

# 2015-2016 Operating Plan



Community Futures Development Corporation of Stuart Nechako  
P.O. Box 1078, Vanderhoof, BC V0J 3A0  
1-800-266-0611  
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Submitted to: Western Economic Diversification  
Submission Date: January 29, 2014

For additional information contact:  
Graham Stanley  
*CFSN General Manager*

**1.0 BOARD MOTION**

Meetings and the motions that detail that Board of Directors have approved each of the following.

1. The 2015-16 Operating Plan

<b>Date of Board Meeting:</b>	January 21, 2015
<b>Motion:</b>	To adopt the 2015-2016 Operating Plan as submitted.
<b>Moved By:</b>	Michael Reed
<b>Seconded By:</b>	Kathleen Akeroyd

2. The 2015-16 Budget

<b>Date of Board Meeting:</b>	January 21, 2015
<b>Motion:</b>	To adopt the 2015 -2016 Budget as presented.
<b>Moved By:</b>	Michael Reed
<b>Seconded By:</b>	Kathleen Akeroyd

**2.0 IDENTIFICATION AND CONTACT INFORMATION**

<b>CF Legal Name:</b>	Community Futures Development Corporation of Stuart Nechako
<b>Mailing Address:</b>	P.O. Box 1078, Vanderhoof, BC V0J 3A0
<b>Phone Number:</b>	Direct: 250-567-5219 Toll Free: 1-800-266-0611
<b>Fax Number:</b>	250-567-5224
<b>General email address:</b>	info@cf-sn.ca
<b>General Manager:</b>	Graham Stanley
<b>General Manager Email:</b>	graham.stanley@cf-sn.ca
<b>Chairperson:</b>	Randy Turcotte
<b>Phone Number:</b>	250-699-6688
<b>E-mail Address:</b>	technopure@bcgroup.net
<b>Website:</b>	www.cf-sn.ca

**3.0 DESCRIPTION OF THE ORGANIZATION**

**3.1 Description of your organization**

<b>Board structure and committees</b>	<p>Community Futures Stuart Nechako is governed by a board of seven directors; as many as four additional directors may be added to the board at any time during the fiscal year. At this time, the directors represent the communities of Vanderhoof, Fraser Lake and Fort St James.</p> <p>The Board meets quarterly to determine the overall direction, monitor achievement of goals and objectives and policies of CFSN and maintains several working committees that deal with the following areas of focus:</p> <ol style="list-style-type: none"> <li>1. Executive Committee</li> <li>2. Business Loans Committee</li> </ol> <p>Sub-committees and steering committees are struck from time-to-time to undertake specific projects and initiatives. The Chairperson, members of the Board, business experts and community volunteers from the region are encouraged to participate on our committees and sub-committees.</p>
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<b>Office locations and coverage of communities</b>	<p>The main office is located in Vanderhoof, BC.</p> <p>From Vanderhoof, the CFSN staff travels out to the three municipalities of Fort St. James, Fraser Lake and Vanderhoof, and the seven First Nations communities of Nad'leh Whuten, Nak'azdli, Saik'uz, Stelat'en, Takla, Tl'azt'en and Yekooche, as well as the unincorporated communities throughout the Stuart Nechako Region.</p>
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### 3.2 Staff

Staff	Position	Core Staff (WD)*	Phone Number	Month & Year Hired
Graham Stanley	General Manager	100%	250-567-5219	June 2003
Janine Payne	Financial Support Officer	100%	250-567-5219	November 1998
Tammy Lyell	Business Analyst	100%	250-567-5219	October 2012
Tom Bulmer	Community Economic Development Coordinator	100%	250-567-5219	February 2014

\* Indicate the percentage of salary that is covered with core WD funding.

- Describe the challenges, if any, related to staff retention, recruitment and training. Also provide your plans to address these challenges:
  - CFSN has increased its core staffing from the 2014 operating year to 2015, which is essential to achieving the goals of our 2015-2016 operating year; however the core budget is insufficient to provide for employee performance awards.
  - The core budget is restricted and does not provide for sufficient employee training funds.

