



AIR CADET LEAGUE OF CANADA

BOG Meeting ROPs

August 07, 2014

MEETING INFORMATION

Meeting Date: August 07, 2014

Start Time: 1900 Eastern

Location: Teleconference

Purpose: Special Meeting of the BoG

ATTENDANCE

Edgar Allain	Present	Keith Mann	Present
Don Berrill	Present	Merv Ozirny	Present
Bob Burchinshaw	Present	John Scott	Absent
Don Doern	Present	Tom Taborowski	Present
Tom Holland	Present	Hille Viita	Present
Fred Johnsen	Present	Tom White	Present
Darlene LaRoche	Present	Ernest Wiesner	Present
Lloyd MacIntyre	Present		
Sarah Matresky, ED	Present		
Kevin Robinson, Chair of Chairs	Present		

1. Administration

1.1. President's Opening Remarks – T. White

K. Mann welcomed everyone and thanked them for their participation in this special meeting to discuss Governance.

1.2 New Items for the Agenda

K. Mann indicated that Governance would be the only topic of discussion and regular business would resume in September.

2. Business Arising

2.1 Governance – K. Mann

K. Mann gave an overview of the issue of Governance and the discussions that took place between the three League Presidents. S. Matresky added points discussed between the three EDs and need for the Presidents to continue the dialog at their level. The letter proposed by the Army Cadet League was reviewed and the Governors suggested edits. It was put forward that the sophistication of the letter and syntax should be improved and the paper prepared by the Navy League '*Risks Associated with the CAF Model of Governance*' should be an accompanying document to the letter to the VCDS. The following motions were made during the meeting:

MOTION 1: Once the letter is completed, it will be taken to the VCDS by the President along with the other two League Presidents. The Executive Director, unless authorized by the President, is directed to only explain to him the points presented in the letter.

Moved by D. Berrill Seconded by D. LaRoche

MOTION 2: Regardless if the letter is submitted jointly in a tri-league format or not, the ACLC will move ahead.

Moved by G. Johnston Seconded by F. Johnsen



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3. Conclusion

6.1 Good and Welfare of the Air Cadet League

E. Allain suggested that members of the CAF should include cadet experience in their biographies. Discussion ensued about the Snowbirds.

6.2 Date and Time of the Next Meeting:

Wednesday September 10, 2014 1900 Eastern by Teleconference.

6.3 Adjournment

Motion to adjourn – D. Berrill.

The meeting concluded at 2024 Eastern.

THE CANADIAN CADET LEAGUES

President, Navy League of Canada

President, Army Cadet League of Canada

President, Air Cadet League of Canada

66 Lisgar Street

Ottawa, ON K2P 0C1

07 Aug 2014

GOVERNANCE OF THE CANADIAN CADET ORGANIZATIONS (CCO)

“Governance determines who has power, who makes decisions, how other players make their voice heard and how account is rendered”. (Institute of Governance Ottawa)

- References:
- A. The Queen’s Regulations for the Canadian Cadet Organizations (QR Cadets)
 - B. Ministerial Directives (MD) Version 11 – pending approval by MND
 - C. Governance of the Cadet and LCR Programs (NCC 02 Jul 2014)
 - D. Information for CCSU CO and League Executive Directors 23 Jul 2014 (Discussion Paper)
 - E. Command & Control Update (NCC 02 Jul 2014)
 - F. VCDS Initiating Directive on Command & Control and Governance (13 Jun 2013)
 - G. The Memorandum of Understanding (MOU) dated 05 Dec 2005
 - H. Renewal of the Cadet and Junior Canadian Rangers Programs (Mapping the Future)
 - I. **Risks and Benefits Associated with Current CAF Governance Model**

PRELUDE

1. The Leagues recognize the vast resources and effort that has gone into the Chief Review Services (CRS) study of the Cadet Program since 2011 and the commitment of the Vice-Chief of the Defence Staff (VCDS) and the Director Cadets and Junior Canadian Rangers (DCdts & JCR) to renewing the Cadet Program. The references above represent only a small part of this effort to identify solutions and opportunities for improvement that were drawn from the CRS Report (Ref H), tabled in 2013. A practical and simple model for Governance still seems elusive. This document will define the joint position of the three Leagues on Governance as vested in the National Cadet Council (NCC). The Leagues’ perspective on how Governance intersects at the national level: evaluate how a new Governance model must take into consideration the objects of the Leagues as stated in their registered letters of incorporation. It is imperative that a Governance model that is simple and effective in responding to the needs of the Cadet Program in the decades to come be established. This model may then form the basis of a future Governance Charter.

