

BOARD TERMS OF REFERENCE

Objectives

The Board of the Alberta Gaming and Liquor Commission functions as a steward of the Corporation, acting on behalf of its primary stakeholder– the Government of Alberta – as well as its many stakeholders and partners located throughout Alberta and Canada.

The objects of the Alberta Gaming and Liquor Commission are to: [\[GLA 3\]](#)

1. administer the *Gaming and Liquor Act*;
2. conduct and manage provincial lotteries for Alberta;
3. carry out the functions respecting gaming delegated to it by the Lieutenant Governor in Council under the Criminal Code (Canada);
4. control, in accordance with the Act, the manufacture, import, sale, purchase, possession, storage, transportation, use and consumption of liquor; and
5. generate revenue for the Government of Alberta.

Responsibilities

The Board of the Alberta Gaming and Liquor Commission has three major areas of responsibility in its governance role: Monitoring, Policy and Regulation. The Board is responsible for:

1. Monitoring (ensuring that the powers and the duties of the Alberta Gaming and Liquor Commission are appropriately carried out): [\[GLA 12\(1\)\(a\)\]](#)
 - ensuring that appropriate monitoring and control systems are in place for assessing risk, that systems are also in place to ensure the integrity of financial reports, and that the Board has open communication with the Auditor General;
 - advising on, reviewing, and recommending the three-year business plan and a strategic plan for the Alberta Gaming and Liquor Commission and ensuring that both are implemented and updated annually;
 - ensuring that an integrated communication plan is in place for the Alberta Gaming and Liquor Commission and that the Board communicates effectively with its stakeholders and partners; and
 - maintaining a governance handbook outlining the Board's governance practices and structures.
2. Policy (establishing policies of the Alberta Gaming and Liquor Commission: [\[GLA 12\(1\)\(b\)\]](#))
 - developing, maintaining and revising its policies, and determining and approving policies for which it is responsible through legislation, in accordance with the *Gaming and Liquor Act*;

- being concerned with the legality of all proposed policies and steps taken to ensure that no regulation or statute is contravened by the proposed policy and that all policies are consistent;
 - receiving policy direction from the President of Treasury Board and Minister of Finance and in return, providing policy recommendations to the Minister; [\[GLA 7\(1\)\]](#)
 - ensuring that all policies shall have an effective date and are reviewed; and
 - consulting with stakeholders and partners on policy issues.
3. Regulatory (conducting hearings and making decisions respecting licences and registrations): [\[GLA 12\(1\)\(c\)\]](#)
- functioning as an Administrative Tribunal to carry out its regulatory responsibilities as prescribed by legislation;
 - conducting hearings, developing and applying policies and rules and making decisions on gaming and liquor licences and registrations; and
 - having the powers, privileges and immunities of a commissioner under the *Public Inquiries Act* when conducting a hearing. [\[GLA 12\(2\)\]](#)

Board Composition

The Board of the Alberta Gaming and Liquor Commission consists of not more than seven (7) members, all appointed by the Lieutenant Governor in Council, acting on the recommendation of the President of Treasury Board and Minister of Finance. From these members, the Lieutenant Governor in Council appoints a Chair of the Board. Board members are chosen from the general public by open competition. [\[GLA 9\(1\)\]](#)[\[GLA 9\(2\)\]](#)

The President & CEO is also a member of the Board, but is not eligible to vote or to serve as Chair or acting Chair. [\[GLA 9\(1.1\)\]](#)

The term of appointment for each Board member is 3 years, up to a maximum of 3 terms or 9 years.

A quorum of the Board is three (3) members. Motions and resolutions are decided by a majority of the votes of the members present. In case of a tie vote, the Chair will break the tie. If there is a vacancy on the Board, a quorum of the remaining Board members may exercise all powers of the Board. [\[GLA 9\(3\)\]](#)

Board members' remuneration is set pursuant to the Order in Council 466/2008, Schedule 1, Part A. [\[GLA 9\(4\)\]](#)

Board Governance

The Board of the Alberta Gaming and Liquor Commission is committed to best practices in governance and to implementing these practices to ensure it manages a strong and effective corporation. A major objective is to ensure greater transparency and understanding of the corporation for its partners and its stakeholders. Best practices in governance include:

1. setting the broad parameters for the Alberta Gaming and Liquor Commission management team, including reviewing and approving all major decisions;
2. developing the strategic planning process with the management team and guiding the resultant strategic direction, as well as monitoring both immediate and strategic opportunities and risks;
3. ensuring that senior management is sound and capable of successfully managing the corporation;
4. monitoring and assessing the performance of the President & CEO; and
5. ensuring that corporate integrity and transparency are evident to both its primary shareholder and its partners and stakeholders.

