



Policy Number:
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Approved by: Admin/Finance
Administrative Branch Advisory
Responsibility:

BC/Yukon Command Performance Standards Policy

HEADER

The Performance Standards describes operational characteristics which Legion branches are expected to have in order to effectively carry out the programs and purpose of the Royal Canadian Legion and protect the members and communities which branches serve. In general, a branch performing to the standard mentioned below actively participates in zone meetings, activities and training opportunities, communicates responsively with the public and Legion community, and operates a financially stable branch including the Licensed Premises.

Specifically, the Performance Standards expected of branches in order to maintain their Legion charter are identified as the following:

- 1) Submission of annual audited financial statements to BC/ Yukon Command by April 30th of the following year – sect. 133b
- 2) Submission of annual poppy fund statements to BC/ Yukon Command by October 31st (i.e. one month after year-end) – sect. 133c
- 3) Submission of membership per capita tax to Dominion Command on a regular basis – sect. 1205
- 4) Submission of complete list of executive members to BC/ Yukon Command in a timely fashion
- 5) Maintaining adequate branch accounting and financial reporting systems – sect. 133a
- 6) Maintaining current payments of all liabilities in all funds
- 7) Maintaining current remittances of amounts due to the Federal and Provincial Government
- 8) Maintaining appropriate insurance coverage through the Command Group Commercial insurance program
- 9) Compliance with Gaming regulations¹
- 10) Compliance with Liquor regulations
- 11) Compliance with Lottery regulations²
- 12) Compliance with The General, BC/Yukon Command, and Branch By-laws
- 13) Compliance with Dominion and BC/Yukon Command approved Policies³
- 14) Compliance with Zero Tolerance Policy

¹ Submitting of proper forms and obtaining proper licenses.

² Including the Lottery Retailer Code of Conduct

³ General By-Laws sect. 103.b. and 106.a - i.e. not preparing budgets, not having monthly financial statements.

- 15) Compliance with all agreements entered into by the branch
- 16) Obtaining general meeting approval for all branch expenditures, in accordance with branch by-laws
- 17) Obtaining BC/Yukon Command approval for all financing or refinancing relating to the branch and involving property held by the branch, including lines of credit and credit cards and redevelopment plans
- 18) Obtaining BC/Yukon Command approval for all financial agreements entered into by the branch for:
 - a) a dollar amount more than \$10,000
 - b) the purchase or sale of real property – sect 120
 - c) a commitment to build or change branch property – sect 120
 - d) a new branch building – sect 120
 - e) undertaking major alterations to branch property and assets – sect 120
- 19) Obtaining BC/Yukon Command approval for the transfer of branch funds into a Society

Note: Federal or Provincial Collection of unpaid trust funds

The Federal and Provincial Government both have the ability to freeze bank accounts of any branch with outstanding payments on their account. They will withdraw funds owing from any account without regard for restrictions on gaming and poppy accounts if not appropriately protected by your banking documents.

In this garnishee scenario, the Canada Revenue Agency has the right to seize all branch monies. The risk is as a non-profit operation, the Legion could lose the ability to function as a non-profit if deemed to be incompetent regarding financial reporting.

In order to protect the best interests of the branch, the members and the organization as a whole, the BC/Yukon Command continues to take a proactive role to help keep branches in compliance with all government agencies.

Graduated Procedures when Performance Standards are not met

The Performance Standards Policy operates most effectively to help a branch achieve its potential when the following progression is followed, never the less, in severe situations a branch may be placed directly at any level of this process depending on the circumstances.

Action to place a branch under Trusteeship requires approval of the Admin/Finance Committee upon recommendation of the Branch Advisory Operations Committee.

Level I - Flagging

The purpose of flagging is to communicate and address issues when a branch is not meeting the BC/Yukon Command Performance Standards. Alternatively, a branch is able to initiate this process by requesting assistance from Command. During the flagging process the Zone Commander, under the mandate of the Branch Advisory Operations Committee BA(O), is the Command contact who will guide the branch in improving operations to the expected level of performance. The Zone Commander has a wealth of experience and resource material to help troubleshoot issues that stand in the way of the branch attaining this goal. The Branch Operations Advisors are available and willing to help in any way they can in the process. Once the flagging process has been initiated the branch will receive an official letter that the branch is flagged or has requested assistance from the Branch Advisory Operations Committee. During this process the branch must submit monthly financial statements and all executive and general meeting minutes to the BC/Yukon Command's Branch Advisory staff. This flagging process is an opportunity for the branch to receive support from the Zone Commander in order to achieve the Performance Standards.

