



Policy Name EXECUTIVE LIMITATIONS POLICY		Date of Approval June 3, 2025	Activation Date June 3, 2025
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1.0 Purpose

The purpose of this Policy is to describe boundaries on the actions of the Gymnastics BC Chief Executive Officer (CEO) so as to ensure compliance with the direction provided by the Board of Directors. The Policy is intended to give clear direction so that the CEO may conduct the operations of Gymnastics BC (GymBC) effectively and efficiently. This Policy sets boundaries for the CEO's actions, decisions, and conduct to ensure ethical, legal, and prudent operations aligned with the organization's mission and strategic direction.

2.0 Principles

The Executive Limitations are guided by the following governance principles:

- 2.1 The Board needs to maintain oversight of internal operations because it is accountable for all organizational activity; yet the Board needs to be free from operational matters so that it can get its own job done.
- 2.2 The Board, through its Executive Limitations policy, establishes limitations on the authority of the Chief Executive Officer and then allows the CEO latitude to use all reasonable, prudent and ethical means to carry out the responsibilities of their position.
- 2.3 The Board reserves the right to alter the Executive Limitations from time to time and shall consult with the CEO before doing so.

The CEO shall confirm, in writing, at each meeting of the Board of Directors, compliance with all requirements of the Executive Limitations policy and their understanding of the policy.

3.0 Definitions

The following terms apply to this Policy:

"CEO" – The person occupying the position of Chief Executive Officer or in their absence, the individual designated to fill this role.

"Board" – The Gymnastics BC (GymBC) Board of Directors.

"Gymnastics BC" – Refer to the governing body for the sport of gymnastics in British Columbia and may be referred to herein as GymBC.

"Employee" – An individual that is employed by Gymnastics BC on a full-time, part-time or term basis, and who is not the CEO.

"Association" – Refers to Gymnastics BC (GymBC).

4.0 Limitations

The following are the general limitations on the actions and activities of the CEO:

- 4.1 The CEO must not cause or allow any practice, activity, decision or organizational circumstance that is unlawful, imprudent, unethical, or in violation of industry accepted business standards or sport ethics or that operates outside federal/provincial/territorial laws;
- 4.2 The CEO must not significantly alter the organizational direction or the Executive Limitations of Gymnastics BC without the express consent of the Board.

In the case of unforeseeable circumstances (i.e., force majeure) that cause a national emergency, the Board shall determine if any of the requirements of the Executive Limitations shall be relaxed.

5.0 General Authority to Act

5.1 The CEO has the authority to act within the bounds of reasonable interpretation as per the following directives:

- a. Approved Board Policies.
- b. The current Board approved position descriptor for the CEO position.

- c. Relevant regulatory, statutory or funder requirements.
 - d. As directed by a motion of the Board of Directors consistent with the above-noted directives.
- 5.2 The CEO shall perform all actions necessary to manage, lead and administer the operations of GymBC in accordance with the Mission, Vision and Values and the priorities of the Strategic Plan, and the budget approved by the Board of Directors.
- 5.3 The CEO shall at all times conduct the business affairs of GymBC in a prudent and ethical manner.
- 5.4 The CEO is accountable for the decisions and activities of the entire staff.
- 5.5 The CEO will not operate in a manner or make decisions that contravene applicable legislative, statutory or funder requirements or directives; Board policies; Human Rights and other compliance codes and requirements; funding agreements; standard business and accounting practices; or other relevant laws, practices and requirements.

6.0 Financial Management

- 6.1 The CEO shall not, in the course of managing the financial affairs of GymBC, act so as to place the Association at risk.
- 6.2 The CEO shall not endanger the financial future of GymBC or fail to take steps to build its future financial capacity.
- 6.3 Accordingly, the CEO shall not:
- a. Fail to have financial planning and control systems in place that include adequate reporting procedures;
 - b. Fail to present an annual budget to the Board for approval, in consultation with the Audit & Finance Committee;
 - c. Budget for an annual operating loss, unless authorized by the Board;
 - d. Expend more funds in the fiscal year than have been received (including accounts receivables), unless authorized by a deficit budget plan approved by the Board;
 - e. Operate without promptly informing the Board of material changes in the environment that affect the annual operating plan or budget;
 - f. Deviate materially from Board approved budgeted priorities in allocating funds;
 - g. Indebt the Association in an amount greater than can be repaid by certain, unencumbered revenues by the end of the fiscal year, unless such indebtedness is part of a budget or operational plan approved by the Board;
 - h. Use any long-term reserves except as approved by the Board;
 - i. Allow tax payments or any other government payments or filings to become overdue or be inaccurately filed.
 - j. Allow credit card payments to become overdue so that credit cards attract interest charges;
 - k. Operate without the required approvals of all cheques, fund transfers, contracts, documents, or any instruments in writing requiring the signature GymBC as described more fully in the Financial Policy;
 - l. Use restricted contributions for any purpose other than that designated by the contributor or jeopardize receipt of committed contributions;
 - m. Endanger the Community Gaming Grant, core funding or enhanced excellence funding status of GymBC;
 - n. Fail to prepare funding submissions in accordance with the timelines established by GymBC funders; and/or
 - o. Operate or execute without Board approval the following:
 - i. Provincial marketing services contracts;

- ii. "Title" or "Presenting" sponsors of any BC provincial competition or event;
- iii. Provincial or national television broadcast agreements.

