

“Moving Forward” – An Interim Collaboration Agreement

between

The District of North Vancouver

and

The Library Board

PREAMBLE

The District of North Vancouver and the Library Board have a history of working together co-operatively to ensure that District residents enjoy outstanding Library services. As community expectations and technology change, it becomes more important than ever to think creatively and collaboratively about our shared responsibilities and interests. As the Board seeks to take on a stronger oversight role with a new management team with a mandate for change, greater clarity of the respective roles and responsibilities of the District and Library governing bodies and senior staff is desired.

LEGISLATIVE AND POLICY FRAMEWORK

A municipality establishes a municipal library through a bylaw in accordance with the Community charter and the Library Act. The Library is an independent legal entity within the powers given to it under the Library Act and is managed by a Library Board appointed by District Council. The Board has the following authority and power (provided for illustrative rather than exhaustive purposes) to:

Administrative

- Make rules for managing the business and regulating the use of its facilities and services including the appointment of Board Committees
- Represent the community and set strategic directions and policies on its behalf
- Appoints a Chief Librarian or Library Director who is responsible for the day to day operations, advising the board in planning, policy and program development and ensuring the library operates according to the Board's strategic plan, policies and priorities. This includes delegating responsibility to the Library Director for certain matters in accordance with the relevant Acts and Library Policy
- Hire and dismiss employees, enter into collective agreements and set employment terms including compensation and duties
- Lease land and buildings for library purposes upon approval of Council
- Acquire and dispose of personal property for library purposes
- Contracts for professional and other services
- Sue and be sued

Financial

- Prepare and submit an annual budget to municipal council which must be approved with or without amendment
- Exercise exclusive control over expenditures, subject to the approved budget
- Provide an annual report and audited annual financial statements to the municipality

In July 2012, the Library Board delegated responsibility to the District's General Manager of Finance and Technology to act as the Library's Chief Financial Officer (CFO).

Over time the District has developed a substantive regulatory and policy framework which governs the activities of the municipal organization and is intended to serve as a guide to partner agencies who receive funding and direction from the District. In 2012 it was agreed that a comprehensive joint review of library policies would be undertaken to clarify roles, responsibilities and any differences from District policies and processes.

PURPOSE

The purpose of this Interim Collaboration Agreement is to establish a framework under which the senior staff in the District and the Library can work together collaboratively to provide more clarity around roles, responsibilities, communication, decision making processes and policy. The ultimate goal is to foster and maintain a long term co-operative relationship founded on communication, trust and collaboration. The current shared objective of the District and Library Staff is to provide clarity with respect to governance, certainty with respect to policies, understanding of the terms under which the Library is provided services by the District, and recognition of the need to formally implement the structure under which the Library staff and the Chief Financial Officer will operate.

The target completion date for the initial policy refresh work is the end of 2015 and will be the responsibility of the Library staff. District staff will be available to provide professional advice as required. Given the complexity and the resource requirements to complete all of the policy work, the target completion date may be extended into 2016. The Agreement sets out the respective Parties expectations with respect to the working relationship, the issues to be worked on, the scope of the work and the respective roles with respect to decision making, particularly with respect to financial management. The Agreement does not replace or supersede the legislative framework under which the District and the Library operate nor the fiduciary responsibilities of the Chief Financial Officer for both organizations.

PRINCIPLES

We agree to:

- Meet regularly to promote and encourage open and constructive dialogue based on mutual trust, honesty and respect

- Continually promote better understanding of each other's governing structures, capacities, processes, interests and policies (including the underlying reasons for said policies)
- Maintain respect for the views and authority of each of the Parties through the process of clarifying policies and governance structures
- Foster collaborative decision making on common areas of interest through open and timely communication

We agree that:

- A robust policy suite for the Library is required to ensure operational stability, public accountability and management clarity for this publicly funded community asset
- While alignment between Library and District policies is the goal, there may be valid reasons to differentiate between the two in which case the Board will hear from both District and Library staff regarding the differences
- Existing DNV policy will guide the development of Library policy
- Library policy must support the mission and vision of public library service
- The Library Board has the authority to make final policy decisions
- Decisions pertaining to library services and operations (including, but not limited to, library hours, collections, services and programming) are within the purview of the Library's Management, under the governance of the Library Board and within Library budget and policy parameters and subject to consultation with District Council where appropriate.

POLICY APPLICATION DURING THE REVIEW PERIOD

During the review processes the following guiding statements will apply:

Policy Framework

As a general rule, the following District Financial and Human Resource policies, practises and process will serve as the initial benchmark to guide the discussions and development of Library policies:

Finance

- Purchasing and Procurement including contracting and signing authority
- Risk Management including insurance and reporting of fraudulent or dishonest activities
- Financial Reporting, Accounting, Cash Management and Banking including Collections,
- Surplus Utilization including equipment replacement and operating reserves
- Payroll and Benefits including Board and staff expenses and allowances
- Annual Budget development including approval processes and spending authority
- Technology including standards for hardware and software that are not specific to Library services
- Audit including appointment and scope of work of both the Internal and External Auditors

Human Resources

- Exempt Compensation, Job Evaluation, Benefits and Working Conditions (including leave of absences and overtime)
- Positive Workplace Environment
- Conflict of Interest
- Recruitment Procedures
- Staffing Levels and Authority to Recruit
- Personal (Employee) Information – Access, Use, Privacy and Confidentiality
- Role of Human Resources in Labour Relations
- Attendance Management