### 3.3 Board of Directors

Name	Position on Board	Geographic Area of Representation	Month & Year Joined Board
Randy Turcotte	Chair	Fraser Lake, BC	May, 2012
Charles Hutchinson	Treasurer	Vanderhoof, BC	August, 2013
Kathleen Akeroyd	Secretary	Vanderhoof, BC	May, 2013
Michael Reed	Director	Vanderhoof, BC	May, 2012
Dave Birdi	Director	Fort St. James, BC	January, 2015
Chester Heibert	Director	Fort St. James, BC	January, 2015
Jesse Wilson	Director	Vanderhoof, BC	January, 2015

<b>Is the board representative of the community? If not, what are your plans to address this?</b>	CFSN has a growing, more diverse, professionally and geographically representative board in place for the 2015-2016 operating year, and beyond. Three new directors were added this year, most importantly adding representation for the Fort St. James community and region.
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## 4.0 PLANNING AND POLICIES

### 4.1 Strategic Priorities

Description of Top 3 Strategic Goals	
1	<b>Skills Development and Training</b> - Support the promotion of skills training opportunities in rural, remote and Aboriginal communities targeting youth in the region.
2	<b>Innovation</b> - Support business and initiatives that create innovative business and commercial ideas and best practices in the region.
3	<b>Partnership Facilitation</b> - Provide leadership to the facilitation and collaboration processes that support community projects and partnerships leading to the formation of stronger and/or new businesses and enterprises

## 4.2 Governance and Accountability

4.2.1 **Governance refers to the act of governing - providing leadership, direction and ensuring sound management.** Risk management is one of the key responsibilities of the Board of Directors and while it can delegate the management of risk, it cannot delegate its responsibility for oversight.

The board is the governing body of Community Futures Stuart Nechako, a society incorporated in the Province of BC. Accountable for the operations of the foundation, within the parameters established by mandate and law, its overall responsibility is that of governance. A legal entity, the board is accountable for:

- Where the organization is going - its vision, mission and strategic plan
- Ensuring the organization does what it says it will do
- Meeting the legal requirements as set out by the organization's bylaws and by the law
- Ensuring the organization is well run
- Providing the funds the organization needs to do its work
- Ensuring funders, partners and key stakeholder are kept informed

The board will assess its effectiveness on an annual basis in the following areas:

- Board orientation
- Financial viability and accountability, including strong internal controls
- Understanding the board's responsibilities
- Effectiveness of planning direction and priorities of the organization
- Management of board meetings
- Board's commitment to the funder's and organization's mission and values
- Compliance with constitution, bylaws, legal and legislative requirements
- Conflict of interest

To mitigate governance risk:

- The Board nominates members of the community to ensure the Board has diverse skills and community representation, and that the directors are appropriately qualified to offer oversight
- The Board may appoint permanent committees to assist with oversight and decision making, and that report regularly to the whole Board on their respective mandates:
  - Executive Committee
  - Business Loans Committee

4.2.2 **Accountability refers to opportunity and an obligation to model high standards** at a time when publicly funded organizations are closely scrutinized by the publics they serve. Reputational risk includes the risk of becoming irrelevant, losing support of the public, failure to respond to economic, demographic and other trends. Further a communications management risk includes the failure to dispatch accurate, purposeful, skilled interaction with stakeholders supported by appropriate information and to safeguard personal information collected by the organization.

Accountability undertakes the obligation to meet standards of the CF mandate, as well as manage reputational and communications best practices including:

- The Board participates in a strategic planning exercise every year that culminates in their approval of a formal plan prepared by the Executive Committee
- The General Manager prepares an annual operating plan based on the strategic plan and reports on it to the Board on a monthly basis
- The Board, staff and volunteers uphold the Code of Conduct
- A Privacy Policy has been implemented
- Organizational spokesperson(s) have received an orientation to media relations and social media tools
- The collection of personal information and electronic communications comply with applicable legislation and laws
- A copy of operating and strategic plans are available online and in print
- The annual audited financial statements are available online and in print

