

Terms of Reference

Manitoba Organic Development Fund (MODF)

Background

The Manitoba Organic Development Fund (MODF) is a sub-committee of Manitoba Organics (MO) formed in accordance with MO Bylaw 3.9. This committee was established in 2021 to manage the funds from Manitoba's organic grain check-off program (Regulation 62/2021 - [the Manitoba Organic Alliance Designation Regulation under the Agricultural Producers Organization Funding Act](#)). This regulation came into effect on 12 August 2021, and directs buyers of Manitoba-grown organic cereals, oilseeds, and pulses to collect and remit 0.5% of gross sales on a quarterly basis to the Manitoba Organics (MO). The purpose of this regulation is to provide financial support for MO in its role of stimulating, increasing, and improving the production and marketing of Manitoba's organic sector, including through education and research relating to organics.

MODF's committee members are elected by organic grain producers in Manitoba. The role of the MODF is to manage check-off funds remitted by organic buyers. MODF committee members will recommend how MO should use the income from the organic grain check-off. MO will follow these recommendations unless they conflict with the original terms of the check-off regulation. Proceeds of the check-off will be used to support organic research, extension, and market development initiatives, along with specific organic sector development activities in order to build resilience on organic farms.

This Terms of Reference serves as the guiding document for MODF.

Membership

MODF consists of:

- 6 organic grain producers:
 - Voting.
 - Serve 2-year terms with a maximum of 3 consecutive terms.
 - Elected annually at the MO AGM. MO's Nomination Committee will put out a call for nominations and nominate organic grain producers on behalf of MODF. MODF committee members can make recommendations for potential nominees to MO's nominating committee. Nominees will be elected by the Manitoba organic grain producers at the MO AGM.
 - Represent organic grain producers who are paying the check-off, speak to industry concerns, and decide on research priorities.
 - Vote on which projects to fund and how to allocate funding.

- 1 researcher:
 - Non-voting.
 - Brings new/current projects to the committee for assessment.
 - Provides advice on potential research projects.
- 1 representative from MO Board of Directors:
 - Non-voting.
 - Appointed by MO Board of Directors.
 - Reports to MO Board of Directors and uses MO network and website to keep membership notified of fund progress and related events.

MODF's executive committee will consist of a Chair, Vice-Chair, Secretary, and Treasurer which will be nominated annually and approved through passing a committee motion. The executive committee's roles are as follows:

- Chair:
 - Supervises the affairs of MODF.
 - Calls MODF meetings and prepares the agenda.
 - Chairs all MODF meetings, except when this duty has been passed to the Vice-Chair.
 - Acts as the spokesperson for MODF.
 - Reports to MO's Board of Directors.
 - Carries out other duties as assigned by MODF's committee members.
- Vice-Chair:
 - Chairs MODF meetings in the Chair's absence or by agreement with the Chair (if both are absent, the committee members will elect a Chair for the meeting).
 - Takes over roles and replaces the Chair at various functions when asked to do so by the Chair.
 - Carries out other duties as assigned by MODF's committee members.
- Secretary:
 - Keeps accurate minutes of these meetings.
 - Circulates minutes to the committee for approval.
 - Carries out other duties as assigned by MODF's committee members.
 - Certain of these duties may be assigned to an executive assistant by the committee.
- Treasurer:
 - Presents reports on the check-off finances to the committee as requested.
 - Reconciles the check-off funds bank account.
 - Corresponds with MO Treasurer about the distribution of the funds and any issues related to the check-off fund bank account.
 - Carries out other duties as assigned by MODF's committee members.
 - Certain of these duties may be assigned to an executive assistant by the committee.

Stepping Down:

If a MODF committee member chooses to step down, they should give notice to the chair as soon as possible. MO's Nominating Committee will find an interim committee member to fill their role.

The interim committee member can decide if they would like to put their name forward to be nominated for a full term at the next AGM. If the interim committee member chooses not to do so, the Nominating Committee should be notified in advance of the AGM and nominate another organic grain producer.

Removal of committee members:

A committee member may be reviewed for removal from MODF if:

- A committee member is absent for three meetings in a row, or
- A committee member has been convicted of a crime of moral turpitude or is deemed to have acted in a conflict with any of MODF's terms of reference or policies.

To remove a committee member, a motion needs to be made and passed by the MODF committee. A reasonable attempt should be made to notify the committee member in question of the potential of removal before the motion is made.

Confidentiality

MODF committee members' contact information will be shared among the committee as well as MO's staff and board of directors. Committee members names may be included in MO's reports and website. Committee members' contact information will be made public.

All material provided to MODF for discussion and consideration is confidential. No material is to be discussed with any third persons. All discussions are encouraged to take place at the meeting, rather than outside of the meeting.