The following is the flagging process from a branch perspective:

- a. An official letter from the Branch Advisory Operations Committee is sent to the Branch President and Executive outlining the Performance Standards not being met and includes:
 - i. a suggested plan to remedy the issue
 - ii. a description of the Zone Commander's role in monitoring progress and assisting the branch
 - iii. a time frame within which the performance standard is to be achieved
- b. A record of receipt of this letter must be included in the executive committee meeting minutes. The membership must also be made aware of this action at a general meeting. Minutes of both meetings are to be provided to the Branch Advisory Operations staff within 7 days of the meetings.
- c. Steps taken by the branch to achieve the Performance Standards will be monitored by the Zone Commander in consultation with the Branch Advisory Operations Committee and if required, a representative from the Branch Advisory staff.
- d. At the end of the time frame, the Zone Commander will prepare a report to the Branch Advisory Operations Committee which upon review decide either:
 - i. the branch has met the Performance Standards
 - ii. the branch has not been able to achieve the Performance Standards within the time frame and needs to be advanced to Level II - Probationary Management

Level II - Probationary Management

The purpose of the Probationary Management process is for Command to become more involved in assisting and supporting a branch that is experiencing difficulty in meeting Performance Standards. During the Probationary Management process a Probationary Manager will be assigned to generate a list of corrective actions and to guide the branch in addressing the issues at hand. Branch Advisory staff are available to help based on geographic location and or topic expertise. They possess experience in branch operations and can provide guidance to the branch in determining the steps required to move forward in fulfilling the specific requirements provided by the Branch Advisory Operations Committee. During this process the branch must submit monthly financial statements and all executive and general meeting minutes to the BC/Yukon Command's Branch Advisory staff. The branch's members and executive will take responsibility for the operations of the branch in achieving the Performance Requirements with oversight from the Probationary Manager. Consequently, the Branch may be invoiced for letter mailings and travel costs incurred by their Probationary Manager. Probationary Management is an integral opportunity for the branch's Membership and executive to rise up and address shortfalls in meeting the Performance Standards and take ownership of branch operations. The decision to place a branch on Probationary Management can only be actioned upon by the Branch Advisory Operations Committee.

The following is the Probationary Management process from the branch perspective:

- a. A letter from the Branch Advisory Operations Committee is sent to the Branch President, Executive and possibly the General Membership outlining performance standard issues and advising them of the action being taken to place the branch on Probationary Management. The letter will include:
 - i. a description of the probationary management process, including the necessity for an initial meeting with the appointed Probationary Manager who will work with the branch on corrective actions related to the resolution of the issues at hand. The process also includes a follow-up meeting to evaluate progress and determine if the issues have been successfully resolved
 - ii. if applicable, the process of invoicing the branch for expenses related to Probationary Management
 - iii. the requirements to submit monthly financial statements and monthly meeting minutes
 - iv. the possible outcomes of the Probationary Management process

- b. The Probationary Manager meets with the branch executive to discuss the Performance Standard issue and executive committee liability. The outcome of the meeting is:
 - i. a list of corrective actions to address the performance standard
 - ii. a timeframe that the directives must be implemented
 - iii. a date for the follow-up meeting with the Probationary Manager
- c. The branch sends a copy of the executive committee meeting minutes covering the above meeting and the general membership meeting minutes to the Branch Advisory staff.
- d. The branch takes steps during the timeframe established to become compliant and their progress will be under the Probationary Manager's scrutiny.
- e. A report is given by the Probationary Manager with their findings and recommendations to the Branch Advisory Operations Committee that the branch:
 - i. be removed from Probationary Management
 - ii. remain on Probationary Management and receive a second directive letter resulting from the meeting
 - iii. be escalated to Trusteeship

Level III Trusteeship

The purpose of a Trusteeship is for BC/Yukon Command to take control of a branch when an executive is not able, for whatever reason, to meet the Performance Standards. In order for a branch to escalate to Trusteeship the operational deficiencies must be severe enough to compromise the interests of the branch members in carrying out the mission and purpose of the Royal Canadian Legion. The branch will bear all the costs related to the Trusteeship as it is the responsibility of the branch to operate to the level that the Performance Standard requires. All details relating to the Trustee's authority will be included in the letter from the Command President. The aim of a Trusteeship is to restore the branch's operations to a level consistent with the Performance Standards. The Trusteeship process provides an opportunity for members to support the Trustee(s) and revive the branch.

- a. An official letter from the Command President is sent to the Branch President, Executive and Membership outlining performance standard issues and advising of action to place the branch under Trusteeship. The letter will include:
 - i. a description of the shortfall(s) in meeting the Performance Standards and the failed attempts by the executive to repair the situation
 - ii. the appointment of a Trustee who reports to the Branch Advisory Operations Committee
 - iii. a description of the specific levels of authority being assigned to the Trustee
 - iv. a time frame set by the Admin/Finance Committee
 - v. the process of invoicing the branch for expenses related to the Trusteeship.
- b. BC Yukon Command President appoints a Trustee to carry out the mandate outlined in the above letter and conduct meetings for volunteer management positions and general membership with costs paid by branch.
- c. The Trustee reports directly to the Branch Advisory Operations Committee. The frequency of this reporting will be determined based on the severity of the shortfall.
- d. At the end of the time frame set by the Admin/Finance Committee the Trustee reports his recommendations to the Branch Advisory Operations Committee, either:
 - i. returning the branch to an elected executive
 - ii. continuing the current Trusteeship under a new time frame (issue a new letter to the branch)
 - iii. closure of the Branch.

Approved at April 2017 PEC meeting, amendments approved Oct 2018 PEC meeting

Date created April 2017	Annual review date January 2021
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