## 4.3 Policies &amp; Incorporation Documents

Incorporation Documents	Document Last Updated	Submitted to WD
Articles of Incorporation and Association	February 4, 2014	January 31, 2015
Bylaws	September, 2014	January 31, 2015
Policies Related To:	Policy Last Updated	Submitted to WD
Conflict of Interest	January 24, 2013	January 31, 2015
Board of Directors	November, 2014	January 31, 2015
Investment Fund Management <ul style="list-style-type: none"> <li>• Appeals and redress mechanism*</li> <li>• Loans in excess of \$150,000 (if applicable)</li> </ul>	September, 2014	January 31, 2015

## Community Futures Development Corporation of Stuart Nechako (“CFSN”)

## INVESTMENT FUND MANAGEMENT POLICY

Section: Appeal Process and Redress Mechanism [effective date September 20, 2014]

Any applicant whose application has been declined either at the staff level or at the Business Loans Committee level has the right to appeal that decision.

The process for appeal is as follows:

- When the applicant wishes to appeal a Committee or staff decision, the applicant shall provide any additional information, which could be used in the consideration of the appeal to the General Manager of CFSN.
- The General Manager shall review the additional information provided and forward the applicant’s appeal, additional information provided together with the original application and recommendation to the Business Loans Committee for their consideration.
- When the Business Loans Committee receives an appeal, they will review and consider all information received.
- Should the Business Loans Committee decide to reverse the decision based on the information provided, their decision will be forwarded to the applicant.
- Should the Business Loans Committee decide the appeal is not warranted their decision will be forwarded to the applicant in writing.
- In the case where the client does not agree with the decision of the Business Loans Committee, the client has the right of final appeal to the Board of Directors.

For appeals above the Board level, CFSN will utilize the Appeals Section of the Northern BC Trade and Finance Group in the following manner:

- Written appeal requests will be posted to the Appeals section of the Northern BC Trade and Finance Group forum by the lead CF. At this level the lead CF, and the other eight participating CFs, will be able to review the appeal request and provide their decision.
- The decision of this appeal will be provided to the lead CF for contact with the client.

## Community Futures Development Corporation of Stuart Nechako (the “Corporation”)

## CONFLICT OF INTEREST POLICY

Effective date January 24, 2013

This policy applies to all board members, officers, committee members and employees of the Corporation.. As people with control or influence over the decisions and activities of this organization, we are expected to perform our duties in such a manner that public confidence and trust in the integrity, objectivity, and impartiality of the Corporation is preserved.

A “control person” includes any board director, officer and employee of the Corporation or any person that has obtained corporate information.

A conflict of interest may be direct or indirect. It is a situation in which the control person may be prevented from acting in the best interests of the Corporation or may be prevented from acting fairly, impartially and without bias on behalf of the Corporation.

This situation may be due to the:

- 1) personal interests of the control person,
- 2) interests of a close friend, family member or business associate of the control person,
- 3) a company or partnership where the control person has a significant investment,
- 4) an obligation to another person by the control person.

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**CONFLICT OF INTEREST POLICY (continued)**

Effective date January 24, 2013

In order to maintain public trust the Corporation is interested in managing both real and perceived conflicts of interest, therefore real and perceived conflicts of interest should be treated in a similar manner.

There are several ways in which a conflict may emerge between the interests of the Corporation and interests of the people, directly or indirectly, who influence the decision making process. Some of which are as follows:

- 1) contracting with the Corporation for the provision of goods or services,
- 2) purchasing goods or services from the Corporation that are not available to the public,
- 3) using the property or funds of the Corporation where there is a personal benefit,
- 4) using intellectual property developed by the Corporation for other purposes,
- 5) using one's position to seek business relationships with clients of the Corporation,
- 6) seeking business opportunities that the Corporation may have an interest in pursuing,
- 7) using information from the Corporation that is not available to the general public,
- 8) seeking business partnerships with the organization,
- 9) seeking a loan, guarantee or investment from the Corporation,
- 10) a board member seeking employment with the Corporation,
- 11) providing gifts of property on behalf of the Corporation,
- 12) receiving personal gifts of property for Corporate activity.