Communication and Relationship with the Board and Board Committees and Council

- The Library Board and Council will meet at least once annually to discuss issues of mutual interest with the CAO and the Director being responsible for developing the meeting agenda.
- The Chief Administrative Officer (CAO) and CFO will meet with the Board at least twice per year to review progress and to discuss issues of mutual interest. Any Party may request additional meetings.
- The Director of Library Services will participate in meetings between the Library Board and DNV Council and/or staff unless directed otherwise by the Board or in those instances where the CFO needs to communicate with the Board independent of Library management
- The Director of Library Services may attend and participate in the District's Executive Committee and/or Council Committee meetings where deemed appropriate.
- The CAO, CFO and Manager-Human Resources may attend and participate in meetings of the Library's Committees at their request or at the invitation of the committee chair. The agendas for the aforementioned will be distributed to the respective parties in advance in order to provide an opportunity to submit agenda items for consideration.
- The Library will institute a consultation section in staff reports to indicate whether a direction or recommendation from staff has been reviewed with and is supported by appropriate District staff to reduce District staff attending meetings unnecessarily.
- The Library will ensure consulted DNV staff are kept updated throughout the policy review process

Issue/Dispute Resolution

It is the expectation that differences with respect to procedural, operational and minor policy issues will be resolved at the Director and/or General Manager level and if necessary referred to the Board or one of its Committees for resolution and/or direction. Referrals should be submitted in writing, signed by both parties outlining the issue(s) and the direction sought.

Utilization of District Resources

Where there are in-house resources (such as legal, accounting, purchasing, technology, facility management, human resources) it is expected that the Library will avail itself of the services instead of contracting out to a third party except when it can be demonstrated that the District does not have capacity or expertise; the service can be contracted out more economically; or there is not an alignment of interests. As part of the review, District and Library staff will inventory the services that are provided and/or are available and document the arrangements including any cost allocation and service level expectations.

Financial Authorities of the Chief Financial Officer

Until amended by agreement between the District Council and the Library Board, the following describes the Chief Financial Officer authorities delegated by the Library Board to the District's General Manager of Finance and Technology. The Library CFO has the authority to ensure that:

- Sufficient and appropriate processes and financial policies are in place so that transactions are, bona fide, compliant with policy and within management authority
- Adequate documentation is provided and that proper financial controls exist to ensure completeness, accuracy, and authorization of transactions
- Management is aware of its authority and responsibility with respect to financial transactions and their conduct is indicative of a high level of integrity
- Effective, independent policy compliance, verification and monitoring processes are present and supported by a direct reporting mechanism to the Board
- Reliable segregation of duties exist over critical financial control functions so that safeguarding of financial assets is ensured
- Financial transactions are consistent with Board strategic priorities, goals and objectives as articulated in the budget
- Access to the Board independent of Management, as required and at least annually to communicate, update and report on areas over which the CFO has been delegated financial authorities.

The role of the Library CFO and District CFO are distinct and will be further defined as the work outlined in the Collaboration Agreement proceeds. The Library's Business Manager has responsibility for business and financial functions. To support the current governance structure and maintain the proper segregation of duties while the policy review is underway, the Business Manager has a direct working relationship with the Chief Financial Officer on financial functions such as financial policy development and implementation, accounting and financial reporting, audit and budgeting. To reflect this relationship, it is agreed that changes to policy, processes or procedures relating to these areas will not be made without consultation with, and direction sought from the CFO. In the case of disagreement, referral should be made to the Board or one of its Committees for resolution and/or direction. Referrals should be submitted in writing, signed by both parties outlining the issues(s) and the direction sought.

As the appointment of the CFO for the Library was a Board decision made to strengthen its financial governance as recommended by the General Manager of Finance and Technology and the External Auditors is considered ongoing and not tied to the review of policies, any reconsideration of this arrangement will require consultation with the CFO and the External Auditors.

APPOINTMENT OF BOARD MEMBERS

Given the Board and Council's desire that the Board provide the appropriate oversight to the Library, a review of the current recruitment and selection process for Board members will be undertaken by the appropriate Board Committee to ensure that the appropriate skill and expertise mix is present on the Board. Once the Board Committee's review is complete and prior to final Board approval of any changes to the process, consultation with the District's Clerks Department and the District's Advisory Oversight Committee will occur to ensure the Library's recruitment and selection process is integrated with Council's policy on committee member appointments.


AGREEMENT TERM

This agreement is intended to remain in place until completion of the policy review process and the implementation of the CFO arrangements have occurred at which point Library and District staff will report out to the District Council and Library Board as to progress made and next steps if any.

**The Corporation of the District of
North Vancouver**




Mayor Richard Walton



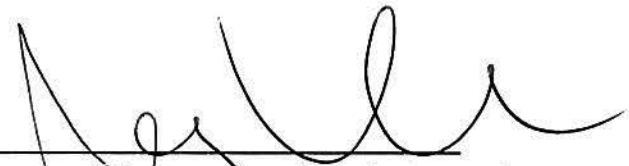
CAO David Stuart

April 13, 2015
Date

North Vancouver District Public Library



Board Chair Matt DeBock



Director of Library Services Jacqueline van Dyk

April 8, 2015
Date