Financial Conditions and Activities

- p. Quarterly financial statements must be received and reviewed by the GymBC Audit and Finance Committee within one month of the end of the previous quarter. Quarters are determined with reference to GymBC's fiscal year.
- q. The CEO must ensure that the appointed Auditors are aware of Policy prior to the annual review.
- r. The CEO must ensure that the Board is informed of overspending in regard to the Board approved budget in accordance with the Financial Policies and Procedures.
- s. The annual management letter prepared by GymBC Auditor must be provided to the Board and the Audit & Finance Committee for review, response, and action, as appropriate.

7.0 Financial Planning

7.1 The CEO shall not budget in a manner so as to depart from generally accepted accounting principles and planning practices.

7.2 Accordingly, the CEO shall not:

- a. Submit a budget that is not developed in alignment with GymBC Financial Policies and Procedures;
- b. Operate without informing the Board, in writing, within two weeks of the CEO becoming aware of any material change in budget or Operating Plan that will alter the achievement of a strategic objective within the current fiscal year.

8.0 Financial Practices and Procedures

8.1 The CEO shall not allow the development of financial practices and procedures that place GymBC in a position of financial risk.

8.2 Accordingly, the CEO shall not:

- a. Fail to report quarterly any use of lines of credit and/or of reserve funds to the Chair of the Audit and Finance Committee;
- b. Indebt GymBC outside of the requirements of the budget;
- c. Allow unrestricted fund balances to drop below \$100,000, unless authorized by the Board.
- d. Operate without Board-approved policies that establish reasonable and effective controls over bank transfers and the opening of bank or investment accounts;
- e. Secure a loan or line of credit from a financial institution without the prior recommendation of the Audit and Finance Committee and the authorization of the Board;
- f. Utilize any of GymBC's reserves unless authorized by the Board;
- g. Use restricted contributions for any purpose other than that designated by the contributor or jeopardize receipt of committed contributions;
- h. Allow cash to drop below the amount needed to meet payroll and debts in a timely manner;
- i. Allow the collection of accounts receivable to be undertaken in an untimely manner;
- j. Allow actual expenditures to deviate materially from the approved budget unless authorized by the Board;
- k. Fail to produce, at a minimum, a quarterly financial report for review by the Audit and Finance Committee;
- l. Fail to record expenses in a timely manner;
- m. Fail to comply with all financial requirements set out by law;

- n. Fail to make tax payments or other government-ordered payments or filings in a timely fashion;
- o. Fail to make source deductions as required by law;
- p. Fail to designate appropriate signing authorities withing the CEO's responsibility and adhere to established policy with regard to signing authority.

9.0 Asset Protection

9.1 The CEO shall not allow the tangible and intangible assets of GymBC to be unprotected, inadequately maintained, or exposed to above average risk.

9.2 Accordingly, the CEO shall not:

- a. Fail to conduct an annual assessment of risk and ensure that the organization has in place property, liability, and cancellation insurance at levels comparable to other similar sized provincial sport organizations;
- b. Operate without maintaining an inventory of all property valued at over \$100,000 and GymBC capital property as necessary for insurance purposes;
- c. Allow un-bonded personnel access to material amounts of funds;
- d. Fail to insure against theft or casualty losses to at least 80% of replacement value, and against liability losses to Directors, staff, volunteers or GymBC itself to beyond the minimally acceptable prudent level.
- e. Operate without a minimum of \$1 million in Directors & Officer's liability coverage insurance and \$5 million in general liability coverage for staff and volunteers, and review annually;
- f. Fail to protect intellectual property, information and files from loss or damage;
- g. Fail to enact a document retention and destruction policy;
- h. Acquire, encumber, or dispose of real estate property (land or building);
- i. Enter into any contract, not sponsorship-related, without engaging in an open and competitive process for determining the most suitable provider;
- j. Enter in any purchase, lease, rental or service contract contrary to GymBC spending approval limits as approved by the Board from time to time;
- k. Enter into any purchase, lease, rental, sponsorship or service agreement without obtaining the signatures of those officers who possess signing authority for GymBC;
- l. Receive, process or disburse funds under controls that are insufficient to meet the auditor's standards;
- m. Fail to adhere to GymBC's Board-approved policies regarding investments.