The Corporation's board, officers, committee members and employees shall not put themselves into a position where they could derive a direct or indirect financial benefit from any of the activities entered into by the Corporation over which they influence the decisions.

A conflict of interest may be deemed a "permitted conflict of interest" provided it does not contravene a contractual obligation to which the Corporation is a party and if the board duly approves the arrangements for it.

An "immediately related party" includes the spouse and child of the control person and any entities in which the control person or a related party has a significant interest, substantial investment or control. A "related party" includes the grandchild, sibling, parent, or spouse of the control person, or any entity in which the control person, or a related party, has significant interest, substantial investment or control.

A control person, or an immediately related person, is normally excluded from contracting with the Corporation. However, they may be able to contract for the provision of goods or services to the corporation provided that:

- 1) the decision is made directly by the Board,
- 2) the conflict is declared by the control person and recorded in the minutes,
- 3) the control person does not participate in the decision or try to influence the Board,
- 4) three competitive bids are secure where possible,
- 5) the contract with the lowest cost or best value is selected.

A control person, or a related party, may purchase goods and services from the Corporation provided that the items are normally sold by the Corporation or are available to the general public. If not, the sale needs to be approved by the Board using a similar process and principles as contracting for goods or services.

A control person may only use the property of the Corporation for authorized purposes. In cases where a personal benefit may arise for employees or committee members, the General Manager should grant permission, or the Executive Committee in the case of the General Manager, or by the Board in the case of a board member. Consideration should be given to cost sharing on a prorated basis.

All intellectual property developed by employees and sub-contractors funded by the Corporation shall remain the property of the Corporation, except where otherwise specifically agreed to in a contract.

Care should be taken by any control person to avoid having personal business relationships with the clients served by the Corporation. No control person should use their position with the organization to solicit clients for a personal business or one operated by a related party or for a business in which the control person has a significant interest.

A control person should not take personal advantage of an opportunity available to the Corporation unless: the Corporation has clearly and finally decided not to pursue it, the opportunity is equally available to the general public, and the control person has declared their intention to do so.

A control person must not use corporate information for personal benefit and must ensure that they do not improperly disclose it to other parties. If in doubt, the control person should seek the advice of the Board or a person designated by the Board. Control persons must abide by the confidentiality policy of the Corporation.

If a control person, or a related party, is interested in pursuing a partnership with the Corporation, the decision should be brought to the Board for approval.

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**CONFLICT OF INTEREST POLICY (continued)**

Effective date January 24, 2013

No control person may receive a loan, loan guarantee or share capital however other related parties may be permitted provided that:

- 1) the decision is made directly by the Board,
- 2) the conflict is declared by the control person and recorded in the minutes,
- 3) the control person does not participate in the decision or try to influence the Board.

If a board member, or a related party, have an interest in an employment opportunity with the Corporation, they should immediately advise the Board Chair and General Manager of their interest and abstain from participating as a board member in all respects. If the board member has had a central role in the development and approval of the position or the hiring process to that point, it might preclude that board member from being considered for the position.

In any case: the Board must approve the eligibility of the board member as it relates to the conflict of interest; the member must apply through a competitive hiring process; the best candidate should be selected based on an objective evaluation of the candidate and the qualifications needed for the position.

A control person may only accept a gift in the following circumstances: the gift has only a token value; it fits the normal exchange of hospitality or courtesy between people doing business together; the exchange is lawful and in accord with local ethical practices; and it could not be construed as a bribe, payoff or illegal payment.

A control person may not personally use property of the Corporation to make a gift, donation or political contribution to anyone. Any gift must have the authorization of the Board or a person the Board designates.

These policies reflect the main issues identified in the bylaws of the Corporation and the contractual obligations with Western Economic Diversification. Should any possible conflict of interest arise, the control person is obligated to review the relevant bylaws and contractual obligations that may apply.