POSITION OF THE CANADIAN CADET LEAGUES

2. The Leagues currently rely on the authority found in Ref. A, and are following direction in Ref. B and Ref. F. There remain unresolved discussions regarding articles in Ref B which are expected to be applied at a later date but **agreements were struck with the Minister that have been guiding principles with the Leagues**. Ref G will require revisions and updates, or be discarded, depending on the final version of a Governance Charter.

3. The current position of the Leagues is:
- a. The governing document in effect at this time for the CCO is Ref A.
 - b. That Command and Control (C2) is a pure Canadian Armed Forces (CAF) function. The Leagues have a duty to comment where there is a perceived concern but the management and delivery of the Cadet Program is vested with the CAF.
 - c. The Department of National Defence has no mandate or authority to direct any incorporated body to transfer or violate its By-Laws, corporate objects as registered in its letters of incorporation under the Canada Not-for-Profit Corporations Act (CNCA) or as they are assigned by the Government of Canada by the Minister of National Defence (Ref A.).
 - d. Governance of the Cadet Program is vested in the NCC with the Vice Chief of the Defence Staff (VCDS) as Chair and **the League Presidents - as permanent members of the committee representing the League Partnerships** - should be developed **jointly** as a national policy document.
 - e. ~~The civilian “voice” of the Cadet Program is vested solely in the Leagues.~~ **(ambiguous) The civilian ‘voice’ of the Cadet Program is vested solely in the Leagues based on legal entity recognition with the Canada Revenue Agency and Industry Canada.**
 - f. **The very existence of a Community Advisory Group (CAG) is unnecessary and undermines the community support already provided by the Leagues.**
4. As a result the Leagues view Governance and C2 as separate and distinct entities to be developed separately under the logic that C2 derives its direction from governance at the national level as exercised by the NCC.

GOVERNANCE OF THE CADET PROGRAM

5. Governance involves a large contingent of civilian citizens, not the least of which is the cadets themselves. The Leagues have a fiduciary responsibility as organizations formed under the authority of the Government of Canada through the Minister of National Defence (MND) and stated in documentation to Industry Canada and the Canada Revenue Agency (Charities Branch). Additionally, the Directors and Officers of each League (as separately incorporated entities) have an additional personal fiduciary responsibility under the CNCA. These responsibilities are detailed in Ref. A, and include (but not limited to) oversight of the Cadet Program with a responsibility to raise concerns and to represent the “voice” of the non-military members of the CCO, including the cadets. This responsibility infers that concerns are advanced through the existing League executive structure from the local community level progressively to the NCC level for resolution. To create an additional stream for the voice of the cadets, parents and volunteers with sole oversight by CAF officers would create confusion and **mixed direction**. There remain therefore competing interests and responsibilities to the Government of Canada that have to be resolved in a very short timeframe.
6. A separate briefing paper to DCdts & JCR may be required to fully present the limitations and responsibilities each League has assumed from the Government as well as under the CNCA.

7. The Governance model advanced at the July 2014 NCC proposes a second reporting and communication stream for volunteers, cadets and parents starting at the local community level as “Community Advisory Committees”. This additional stream may result in conflict in the communications hierarchy of the partners. The communication problem will not be enhanced by creating an additional reporting line. This will not work to the benefit of the Program or to the benefit of the Government of Canada. Civilian League members and volunteers will be brought under the direct responsibility of the MND and require the CAF to commit resources to the pay and administration of consultations. It would require a commitment of additional CAF resources where these functions have been fulfilled in the past by League Volunteers. The stated intent of the VCDS that the Cadet Program must be delivered and administered by significantly fewer people will not be met if additional functions are created and need to be assumed by fewer administrators. A cost impact needs to be conducted. This new stream would create a perceived right of redress to a large contingent of civilians who have a personal interest in the governance and management of the Cadet Program. Any issues in developing a voice for cadets and non-military participants should be solved at the League level and issues addressed there.

CONCLUSION

8. It is therefore strongly recommended that the development of Governance and C2 be de-linked and assigned to separate officers with an integrated working group including the various Leagues. Future development of Governance models must have Tri-League participation to ensure all legal aspects and work load management issues are addressed. The current ability of the Leagues to advance civilian interests and concerns should be enhanced and recognized in the Governance Charter as being the official voice of cadets and civilian partners rather than this responsibility transferred in whole or in part to a new management line under the leadership of CAF officers as contemplated in the currently proposed draft Organization Chart.