9.3 **Asset Protection** must be monitored as follows:

- a. Annual Board approval of current insurance policies and schedules demonstrating adequate levels of coverage for all insurance-related measures.
- b. Quarterly reporting of all significant contractual activities or sponsorship agreements.
- c. Exception reporting for all other asset protection measures.

10.0 Employee and Volunteer Management

10.1 The CEO shall not cause or allow conditions, procedures, or decisions which are unsafe, unfair, undignified or disrespectful.

10.2 Accordingly, the CEO must not:

- a. Operate in the absence of written and Board approved human resources policies and procedures;
- b. Operate without written volunteer policies that affirm volunteer rights and responsibilities;

- c. Permit the hiring of employees or contractors without utilizing an established, transparent and clear selection process that requires adherence to the policies of GymBC and pertinent legislation;
- d. Fail to ensure that employees and volunteers are informed of the guiding policies and procedures of GymBC, and of changes to such policies and procedures that affect their roles and responsibilities;
- e. Allow employees to work without position descriptions or without appropriate means of performance review;
- f. Allow volunteers to work without terms of reference;
- g. Fail to ensure respect for confidentiality on organizational and personnel matters;
- h. Create or allow a work atmosphere that is not conducive to employees feeling safe, welcome, and open or that contravenes the GymBC Personnel Policies and Procedures;
- i. Fail to ensure that staff provide adequate support and direction to volunteers in the organization;
- j. Subject employees or volunteers to unsafe or unhealthy conditions;
- k. Discriminate or allow discrimination against a staff member or volunteer for non-disruptive expression of dissent;
- l. Allow GymBC to operate without an employee grievance procedure that is made known to employees;
- m. Prevent employees from bringing grievances to the Board when internal procedures have been exhausted and/or the employee alleges that either GymBC policy has been violated to their detriment or GymBC policy does not adequately protect their human rights;
- n. Allow GymBC to operate without appropriate policy, procedures and practices to manage conflicts of interest, grievances, and complaints that encourage the reporting of fraudulent or dishonest conduct and protects individuals who make such reports from retaliation.
- o. Execute an employee dismissal without consultation with the Personnel Committee and with Board approval to ensure alignment with Employment Standards.

10.3 Treatment of Staff, Contractors and Volunteers must be monitored on an exception basis.

11.0 Compensation and Benefits

11.1 The CEO must not cause or allow jeopardy to fiscal integrity or public image.

11.2 Accordingly, the CEO must not:

- a. Operate without a Board-approved global compensation plan that is periodically reviewed by an independent consulting firm, or Board committee, to ensure that it falls within a reasonable range of competitive practices for comparable positions among similarly situated organizations;
- b. Fail, from time to time, to propose to the Board for approval, a compensation and benefits schedule for all employees except the CEO, consistent with the delegation of authority;
- c. Change the CEO's own compensation or benefits;
- d. Establish or change compensation or benefits for employees that:
 - i. deviate materially from the established salary scale or compensation ranges, as approved by the Board;
 - ii. cause unfunded liabilities to occur, or in any way commit the organization to benefits, that incur unpredictable future costs;
 - iii. provide less than required levels of benefits to all full-time employees;
 - iv. allow any employee to lose benefits already accrued from any forgoing plan.
- e. Hire full-time employees without posting and circulating the position at a minimum with the Members;

- f. Fail to establish and ensure current job descriptions are available for all jobs and to evaluate each staff person at least annually based upon pre-established criteria, consistent with the delegation of authority;
- g. Fail to provide job training and opportunities for professional development training as needed for staff;
- h. Fail to establish the principles that give guidance to staff when performing their duties;
- i. Fail to inform the Board of all contact staff agreements that are required and are not supported within the existing budget;
- j. Determine severance packages outside of specified limits of existing labour laws or the employee's contract.

12.0 Communications and Support to the Board

12.1 The CEO must not allow the Board to operate in the absence of the most current and applicable documentation and information.