Evaluation

The Board shall undertake an assessment of the effectiveness of the Board as a whole, the Audit Committee, the Finance and IT Committee, the Corporate Governance, Stakeholder and Strategic Planning Committee, the Human Resources Committee and the contribution of individual Board members. This evaluation will take place annually or semi-annually upon the review of governance practices established in the Board Governance Handbook.

Duties and Responsibilities:

Board Members

Members of the Board shall be responsible for:

1. defining and evaluating their duties within a framework of broad policy objectives defined by the Government of Alberta, the Legislative Assembly, Treasury Board, the President of Treasury Board and Minister of Finance and the Board of the Alberta Gaming and Liquor Commission;
2. exercising independent judgment in overseeing the operations of the Alberta Gaming and Liquor Commission within the mandate determined by legislation, the three-year business plan, and the strategic plan;
3. acting honestly and in good faith with a view to the best interests of the Alberta Gaming and Liquor Commission;
4. exercising due care, diligence and skills expected of any prudent person;

5. acting independently and ethically, and understanding the importance of the Board Code of Conduct and Ethics and annually signing the Code of Conduct and Ethics, including the Board member Private Disclosure Statement;
6. participating in orientation upon appointment to the Board;
7. participating in educational courses recommended by the Board Chair;
8. participating in annual evaluation of the overall performance of the Board and its standing and special committees, and
9. serving as members of standing committees, special committees and Hearing Panels when requested to do so by the Chair.

Chair of the Board

The Chair of the Board of the Alberta Gaming and Liquor Commission shall be responsible for:

1. keeping the Minister apprised of policy and administrative issues or events that concern or can reasonably be expected to concern the Minister;
2. ensuring that the Minister is provided with timely, relevant, accurate and complete reports that will assist the Minister to assess whether the Alberta Gaming and Liquor Commission is fulfilling its mandate;
3. attending or making presentations to government representatives or committees of Cabinet or the Legislature on matters concerning the Alberta Gaming and Liquor Commission when requested to do so by the Minister;
4. providing advice to the Minister that supports excellence in governing Alberta's gaming and liquor industries;
5. reporting annually to the Minister on the results of the Board Effectiveness Survey, including compliance with, and any major changes to, the Board Governance Handbook;
6. reporting annually to the Minister on the results of the evaluation and performance of the President & CEO;
7. providing guidance and leadership to the Board's standing and special committees and the Alberta Gaming and Liquor Commission, as well as being accountable for their day-to-day performance;
8. appointing members of the Board to standing and special committees, as well as appointing the respective Committee Chairs;
9. appointing members of the Board to Hearing Panels, as well as appointing the respective Panel Chairs;

10. serving as an ex-officio member of all Board Committees, including standing and special committees;
11. representing the Alberta Gaming and Liquor Commission at all public and private functions;
12. delegating the authority of the Chair, on a temporary basis, to another Board member when absent from the province and unable to carry out the duties of the Chair; and
13. ensuring that each Board member signs the Board Code of Conduct and Ethics and the Board member Private Disclosure Statement annually.

President & CEO

The Board of the ALGC shall ensure that the President & CEO is accountable to the Alberta Gaming and Liquor Commission, reports to the Board through the Chair, and is responsible for:

1. the day-to-day management and operation of the Alberta Gaming and Liquor Commission and exercising the Alberta Gaming and Liquor Commission's natural person capacity, rights, powers or privileges;
2. establishing appropriate systems for the general administration and financial management and control of the Alberta Gaming and Liquor Commission;
3. monitoring performance and taking corrective action when problems are identified;
4. working with the Board to develop short- and long-range business plans, as well as capital and operating budgets, investment and risk management plans;
5. maintaining effective communications with the Board Chair, the Minister's Office, Deputy Minister, senior staff in the Commission, other government ministries and other business partners as required;
6. operating within the mandate and policies approved by the Board, the Government of Alberta, and budgets approved by the Board;
7. ensuring that the assets and liabilities of the Alberta Gaming and Liquor Commission and any public funds are managed effectively and with probity; and
8. initiating and undertaking reviews of the *Gaming and Liquor Act and Regulation* and/or bringing forward amendments to the President of Treasury Board and Minister of Finance or at the request of the Board. [\[GLA 18\(2\)\(d\)\]](#)
 - a. at the request of the Minister,
 - b. upon the President & CEO's own initiative,
 - c. pursuant to any sunset clauses in the Act or Regulation, and

d. at the request of the Board.

The President & CEO shall be a non-voting member of the Board.

Legal Counsel/Corporate Secretary

The Legal Counsel/Corporate Secretary reports to the Board Chair and President & CEO. The duties and responsibilities include:

1. providing strategic legal advice to the Board and the Commission;
2. attending Board and Committee meetings;
3. reviewing Board meeting minutes;
4. reviewing disciplinary and non-disciplinary Board decisions;
5. attending Board hearings as requested and providing the Board with legal advice upon request;
6. co-ordinating and compiling Board and Board Committee evaluation data for presentation to the Board; and
7. other duties as necessary and assigned by the Board.