Risks and Benefits Associated with Current CAF Governance Model

~~The various Cadet Leagues~~ The Army Cadet League of Canada, the Navy League of Canada and the Air Cadet League of Canada are operated entirely independently of ~~each other~~ one another and respectively with separate governance structures; ~~boards~~ board of directors; fiscal operating oversight and legal charters filed with ~~Revenue Canada and Industry Canada~~ Industry Canada and the Canada Revenue Agency. Save for collaborations at the National Cadet Council and meetings with the Directorate of Cadets, ~~Apart from the NCC and meetings with D-Cadets, all activity is entirely independent of each other~~ all business and operations are conducted autonomously.

~~We~~ The Leagues collectively share an objective to support and motivate Cadets across Canada to grow and develop into ~~aware~~ conscious Canadian citizens ~~ascending the various~~ an array of programs and activities that support supporting this mandate for development. ~~Whether its sea, land or air based~~ Regardless of the element – land, sea, or air – each program is designed to draw support from the community leveraged against the Department of National Defence's ~~Defence~~ Department investment in the Cadet Program.

Each organization ~~has as~~ is comprised of a Pan Canadian Board with between 10-30 members, where ~~according~~ under the new *Not for Profit Corporations Act*, ~~Status~~ must follow strict guidelines of operation in accordance with their submitted and approved bylaws.

Within each of the Leagues, ~~there are other organizations that are implicated~~ is a sophisticated scheme of partnerships and stakeholders ~~exist in their~~ intertwined with the governance structures, including Provincial league organizations; Branches; Squadrons and Corps level organizations.

The first draft org chart represents multiple risks to all three Leagues for ~~a variety of reasons~~ numerous that have to do with legal, legal, and financial reasons in addition to community based impacts ~~that we are unprepared at this time to manage~~ that increase our liability without our opportunity to assess the associated risk without prior consultation.

Risks Associated with Suggested CAF Governance Model

- Whereas the current MoU and Industry Canada regulations hold the Leagues responsible for fiscal management of local cadet units, the new model raises the risk of the CAF having to assuming more fiscal responsibility.
- The three Leagues each have Industry and CRA status as a result of the recent not-for-profit compliance process. Any other group that claims similar objectives would not be permitted to attain similar status to do what would be an obvious conflict. The Leagues have a fiscal responsibility to support the program in partnership with the CAF.
- The Leagues have created comprehensive insurance programs that protect cadets, property, and our membership. These policies apply to the Leagues and would be difficult to replicate.
- It removes the three Cadet Leagues from the Governance chain

- The CAF proposed Governance Model increases demands on local CO's time and attention—whereas the CRS report calls for less admin burden locally
- Increases the individual communication demands on local Cadet Unit CO's by forcing them to speak to all interested parties individually ~~instead of just as opposed to~~ briefing the League ~~and having them brief~~ ~~and in turn the League informing~~ local stakeholders
- ~~The expectation of having a twice a year meeting of the new Community Action Group (CAG) to decide issues is not realistic in this day and age where issues are addressed in a much more timely manner. The very existence of a Community Advisory Group (CAG) is unnecessary and undermines the community support already provided by the Leagues.~~
- The new suggested system would likely force the collapse of community support in areas where the current community involvement is already weak, and bring into question DND's desire to run the league where involvement is strong and consolidated.
- The risk of collapse means the CAF would be forced to take on new local community groups to assist who are not covered by current legal and fiduciary frameworks
- Placing the local civilian community interests under the CAF governance model risks adding significant more oversight by RCSUs and local CIC officers, reducing the time and money that could go towards improving local core programming

Benefits Associated with League Recommended Governance Model

- The current governance model recommended by the Leagues aims to improve and strengthen existing community support, building on the foundations that already exist
- It operates under the existing legal and fiscal framework
- It is simple to understand and makes logical links
- Ensures appropriate input at all levels from local to national
- The right groups are consulted at the appropriate level
- It maintains a clear separation of civilian from CAF control
- Strengthens stakeholder feedback by allowing for alternative channels of communication
- ~~It does not increase~~ **Decreases** the administrative burden on already over-tasked local and regional CIC officers
- **DND will continue to have access to the millions of dollars provided by the three Leagues.**