited circumstances. Included in this is the substitution of two elected directors (Athletes' Representative and Director, Regional Engagement) in place of the two current Board-appointed slots (Past President and Regional Council Director).
3. Restructuring the Regional Council as a standing committee of the Board.
4. Assorted "housekeeping" changes that are minor in nature, but are needed to properly reflect legislative differences between the *Corporations Act* and ONCA.

This reform of the by-laws also affords the Association an opportunity to introduce other changes that, while not explicitly required in the move to ONCA, will promote improved governance and align with the Canadian Sport Governance Code, a national standard to which sport organizations are expected to comply (to the extent practicable) by December 2022. These additional changes include:

5. Amending the election cycle to extend the standard term of elected directors to three years.
6. Introducing an Athletes' Representative as an elected board member.
7. Placing greater limitations on director eligibility (over and above the limitations built into ONCA), in the interest of attracting a greater number of independent directors.
8. Establishing specific service limits for certain Executive positions on the Board, and placing limitations on reappointments of directors.
9. Expanding the number of standing committees of the Board, including the introduction of an Athletes' Council.
10. Other housekeeping changes that are not driven specifically by the new legislation, but are desirable to ease the administration of these by-laws.

Details of proposals

1. Voting and classes

Delegate-based voting, which is permitted under the *Corporations Act*, is not being carried over to ONCA. The new statute requires that all voting members have one vote, and if non-voting membership classes are established, that there is at least one voting class as well.

We have established *Non-voting* and *Voting* membership classes. The Non-voting class effectively replaces the Associate Member class definition, but with the addition of recreational players and any “complimentary” member of the OVA.

The Voting class is limited to individuals over the age of eighteen. To ensure, however, that all athletes’ interests are represented, a parent or guardian is able to vote on behalf of a competitive athlete under the age of eighteen.

Once these changes are in place, a simple majority of voting members is required to pass motions at meetings (except when ONCA requires a higher threshold, such as two-thirds, for certain issues required to be voted on by the membership).

2. Appointment of additional directors, and handling vacancies

The existing by-law provides that the Board is comprised of seven elected directors, along with the appointed Past President and the appointed Regional Council Director. It also provides for the appointment of two at-large directors alongside two elected at-large directors, though this had in recent years been replaced by the election of four at-large directors.

ONCA provides clear-cut rules and limitations around the appointment of additional directors: a board may only appoint one-third of number of directors it elects at an AGM, and the term of those appointees ends at the next AGM.

3. New Regional Council framework

Because of the elimination of delegate-based voting, a new framework is necessary for the composition of the Regional Council (and Regional Executives).

The new Council will be chaired by the Director, Regional Engagement, who is elected by the general membership. The Council will now consist of an appointed Regional representative for each Region, along with the Executive Director. The Council now becomes a standing committee of the Board.

The Council will establish subcommittees for each Region, each chaired by the appointed Regional representative. This model provides Regions with the flexibility to appoint as few or as many people as needed to a subcommittee, and also allows for the establishment of other subcommittees for specific initiatives, or for cross-Regional activities.

4. Required “housekeeping” changes

There are a number of instances where terminology has changed, so the by-law will reflect that. (For example, the term “head office” is now replaced with “registered office”.)

Other minor changes do have an operational impact – an example here is the requirement for a corporation to provide notice to the members not more than fifty days before a meeting. The current by-law’s maximum is sixty – that maximum is being reduced to comply with ONCA.

5. Amended election cycle / extended terms

Currently, the Board “turns over” every two years – half of it is elected annually. The new cycle calls for one-third of the nine directors to be elected every year. Longer terms are expected to provide greater continuity and more opportunity for directors to “do more” in the role.

6. Athletes’ Representative

The Canadian Sport Governance Code calls for improved representation of athlete interests in the governance process. This Board position would be charged with promoting the interests of athletes, who make up about 70% of the Association’s membership but currently lack real input at the Board level.

7. Director eligibility rules

Aside from aligning the basic eligibility rules with those of ONCA, the intention here is to solicit involvement of more directors who are not specifically tied to individual clubs (with the exception of the Athletes’ Representative or Director, Regional Engagement slots).

8. Service limits and reappointment rules

Term limits are built into the existing by-law, but because of the transition to a three-year standard term and the introduction of potential short-term appointments, the limits are being recast in terms of total *years* instead of total terms. A limitation is also introduced with respect to certain Executive roles.

Limits on reappointments have also been introduced to prevent future Boards from circumventing the election process through repeat reappointments of any one individual.

9. Standing committees

Current by-laws list the Audit and Finance Committee as the sole standing committee of the Board, even though there are multiple committees operating under the Board’s authority. Accordingly, the Governance Committee and Nominations Committee will be listed as standing committees, to provide transparency to the members that those committees are accountable to them and not just the directors.