Meetings:

MODF will hold a minimum of 2 meetings per year (generally one in November and one in February of each year), called by the Chair. Additional meetings can be called at the discretion of the Chair. Committee members are expected to attend meetings. If they are unable to attend, they are expected to send regrets in advance. Quorum is 50% of the voting members, plus 1. This means 4 voting board members must be present to achieve quorum.

Meetings will be held in-person or online through a video conferencing app of the board's choosing.

The agenda will be set by the Chair in advance of the meeting. Members can add items to the agenda in advance or at the beginning of the meeting. Minutes will be kept by the secretary and circulated committee members for approval. These will include the date, time and place of meeting, members participating, and a record of any decision made.

Generally, at the November meeting of each year MODF will hear reports from entities like MOA staff, the University of Manitoba's Natural Systems Agriculture Lab and other experts in extension, research and market development on current and proposed projects and set annual fund priorities. Generally, at the February meeting of each year MODF will approve specific extension, research, and market development project submissions (with a January 31 deadline) after evaluating detailed proposals (complete with budgets) and determining their contribution to the advance of organic agriculture in Manitoba. Other meetings may be called from time to time as funding requirements dictate. MODF is not obliged to spend money collected in any given year.

Decision Making

Consensus shall be achieved by voting members. If there is a tie concerning a new proposal, the committee will flip a coin.

Remuneration

There is no remuneration for board members.

Fund Administration

Fund administration will be managed by an executive assistant who will undertake tasks as laid out by the committee. The executive assistant will receive supervision from the MODF chair who shall call upon the vice-chair and secretary should assistance in supervision be required; the executive assistant shall report quarterly to the committee, 2 of the 4 times which shall be in person at the semi-annual meetings. Generally, 10% of MODF's budget will be allocated to paying for administration of the fund: \$5,900 annually or as required.

Research funding will initially be aimed at projects in the Natural Systems Agriculture Lab at the University of Manitoba. The researcher on MODF and representatives from the University of Manitoba will bring current projects to MODF and the voting members can allocate funds to specific projects. Some of the research funds will be set aside for on-farm research projects falling within the priorities of MODF.

MODF will oversee the MO Steinbach Credit Union bank account for the check-off funds. This account is the under the same organization ID as MO. MO will have signing authority and will disburse funds. MODF's Treasurer will reconcile the bank account.

MODF has a discretionary fund of \$8,000 per fiscal year to support small projects that align with MODF's funding priorities and require funding on shorter notice. An application may be submitted at any time; it will be reviewed by the MODF committee in a timely fashion and voted upon via email. Funds not spent will roll over to the next year.

Distribution of Funds

Funds allocated for University research and not-for-profit organizations will be fully disbursed upon board approval.

For funds allocated to for-profit businesses and corporations, written notification of funding approval will be issued upon board endorsement. However, MODF will retain 100% of the allocated funds until the conclusive receipt of the final report. After the satisfactory assessment of the final report, the complete funds will be released.

Under specific circumstances, special considerations regarding the distribution of funds may be accommodated, subject to the discretion of the board.

Conflict of Interest

The Conflict of Interest policy is designed to inform MODF committee members and staff what constitutes a conflict of interest, assist in identifying and disclosing actual, potential, or perceived conflicts, and help the organization avoid such conflicts:

- a. Committee members and staff have a fiduciary duty to conduct themselves without conflict to the interests of MODF. In their capacity as committee members and staff they must subordinate personal, individual business, third-party, and other interests to the welfare and best interests of MODF and should not allow their own private or personal interests to influence or appear to influence the objective exercise of their official duties.
- b. A conflict of interest is conduct, a transaction or relationship that conflicts with a committee member's and employee's obligations owed to MODF.
- c. All conflicts of interest are not necessarily prohibited or harmful to MODF. However, full disclosure of all actual and potential conflicts, and a determination by the disinterested committee members – with the committee member or staff recused from participating in debates and voting on the matter – are required.
- d. All actual and potential conflicts of interests shall be disclosed by committee members and staff to the Executive Committee whenever a conflict arises as soon as possible. Disinterested members of the Executive Committee shall make a determination as to whether a prohibited conflict exists and what subsequent action is appropriate (if any). The Executive Committee shall inform the MODF committee of such determination and action. The MODF committee shall retain the right to modify or reverse such determination and action and shall retain the ultimate enforcement authority with respect to the interpretation and application of this policy.
- e. The minutes shall contain the name of person(s) who disclosed or were found to have actual or possible conflict of interest, nature of the interest, names of persons present for discussions and votes taken relating to the transaction, discussion, or arrangement.

Conflicts of interest are unavoidable and should not prevent an individual from serving as a director or as staff member unless the extent of the interest is so significant that the potential for undue influence is present in a large number of situations.