The primary principles to address possible conflicts of interests are:

- 1) review the policy to become aware of what a conflict of interest might be,
- 2) avoid being in a position where a conflict of interest may arise,
- 3) advise the Board through the Chair as soon as a possible conflict of interest emerges,
- 4) abstain from the decision making process,
- 5) refrain from influencing the decision and avoid any appearance of doing so.

If in doubt, a person that might have a conflict of interest should advise the Board Chair and General Manager immediately so that the proper steps can be taken to review the situation. The Board Chair will review the matter with the General Manager and bring it to the attention of the Board.

If the conflict of interest pertains to the Board Chair, the Vice Chair should be advised and act as the Chair for the consideration of the conflict of interest.

All Board, Committee members and staff to complete annually a "Conflict of Interest Disclosure" form.

## 5.0 PERFORMANCE INDICATORS

The process of setting overall performance targets take into account considerations such: the CFSN historic performance, status and trends in the region's economy, activities of other business service providers, needs of your communities, and the capacity and budget of our organization.

5.1 Performance target information is required for the coming fiscal year for the following indicators:

Performance Indicator	2015-16 Targets	GROUP 1	GROUP 2	GROUP 3
<b>**Targets for MPSs should be greater than or equal to the MPS in the proper group.</b>				
Community Futures Stuart Nechako Group	<b>Group 2</b>			
<i><b>Strong rural community strategic planning and implementation</b></i>				
# of local and regionally-based community strategic plan(s) developed and/or updated during the year	2			
# of partners engaged in community strategic planning	10			
Total # of community based projects (MPS**)	6	2	2	2
Total \$ value of the community based projects	\$500,000			
\$ leverage value of community based projects	\$100,000			
# of partners engaged in community-based projects	10			
<i><b>Rural access to business development services</b></i>				
# of businesses created, maintained, or expanded through business services	2			
Amount leveraged through business services	\$100,000			
# of business training session participants (MPS**)	300	400	400	300
# of business advisory services (MPS**)	125			
<i><b>Rural access to capital and leveraged capital</b></i>				
\$ value of loans (MPS**)	\$400,000	\$600,000	\$400,000	\$200,000
# of loans (MPS**)	8	12	8	6
Amount Leveraged through Lending (EDP and non-EDP)	\$500,000			
# of Projects/Initiatives that align with GOC/WD priorities (Does not get entered into TEA)	2	3	2	1



5.2 Alignment with Government of Canada and WD Current Priorities (MPS)

	Strategy	Planned Project/Initiative (2 - 3 sentences)	How will you measure outcomes?
1	Innovation - Support business and initiatives that can bring new technologies to Canadian and global markets	<p><b>#1 - 3D Printer Technology</b> CFSN is working in partnership with School District 91 to place 3D Printers in the district's high schools. This technology offers significant potential for educational opportunities in the areas of art and design. CFSN held three presentations on 3D Printing to measure public interest in this technology as there early indication of an interest in establishing a 3D Printer in our facility for public access.</p> <p><b>#2 - Technology Centre</b> CFSN is continuing its multi-year project to determine if a Technology / Innovation Centre can be successfully established with a Community Futures as an anchor tenant. The goal is to develop a centre which works in partnership with the larger technology centres being established throughout the province with a view to providing rural residents with the same opportunities and support they would find in a larger community.</p> <p><b>#3 - Invest Local BC</b> CFSN is continuing the project to establish a crowdfunding platform which allows for the mobilization of local capital for local purposes. Currently the service is only available to non-profit organizations and community governments, but will be expanded to business once the government regulations have been set.</p> <p><b>#4 - Loan Program</b> CFSN continues to use the loan program to support innovation through access to capital.</p>	<p># Community-based projects \$ Value of Community based projects \$ Leveraged value of community-based projects # Business training session participants # Business advisory services</p>
2	Skills Development and Training - Support the promotion of skills training opportunities	<p><b>#1 - Small Business BC Webinars</b> CFSN offers small business workshops and seminars through Small Business BC on various topics that develop small business skills.</p> <p><b>#2 - Venture Connect</b> Community Futures Stuart Nechako (CF-SN) recognizes the challenges faced by businesses close due to a lack of succession planning. To assist our business communities CF-SN joined with five other Community Futures offices in the Venture Connect undertaking including:</p> <ul style="list-style-type: none"> <li>• Conduct a series of business succession seminars for various groups including stake holders (banks, lawyers, realtors, local government staff and business owners)</li> <li>• Partnering with local educational institutions to promote business learning</li> </ul> <p><b>#3 - Futurepreneur (former Canada World Youth)</b> Partnering with the Futurepreneur program to provide services to young entrepreneurs (ages 18-29).</p> <p><b>#4 - CFSN Youth Strategy</b> Programs to provide the region's youth with business-oriented programming and workshops: * Currently facilitating the Junior Achievement Program called Economics for Success (financial literacy workshop) * In partnership with School District No. 91 to add Junior Achievement's entrepreneur program for grades 6 and up * Develop a Youth Business Contest</p>	<p># Local or regional community strategic plans developed/ updated # partners engaged in community strategic planning # Community-based projects # Partners engaged in community-based projects # Businesses created, maintained, expanded through business services # Business training session participants \$ Amount leveraged through business services # Business advisory services</p>