12.2 Accordingly, the CEO must not:

- a. Fail to advise the Board, in a timely fashion, of relevant trends, public events, major agreements involving GymBC that generate high public visibility, adverse media coverage, anticipated lawsuits against GymBC, or changes in the external and internal environment that might affect GymBC in areas of concern to the Board;
- b. Fail to advise the Board, in a timely fashion, of any changes in assumptions upon which the Board has been operating.
- c. Fail to provide, in a timely fashion, deliveries of notable GymBC announcements or communications to the Board prior to the dissemination to the Membership, stakeholders or general public;
- d. Fail to provide all items on the Board's agenda delegated to the CEO
- e. Fail to ensure the necessary administrative support for successful Board activities or Board involvement in GymBC events;
- f. Fail to communicate to the Board the appointment of an Acting CEO when not on active duty for a period of longer than two (2) days (e.g., illness, annual leave);
- g. Fail to advise the board if, in the CEO's opinion, the Board is not in compliance with its own policies and procedures;
- h. Fail to present information or advice to the Board that is timely, complete and accurate;
- i. Fail to inform the Board of points of view, issues or options that are pertinent to fully-informed Board decision-making;
- j. Fail to provide information sought by the Board in a timely manner, and to ensure that such information is accurate and understandable;
- k. Fail to adhere to the principle that, with respect to the substance of Board business, the CEO communicates with the Board as a whole, and not with individual Directors, except where authorized by the Board.

13.0 Executive Succession Planning

13.1 The CEO must protect GymBC and the Board from unforeseen or sudden loss of the CEO's services and shall not operate without a management succession plan in place.

13.2 Accordingly, the CEO must not:

- a. Operate without a contingency for the CEO's unexpected long-term absence or incapacity;
- b. Operate without a designated second-in-command;
- c. Allow staff to be uninformed of the issues and processes of the operation of GymBC and its Board;

- d. Operate without short-term and long-term staff succession plans.

13.3 Executive Succession Planning will be monitored by the Board Chair on an ongoing basis.

14.0 Public Image

14.1 The CEO must not cause or allow uncontested operational conditions, procedures, opinions, decisions or comments by Staff, or volunteers that jeopardize the public image of GymBC.

14.2 Accordingly, the CEO must not:

- a. Operate without communications and public relations operational procedures;
- b. Permit to use of GymBC resources to participate in or express an opinion about unrelated political, social or economic issues;
- c. Permit communications that conveys or portrays information that is contrary to GymBC policies or directives;
- d. Authorize anyone other than the designated Director, as appointed by the Board, to speak “on behalf of the Board” unless the Board designates this responsibility to the CEO;
- e. Speak publicly in any manner that will damage the public reputation and integrity of GymBC;
- f. Allow any non-standard use of GymBC marks and/or logo, GymBC Championships, or competition logos and proprietary marks;
- g. Change GymBC’s name or substantially alter its identity or brand/event image.

14.3 **Public Image** must be monitored on an exception basis.

15.0 Membership and Stakeholders Relationships

15.1 The CEO must not cause or allow conditions, procedures or decisions that are unsafe, unfair, disrespectful, undignified, or unnecessarily intrusive.

15.2 Accordingly, the CEO must not:

- a. Operate without policies regarding communication with Members and other stakeholders;
- b. Restrict access to information appropriate to the requesting stakeholder;
- c. Fail to communicate with Membership so that:
 - i. communication is a two-way process;
 - ii. there is respect for Members and a genuine, consistent and timely attempt to meet their needs or, at least, understand their positions;
 - iii. there is follow-through on agreements reached or issues raised.
- d. Allow stakeholders to be uninformed of their responsibilities and GymBC’s expectations of their behaviour when participating in GymBC programs or events, including consequences of violating rules;
- e. Fail to advise Members of grievance and conflict resolution processes;
- f. Fail to foster and maintain a productive relationship with all stakeholders;
- g. Allow sponsorships or partnership with any organization who principles, practices, or products are inconsistent with the GymBC mission, Values and policies.

16.0 Partnerships & Alliances

16.1 The CEO must not operate without encouraging corporate and public involvement in GymBC’s initiatives, to help maximize efficiencies and effectiveness in the use of resources to better achieve the Board’s strategic plan.

16.2 Accordingly, the CEO must not:

- a. Operate without appropriate input from Members, staff, stakeholders and volunteers when development means for achieving the strategic plan;

- b. Allow corporate sponsorship or partnerships with any organization whose principles, practices or products are inconsistent with GymBC's policies or core values.

17.0 Safe Sport

- 17.1 The CEO must not cause or allow conditions, procedures or decisions that disallow individuals from filing a complaints or appeal.
- 17.2 Accordingly, the CEO must not fail to advise the Board of situations operating without a complaint/appeal policy for volunteers, staff and contractors.
- 17.3 Safe Sport must be monitored on an exception basis.

18.0 Core Policies

- 18.1 As part of its funding agreement with viaSport and the Province of BC Gaming Branch, GymBC is required to have a set of core policies in place.
- 18.2 Accordingly, the CEO must not fail to provide and review, in the required timeframe, all of the core policies mandated by the relevant GymBC funders.
- 18.3 Core policies required by GymBC funders must be monitored on an exception basis.