



MUNICIPAL PROPERTY ASSESSMENT CORPORATION

MPAC BOARD OF DIRECTORS MANDATE

The *Municipal Property Assessment Corporation Act* is the foundation of the governance model that establishes Municipal Property Assessment Corporation (MPAC) and sets out the rules governing its mandate and roles and responsibilities as they relate to MPAC's external stakeholders (the Government of Ontario and Municipalities), including its customers (the property taxpayers of Ontario). The Corporate By-law sets out other operating requirements and the processes by which the Board of Directors (Board) functions. The Mandate of the Board and the Terms of Reference of Board Committees set out the collective duties and responsibilities of the Board and each Committee, respectively, along with the Board-approved Position Descriptions for the Board Chair, Vice Chair, Committee Chairs, and individual Directors.

The Board of MPAC has the oversight responsibility and specific duties and responsibilities described below.

Composition

1. The affairs of MPAC shall be governed by a Board of thirteen (13) Directors.
 - a. Seven (7) Directors shall be elected officials of a municipality or officers or employees of a municipality, provided that at least one (1) such Director shall be an elected official of a municipality;
 - b. Four (4) Directors shall be individuals who are associated with the interests of property taxpayers; and
 - c. Two (2) Directors shall be individuals who are associated with the interests of the Province of Ontario.

All Directors shall at all times act with a view to the best interests of MPAC.

2. All Board Members shall have the competencies and skills appropriate to their appointment as Directors or to a relevant Committee. It is recognized that having the right mix of competencies and skills is a reasonable step taken to ensure that the Board and each Committee fulfills their relevant duties and responsibilities.

3. The Board shall be appointed by the Minister of Finance (Minister) in accordance with the *Municipal Property Assessment Corporation Act, 1997*.
4. A Director shall hold office at pleasure for a term not exceeding three years and may be reappointed for no more than two further terms not exceeding three years each.

Responsibility and Accountability

5. As a member of an inter-dependant, multi-disciplinary team, Board members are responsible for providing oversight in setting and approving, in no particular order, the goals, objectives, strategic direction, risk appetite framework, executive compensation, succession planning, and external reporting of MPAC within its mandate as defined by MPAC's constituting instrument and its approved Memorandum of Understanding. Collectively, members of the Board oversee the direction and performance of MPAC and its Management and are accountable to the Board as a whole and to the Minister.

Duties and Responsibilities

The Board will:

6. Governance
 - a. Acquire or maintain a reasonable level of understanding of the current regulatory, legislative, business, risk and political environments within which MPAC and its stakeholders operate.
 - b. Provide stewardship of MPAC through strategic planning, risk assessment, and the governance of its business and affairs. The Minister of Finance empowers the Board through the *Municipal Property Assessment Corporation Act*, and the Board functions under the parameters established in the Corporate By-law.
 - c. Take all reasonable steps to ensure that performance measures and targets for MPAC and Management are established and monitored, are realistic and challenging, measure the implementation of the Strategic Plan, and are aligned with incentive compensation.
 - d. Report annually to the stakeholders of MPAC on MPAC's activities and the achievement of the Strategic Plan within the preceding year.

- e. The Governance and Human Resources Committee, shall take all reasonable steps to satisfy itself that MPAC’s Board governance practices and policies are appropriately disclosed.
 - f. Approve a Communication Policy for MPAC.
7. [Leadership](#)
- a. Be responsible for the overall stewardship of MPAC and provide its strategic direction and framework.
 - b. Oversee the development of MPAC’s strategic framework (vision, mission, objectives) and take all reasonable steps to ensure that the financial and operational plans of MPAC are consistent with the foregoing strategic framework.
8. [Strategy](#)
- a. Approve the development of MPAC’s strategic direction.
 - b. Adopt a strategic planning process and approve a Strategic Plan for MPAC that achieves the Mandate of MPAC in a reliable, quality and ethical manner, and takes into account, among other things, the opportunities, stakeholders and risks of MPAC’s business and affairs.
 - c. Monitor the performance of MPAC and its Management on a quarterly basis in light of the approved Strategic Plan.
9. [Chief Administrative Officer and Executive Management](#)
- a. Receive reports from the Chief Administrative Officer at each regularly scheduled Board meeting on the current matters relevant to MPAC.
 - b. Select, retain, compensate, and, if required, dismiss the Chief Administrative Officer.
 - c. Evaluate and approve the contract, performance and compensation of the Chief Administrative Officer.
 - d. With the advice of the Governance and Human Resources Committee, review the compensation of the Executive Management Group (other than that of the Chief Administrative Officer) and overall compensation programs for MPAC’s employees.

- e. Establish goals, key performance indicators and expectations for the Chief Administrative Officer that are aligned with the achievement of the Strategic Plan.
 - f. Annually evaluate the performance of the Chief Administrative Officer, compared with the foregoing goals, key performance indicators and expectations of the Chief Administrative Officer, and the achievement of the Strategic Plan.
 - g. Review and approve annually a succession plan for the Chief Administrative Officer.
 - h. Consider and, in the Board's discretion, approve any matters proposed by Executive Management.
10. [Ethics and Integrity](#)
- a. Discharge the Board's duties and responsibilities and act in the best interest of MPAC with honesty and integrity.
 - b. Take all reasonable steps to satisfy itself of the integrity of the Chief Administrative Officer and other Executive Management and satisfy itself that the Chief Administrative Officer and other Executive Management create a culture of integrity throughout MPAC.
 - c. Foster ethical and responsible decision-making by the Board, Executive Management and other employees.
 - d. Annually sign, and comply with, the Board of Directors' Code of Conduct and Conflict of Interest Declaration.
 - e. Monitor compliance with the MPAC Code of Conduct.
 - f. Disclose to the Chair and Governance and Human Resources Committee all relevant information related to any perceived conflict of interest due to a material contract, arrangement, transaction, situation, decision, or an issue in which a Director or member of senior Management has, or can be reasonably seen to have, a material interest, or who cannot be considered impartial. The Director(s) or member(s) of Management, shall recuse themselves from the discussion, review or decision, and influencing of the discussion, review or decision, as the case may be, in accordance with the Corporate By-law and

the Board of Directors' Code of Conduct and Conflict of Interest Declaration with respect to the conflict of interest.

