

***STARS***<sup>®</sup>

**2021/22**

**GOVERNANCE REPORT**



## COMMITMENT TO GOVERNANCE

STARS operates in both aviation and medical fields which are high complexity and high consequence environments and as such we must be committed to the principles of strong governance. We strive to lead in the area of voluntary and not-for-profit sector governance, with a commitment to stewardship of the STARS organization through effective and best practices.

Effective governance requires sound, ethical and legal processes, direction consistent with the organization's vision and mission, and adequate controls to ensure appropriate oversight of the organization's resources. For not-for-profit, charitable organizations, this includes appropriate guidance and protection of the benefits and services provided to the community and sound stewardship of the resources, whether funding, volunteer time, financial or other expertise or skills committed to the organization.

The STARS Board of Directors recognizes their governance responsibilities to all stakeholders that include patients, governments, health regions, emergency service providers, corporate and community donors, volunteers, employees and the general public.

STARS is committed to the ongoing evaluation and application of best practices in governance in order to promote a healthy, productive, transparent, accountable, and effective organization. We regularly assess emerging best practices and annually review our governance and financial disclosure practices to ensure that we meet or exceed the requirements for not-for-profit organizations.



# CHARITABLE STATUS AND ORGANIZATIONAL STRUCTURE

## **SHOCK TRAUMA AIR RESCUE SERVICE** **(“STARS Service”)**

STARS Service is a society under the Canada Not-for-Profit Corporations Act (the “CNPCA”) that was continued on April 1, 2016. It is a registered charity under the Income Tax Act (Canada). Instead of shareholders, STARS Service has voting members who are entitled to notice of and to vote at all meetings of the members of STARS Service.

Each STARS Service member also serves as a director of STARS Service and each of our directors act in a volunteer capacity.

The primary services and activities of STARS Service are to provide emergency medical helicopter transport services to critically ill and injured patients in Alberta, Saskatchewan, Manitoba, and Eastern British Columbia.

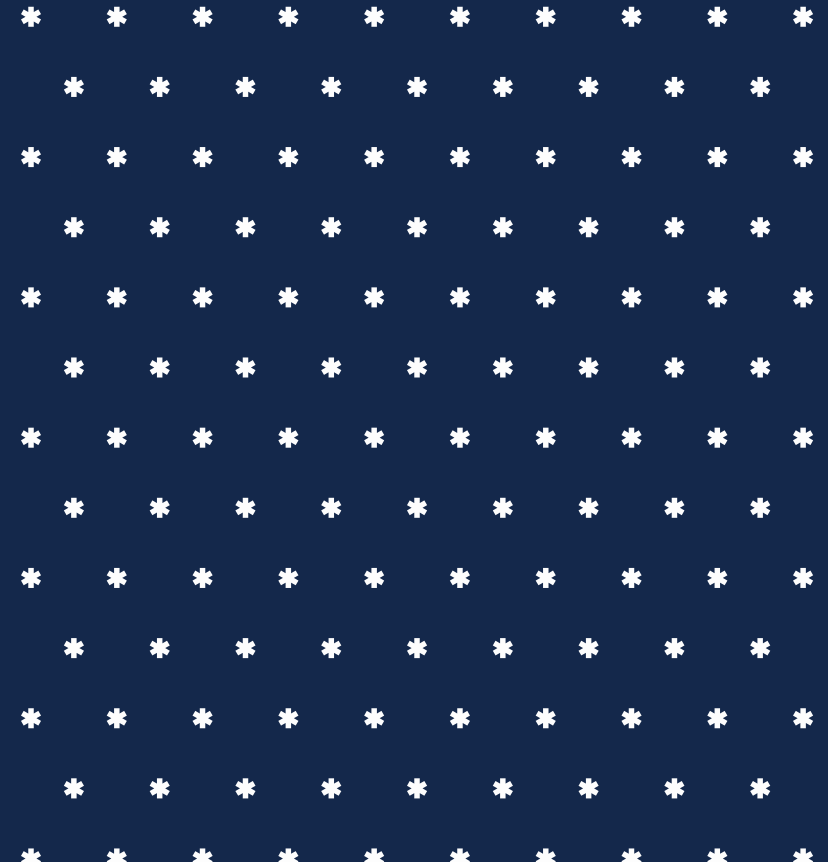
## **SHOCK TRAUMA AIR RESCUE SERVICE FOUNDATION** **(“STARS Foundation”)**

STARS Foundation is a foundation under the CNPCA that was formed on April 1, 2016. The sole member of STARS Foundation is STARS Service. Pursuant to a declaration and unanimous shareholders’ agreement dated April 1, 2016, the powers of the board of directors of STARS Foundation are abrogated and STARS Service, as sole shareholder of STARS Foundation, is granted the right to exercise and perform all the rights, powers, and duties of the directors of STARS Foundation to manage the business and affairs of STARS Foundation, including those rights, powers, and duties set forth in the CNPCA. This means that effectively, the business and affairs of STARS Foundation are managed by the Board of Directors of STARS Service, which is the decision-making body of STARS Service.

STARS Foundation is primarily responsible for the fundraising activities carried out in support of STARS Service services and activities, as described above.

## **STARS AVIATION CANADA INC.** **(“STARS Aviation”)**

On April 1, 2021 STARS Aviation amalgamated with STARS Service in order to simplify our organizational structure.