The Regional Council is added to the list of standing committees. It has functioned for several years as a sort of hybrid Board-operational committee; by explicitly placing it under the Board's authority, its accountability to the membership is more visible.

A new Athletes' Council is proposed. It is envisioned to be headed by the Athletes' Representative elected by the membership. It is not vital that the Board immediately establish terms of reference for it, but it is important to amend the by-laws to signal to the membership that the Association seeks greater engagement of its largest membership base – the athletes.

10. Other housekeeping

Some of these changes include the deletion of elements that are either duplicated in other documents (such as the vision, mission, and values) or are implicit in ONCA and do not need to be reinforced with a by-law.

One other specific housekeeping change of note is the elimination of the membership rules of Article II. These are policy matters that rightly belong in a Board policy document, which allows the Board greater flexibility in making amendments as needed.

Motions of Proposed By-Law Revisions

Motions 1-4 are the “housekeeping” changes, while 5-7 cover the more substantive changes to the by-laws.

#	Text of motion	Rationale
1	<p>Move that the voting delegates approve the proposals to</p> <p><i>repeal the Constitution and Article I of the by-laws dated December 4, 2016 in their entirety; and</i></p> <p><i>enact Article I in its entirety, along with Articles 13.1 and 13.2, of the proposed by-laws dated October 6, 2021.</i></p>	<p>This is the first of the housekeeping by-law activities.</p> <p>Article I is little changed other than updated terminology and definitions, and Articles 13.1 / 13.2 are needed simply to establish the implementation date of the new Article I.</p>
2	<p>Move that the voting delegates approve the proposals to</p> <p><i>repeal Articles 2.8-2.16 of the by-laws dated December 4, 2016; and</i></p> <p><i>enact the Article currently designated 2.2 of the proposed by-laws dated October 6, 2021.</i></p>	<p>This will serve to remove the membership policy-specific elements so that they only reside in a Board policy.</p>
3	<p>Move that the voting delegates approve the proposals to</p> <p><i>repeal Articles 3.1-3.5 of the by-laws dated December 4, 2016; and</i></p> <p><i>enact Articles 3.1-3.5 and 13.3 of the proposed by-laws dated October 6, 2021.</i></p>	<p>This is another housekeeping amendment to bring these articles in line with ONCA.</p> <p>Article 13.3 is needed to establish the implementation date of Articles II and III.</p>
4	<p>Move that the voting delegates approve the proposals to</p> <p><i>repeal Articles VIII-XI of the by-laws dated December 4, 2016 in their entirety; and</i></p> <p><i>enact Articles VIII-XI of the proposed by-laws dated October 6, 2021 in their entirety.</i></p>	<p>An additional housekeeping amendment to amend terminology and otherwise bring these articles in line with ONCA.</p>

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#	Text of motion	Rationale
5	<p>Move that the voting delegates approve the proposals to</p> <p><i>repeal Articles 2.1-2.7 and 3.6-3.15 of the by-laws dated December 4, 2016;</i></p> <p><i>repeal Article VII of the by-laws dated December 4, 2016 in its entirety; and</i></p> <p><i>enact Article 2.1 of the proposed by-laws dated October 6, 2021.</i></p>	<p>These repeals remove all references to delegate-based voting, including the existing Regional Executive structure, and in its place, the new voting-class structure is enacted.</p> <p>The introduction of the reworked Regional Council will be covered in motion #6.</p>
6	<p>Move that the voting delegates approve the proposals to</p> <p><i>repeal Articles IV-VI of the by-laws dated December 4, 2016 in their entirety; and</i></p> <p><i>enact Articles IV-VII in their entirety, along with Articles 13.4-13.6, of the proposed by-laws dated October 6, 2021.</i></p>	<p>These repeals and enactments introduce the desired changes to the Board’s composition and the election cycle, and introduce the reforms described in items 5-8 of the Overview. This also reframes the Regional Council as a standing committee of the Board.</p> <p>13.4-13.6 are added in to confirm the implementation of Articles IV-VI.</p>
7	<p>Move that the voting delegates approve the proposals to</p> <p><i>repeal Article XII of the by-laws dated December 4, 2016 in its entirety; and</i></p> <p><i>enact Article XII in its entirety, along with Article 13.7, of the proposed by-laws dated October 6, 2021.</i></p>	<p>This repeal and enactment confirms the adoption of the 2021 by-laws and the repeal of the 2016 version.</p> <p>13.7 is added in to confirm the implementation of Article VII (enacted in motion #6), Articles VIII-XI (motion #4), Article XII, and Article XIII (enacted in parts of several motions).</p>