- g. Provide leadership to MPAC in support of its commitment to sustainable business practices.

11. [Committees](#)

- a. Establish an Audit Committee, and establish or disband any additional Board Committee at any time, and delegate to such Board Committee(s) any appropriate powers of the Board as is deemed necessary for the effective governance oversight and discharge of responsibilities, the consideration of such matters as the Board may in writing expressly refer to such Committee.
- b. In the Committees' discretion, annually elect from among its members, a Chair to preside over the meetings.
- c. Review the report of the Governance and Human Resources Committee on the assessment of Board Committee composition, and annually appoint Board Committees that promote a knowledgeable and informed Board, which demonstrates an understanding of relevant matters.
- d. Consider and, in the Board's discretion, approve any matters recommended by the Board Committees.

12. [Delegation and Approval Authorities](#)

- a. Provide direction to the President and Chief Administrative Officer on various policy, risk and administrative matters. It is the President and Chief Administrative Officer's responsibility to implement the Board's decisions. It is the Board's responsibility to monitor and evaluate this implementation.
- b. Approve and delegate authority levels, as outlined in the Delegation of Authority Policy, to ensure effective oversight as approved by the Board, and regularly reviewed.
- c. Consider and, in the Board's discretion, approve financial commitments in excess of delegated approval authorities.

13. [Financial Oversight and Stewardship](#)

- a. Take all reasonable steps to ensure that effective internal controls over financial reporting are in place and effective, and ensure the appointment of an External and Internal Auditor to provide requisite reporting and assurance to the Board, Audit Committee, and other Committee(s) as the case may be.
- b. Review and, at the recommendation of the Audit Committee, approve the annual audited financial statements.
- c. Approve an annual budget and plan for MPAC considering operational requirements, organizational structure, and the requirements of the Chief Administrative Officer to support the Strategic Plan.
- d. Review and, at the recommendation of the Audit Committee, approve financial reports.

14. [Risk Management](#)

- a. Review and, in the Board's consideration, approve the adequacy of MPAC's Enterprise Risk Management Policy, including the identification and mitigation of MPAC's financial and non-financial principal risks.
- b. Take all reasonable steps to ensure that policies and procedures are in place to identify MPAC's principal financial and non-financial risks and opportunities; to address what risks are acceptable to MPAC; and to ensure that appropriate systems and internal controls are in place to manage and report on the foregoing risks.

15. [Director Nomination, Orientation and Education](#)

- a. At the recommendation of the Governance and Human Resources Committee, participate in a competency and skills analysis of Directors, every 18 months to identify any critical gaps in the competencies, skills and other attributes necessary to complement MPAC's strategic direction and the balance of the overall composition of the Board.
- b. In collaboration with the Governance and Human Resources Committee, participate in recruiting and nominating potential Board members.

- c. At the recommendation of the Governance and Human Resources Committee, participate in the development and fulfillment of the Director Orientation and Education Programs.

16. [Board Performance](#)

- a. Participate in an evaluation of Board, Committee and individual Director performance and effectiveness every 18 months.
- b. Receive, consider and implement as appropriate the recommendations from the Governance and Human Resources Committee on the results of the foregoing evaluations.
- c. Review and reassess the adequacy of this Mandate every 18 months based on the results of the foregoing evaluations and recommend any proposed changes from the Governance and Human Resources Committee to the Board for consideration and approval.

17. [Board and Committee Meetings/Attendance](#)

- a. Appoint a Board Chair at the conclusion of his or her term at the meeting of the Board immediately following the Annual Meeting.
- b. Meet at least four (4) times annually (as well as four (4) Committee meetings each per year) and as many additional times as needed to fulfill the Board's and relevant Committee's duties and responsibilities effectively.
- c. Meet in separate, non-management In Camera sessions at each regularly scheduled Board and Committee meeting.
- d. Meet in separate, non-management Closed sessions with any internal personnel or outside advisor, as needed or appropriate, at a regularly scheduled Board or Committee meeting.
- e. Retain, oversee, compensate and terminate independent advisors who assist the Board in its activities, and receive adequate funding from MPAC for such advisors and for educational and administrative expenses that are needed or appropriate for the Board to carry out its duties.

- f. Attend in person all scheduled meetings to the fullest extent possible; be fully prepared to participate; listen to the opinions of others; encourage robust discussion and constructive dissent; and share the workload.
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- 18. To honour the spirit and intent of applicable law as it evolves, the authority to make minor technical amendments to this Mandate is delegated to the Executive Director, Board Governance, who shall summarize and report any minor amendments to the Governance and Human Resources Committee annually for information. The Governance and Human Resources Committee shall review any material change(s) to this Mandate at its next regularly scheduled meeting, and recommend such change(s) to the Board for consideration and approval.
 - 19. At least every two (2) or three (3) years, as the Governance and Human Resource Committee decides, this Mandate will be fully evaluated by the Governance and Human Resources Committee and updates recommended to the Board for consideration and approval.

HISTORY

Minor Technical Amendments: July 5, 2017
Approval Date: June 11, 2015
Previous Approval Dates: N/A