## **100% VOLUNTEER GOVERNANCE**

As a charitable and not-for-profit entity, STARS has no shareholders and is effectively governed by a volunteer Board. The volunteer members of the Board and Board Standing and 'ad hoc' Committees do not receive any remuneration, consideration, or fees for undertaking the responsibilities, risks and the significant time commitment involved in being a volunteer director. Each year the Board of Directors will volunteer over 1,600 hours of their time.

This number does not take into the account the significant amount of time the Board dedicates to events, such as fundraising events or meetings with staff members outside of regularly scheduled Board or Committee meetings.

A Governance and Nominating Standing Committee stewards the governance process and culture. Board approved Mandates for the Board of Directors and Board Committees (standing and otherwise) are regularly reviewed and revised as required.

## **STARS BOARD OF DIRECTORS**

We strive to ensure that the composition of our Board reflects the diversity of the communities we serve. The STARS board consists of significant leaders in finance, business, law, medicine, and aviation.

Our directors are appointed to a three-year term and are eligible for re-appointment for one additional term, for a maximum of six years. However, certain extraordinary circumstances will allow for an additional one-year term extension, increasing the maximum to seven years.



## BOARD OF DIRECTORS

The volunteer members of STARS' Board of Directors are not reimbursed for their service on the STARS Board or Committees. As at September 30, 2021, the Board of STARS Service has 21 Directors and is lead by Co-Chairs Helen Kasdorf and Doug Ramsay.

Doug Anderson  
 Noralee Bradley  
 Dr. Mary Brindle  
 Michael Broadfoot  
 Mark Fitzgerald  
 Alfred Goodswimmer

Tasha Giroux  
 Michael Guttormson  
 Richard Hotchkiss  
 Theresa Jang  
 Kyle Jeworski  
 Helen Kasdorf

Stuart Lee  
 Carla Madra  
 Mike Marsh  
 Mark Porter  
 Doug Ramsay  
 Dr. Adrian Robertson

Tracy Robinson  
 Marnie Smith  
 Curtis Stange

## COMMITTEES OF THE BOARD

The Board meets as often as is required to carry out its responsibilities in addition to maintaining four standing committees and one 'ad hoc' committee, which are ultimately accountable to the Board. The committees and their respective chairs as of September 30, 2020 are:

Committee	Chair	*	*	*	*	*	*
Audit & Finance	Stuart Lee	*	*	*	*	*	*
Fundraising & Innovation	Mark Fitzgerald	*	*	*	*	*	*
Governance & Nominating	Michael Guttormson	*	*	*	*	*	*
Human Resources & Compensation	Mark Porter	*	*	*	*	*	*
Safety & Risk Management	Dr. Adrian Robertson	*	*	*	*	*	*

# COMMITTEE PURPOSE

Each of the committees has a Board-approved terms of reference, an annual work plan and a Chair who reports back to the Board on the committee’s activities.

<b>Committee</b>	<b>Purpose</b>
Audit & Finance	The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to financial accountability, reporting, adequacy of internal controls, financial risk, financial integrity of the organization, regulatory compliance related to financial matters, audit process, performance of the external auditors, monitoring investment returns, reviewing the investment strategies of the Board, and making recommendations to the Board on investment policy and overall strategy.
Fundraising & Innovation	The purpose of the Committee is to assist the Board in carrying out its oversight responsibilities by making recommendations to the Board relative to all aspects of STARS fundraising policies, fundraising strategy, and opportunities that will generate revenue from sources other than fundraising but which are, at all times, linked to the Organization’s charitable purposes and are subordinate to such purposes.
Governance & Nominating	The purpose of the Committee is to assist the Board in carrying out its responsibilities by reviewing and monitoring Board governance. The Governance and Nominating Committee’s responsibilities include making recommendations to the Board for Board Director and Board Committee membership and monitoring Board performance according to the goals and objectives of the organization. The Governance and Nominating Committee is also responsible for ensuring that an evaluation of the Board’s performance and effectiveness is carried out and results are reported back to the Board. The assessment examines the effectiveness of the Board as a whole and specifically reviews areas that the Board and/or management believe could be improved to ensure the continued effectiveness of the Board in the execution of its responsibilities.
Human Resources & Compensation	The purpose of the Committee is to assist the Board in carrying out its responsibilities by reviewing the President and Chief Executive Officer’s goals and objectives, evaluating the President and Chief Executive Officer’s performance, developing and monitoring a succession plan for the President and Chief Executive Officer, monitoring the organization’s human resources policies, and reviewing compensation and human resources issues in support of the achievement of the organization’s strategies. The Human Resources and Compensation Committee annually reviews Executive compensation. The remuneration for the President and Chief Executive Officer is regularly evaluated by the Human Resources and Compensation Committee utilizing periodic regular market assessments and various industry and professional benchmarks, including those for charitable and not-for-profit organizations, and by periodic independent consultation. The Committee’s conclusions for compensation for the President and Chief Executive Officer are reviewed with the Board of Directors and are recommended to the Board of Directors for approval.
Safety & Risk	The purpose of the Safety & Risk Management Committee is to assist the Board in carrying out its responsibilities by monitoring and regularly re-evaluating risk identification and risk management practices and in reinforcing the STARS culture of “Safety is an Attitude.”

## **FOR MORE INFORMATION**

For further information about the STARS Board of Directors, please contact STARS' Corporate Secretary, Katie Kassam at [kkassam@stars.ca](mailto:kkassam@stars.ca).