Director of Internal Audit

Under the direction of the Audit Committee of the Board of the Alberta Gaming and Liquor Commission, the Director, Internal Audit provides independent and objective assurance designed to add value and improve the operations of the Alberta Gaming and Liquor Commission. In addition, the Director, Internal Audit will plan and administer a comprehensive internal audit program that includes complex financial, operational and/or compliance audits to determine whether the Alberta Gaming and Liquor Commission's risk management, internal control, and governance processes are adequate and functioning in a manner to ensure:

1. adequacy, reliability and integrity of significant financial, managerial and operating information;
2. compliance with contracts, policies, plans, procedures, laws and regulations;
3. economical and efficient use of resources and the safeguarding of assets;
4. identification and managing of significant and emerging risks; and
5. achieving established objectives for projects, programs, divisions and the Alberta Gaming and Liquor Commission as a whole.

In response to requests by management or the Board, the Internal Audit Branch may perform consulting services as part of its activities. Such consulting may result in

recommendations for long-range strategies to address emerging issues having corporate-wide impact on the Alberta Gaming and Liquor Commission.

Executive Assistant to the Board

The Executive Assistant to the Board reports directly to the Chair of the Board and is the lead administrative support for the Board Office. The duties and responsibilities include:

1. co-ordinating the activities of the Chair and six (6) Board members by providing administrative support to promote the effective functioning of systems and procedures within the Board Office;
2. preparing Board meeting schedules, agendas, meeting files, and correspondence/ notices resulting from meetings, and recording Board decisions;
3. co-ordinating the hearing process by preparing Notices of Hearing, providing administrative support to Hearing Panels, and assisting in the preparation of Hearing Panel decisions; and
4. attending Board/committee and other meetings of the Board, as required, preparing minutes and keeping records.

Policies and Procedures:

Meetings

The Board will hold a minimum of seven (7) meetings annually with one meeting being held each year in Calgary. A calendar of Board meetings is established one year in advance. [\[GLA 15\]](#)

Notices of meetings giving the time, location, agenda and briefing material are normally sent out to Board members seven (7) working days before the date of meeting. Notices of emergency meetings will be given by the Chair in a manner appropriate.

The Chair convenes Board meetings and may adjourn any meeting of the Board or any Panel of the Board to another time and place.

Pre-board meetings will be in-camera session with only independent Board members present. Others, including the President & CEO, may attend by invitation.

An agenda of proceedings, deliberations addressed by the Board and all recommendations, decisions and directives of the Board shall be recorded by the Executive Assistant to the Board by way of meeting minutes.

A draft copy of the minutes of Board meetings shall be provided to Board members at the next regular Board meeting.

Panels

The Board has the powers, privileges and immunities of a Commissioner under the Public Inquiries Act when conducting a hearing. [\[GLA 12\(2\)\]](#)

The Chair may designate any 2 or more members, which may include the Chair, to sit as a Hearing Panel of the Board and may direct that Panel to make any decision that the Board may make with respect to licences or registrations, or to conduct any hearing or inquiry that the Board may conduct. [\[GLA 11\(1\)\]](#)

A quorum of a Panel is 2 members and a decision or action made or taken by a Panel is a decision or action of the Board. If the Chair is not a member of the Panel, the Chair must designate one of the members of the Panel to preside over the Panel. [\[GLA 11\(2\)\]](#)[\[GLA 11\(3\)\]](#)[\[GLA 11\(6\)\]](#)

Hearings are conducted as described in the Alberta Gaming and Liquor Commission's Board Hearing Manual.

Committees of the Board

The Board shall appoint any Committee (Standing or Special) that it determines necessary or appropriate to conduct the affairs and business of the Alberta Gaming and Liquor Commission and to prescribe the scope, duties and responsibilities of that Committee through Terms of Reference for the Committee.

Currently, the standing committees of the Board are the:

- Audit Committee
- Finance and IT Committee
- Corporate Governance, Stakeholder and Strategic Planning Committee; and
- Human Resources Committee.

Each Committee has its own Terms of Reference setting out its responsibilities. Terms of Reference are adopted by the Board based on the recommendation of the applicable committee chair. Each Board Committee Chair reports to the full Board on the activities of the Committee at each scheduled meeting of the Board.

The Chair shall appoint committee members and chairs. The Board Chair, in conjunction with the Chair of the Human Resources Committee shall annually review the membership composition and mix of required skills and qualification of persons sitting on the Board.

The Chair shall be an ex-officio member of all Board Committees.

The Board shall have the authority to retain external advisors, experts or consultants in order to properly discharge its duties and responsibilities.

All deliberations of the Board, and all records, material and information pertaining to the Alberta Gaming and Liquor Commission obtained by a Board member shall be considered confidential. Board members shall maintain the confidentiality of deliberations and shall safeguard any records, material and information from improper access.