5.2 Alignment with Government of Canada and WD Current Priorities (MPS) - continued

	Strategy	Planned Project/Initiative (2 - 3 sentences)	How will you measure project/initiative outcomes?
3	Trade & Investment - Assist business to enter into global markets	<p><b>#1 - Northern BC Trade and Finance Group</b>                      The NBCTFG is a continuing project that features loan syndications amongst the 9 Northern CFs. This program allows CFs to support business opportunities that need funding in excess of \$150,000.</p> <p><b>#2 - Development of Educational Export Products</b>                      CFSN is working with stakeholders to develop educational products for export to China.</p>	# Community-based projects # Partners engaged in community-based projects \$ Amount leveraged through business services # Business training session participants \$ Value of loans # Number of loans
4	Building Capacity for Defence Procurement Opportunities		N/A
5	Economic Growth Acceleration Opportunities for Aboriginal Peoples -	<p><b>#1 - Nak'azdli Farm Project</b>                      In partnership with Nak'azdli Band, working towards establishing a root cellar as storage for farm producers.</p> <p><b>#2 - Micro Loan Program</b>                      The Micro Loan Program is designed to support individuals who may be interested in having a small home based business in addition to regular employment. The program will also support the activities of artisans and crafters to bring their products to market. While not intended as an exclusive First Nations project, CFSN believes this program will have a great benefit in First Nation communities.</p>	# Businesses created, maintained, expanded through business services # Businesses created, maintained, expanded through loans \$ Value of Loans # Number of Loans
6	Other	N/A	

**6.0 FINANCIAL**

**6.1 Investment Fund Cash on Hand**

Do you anticipate by March 31, 2016 at least 75% of your investment fund will be invested in (disbursed or committed) eligible Small and Medium Size Enterprises or will be available for your provincial investment pool? If not, what are your plans to address this?	<p>CFSN is working towards meeting this requirement as follows:</p> <ol style="list-style-type: none"> <li>1. Biz Shift loan promotions to increase loan volumes</li> <li>2. Participation in the Northern BC Trade and Finance Group to syndicate loans</li> <li>3. Participation in the BC Futures Fund</li> <li>4. CFSN will participate in any program developed such as the suggested program to provide loan funds to other CFs in Western Canada</li> </ol>
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**6.2 Opportunities for Collaboration and Cost Efficiencies**

The following are opportunities for collaboration with other Community Futures and other cost efficiencies designed to support improved service delivery to our clients.

Collaboration and Cost Efficiencies Planned/Under Discussion	
1	CFSN is working with Northern CFs to share trainers and other speakers to create cost savings
2	CFSN utilizes internet forums to communicate with Board members and for loan approvals
3	CFSN continues to support the publication of the CF Magazine which features CF loan and business clients
4	CFSN is working to create a lecture series originating from BC Universities using livestreaming technology