

Trusteeship Manual

For Branches &
Appointed Trustees

Purpose of Trusteeship

Legion branches play a vital role in supporting veterans, their families, promoting remembrance, and to serve communities. To operate effectively, branches must meet key performance standards in governance & compliance, financial accountability, and engagement/communication.

When a branch struggles to meet these standards, Trusteeship provides increased oversight and, when necessary, temporary management of a branch to resolve serious concerns in areas such as governance, financial accountability, and operations. Trusteeship is implemented as a last resort when a branch executive is unable to meet performance standards and that it is severely impacting the branch's ability to fulfill the mission and purpose of the Royal Canadian Legion. The primary goal is to restore operations and bring the branch back on track with the Legion's performance standards. This process is guided by Article 419.a and 505 of the General By-Laws, which authorizes the appointment of trustees to preserve property and ensure continued operation until the branch can return to stable and compliance governance.

This manual should be read in conjunction with the BC/Yukon Command Performance Standards Policy, which outlines the performance standard requirements for all Legion branches within British Columbia and Yukon.

Trusteeship Levels

Trusteeship Level 1

Level 1 is implemented when a branch requires direct oversight and support, but the executive remains in place under enhanced supervision.

- A Trustee is appointed and added as the primary signatory on all branch financial accounts. Any branch expenditures must be first approved by the trustee.
- Trustee participates in decision making, planning, and compliance oversight.
- Trustee may stand down executive members as necessary.
- A corrective action plan will be developed and implemented.
- At the end of the oversight period, a review is conducted, possible outcomes:
    - Trusteeship is removed if the branch has met performance standards.
    - Trusteeship is extended with revised timeframe.
    - Trusteeship is escalated to Level 2 if no significant progress is made.

Branch Executive Responsibilities (Level 1)

- Review BC/Yukon Command's trusteeship notification letter.
- Work with the trustee on identified issues outlined in the notification letter.
- Any branch expenditures must receive prior approval by the trustee.
- Inform membership of trusteeship status at the next general meeting.

- Submit monthly financial reports and executive/general meeting minutes to the trustee and to BC/Yukon Command.
- Comply with all reporting and corrective actions, as per direction from trustee.

Trusteeship Level 2

Trusteeship Level 2 is implemented when a branch's executive can no longer manage operations effectively, requiring BC/Yukon Command to take full control.

- The entire branch executive is stood down.
- At least two trustees are appointed to take full authority over branch affairs, with the option to form a Management Committee.
- Trustees must obtain BC/Yukon Command approval for any significant financial, operational, or contractual decisions.
- The trustees should provide quarterly reports to BC/Yukon Command.
- At the end of the oversight period, a review is conducted, possible outcomes:
    - Trusteeship is removed if the branch has met performance standards.
    - Trusteeship is extended with revised timeframe.
    - If there is no significant improvement in the branch's operations and lack of membership engagement, consideration may be given to the surrendering of the branch's charter.

Branch Membership Responsibilities (Level 2)

- Review BC/Yukon Command's trusteeship notification letter.
- Branch Executive should return all branch property to trustees (eg. keys, access codes, passwords, etc.).
- Branch members are encouraged to contact trustees to volunteer or express interest in joining the Management Committee.

Roles & Responsibilities

A clear understanding of roles and responsibilities is essential for a branch's success under trusteeship. This section outlines the expectations for each role to ensure a structured and coordinated approach.

Branch Members

- Review and understand the issues identified in the trusteeship notification letter.
- Support the branch by participating in programs, events and day-to-day activities.
- Work with trustees to identify how you can help (eg. Management committee, poppy campaign, fundraising, branch maintenance, etc.).

Branch Executive

- Review and understand the issues identified in the trusteeship notification letter.
- Work collaboratively with the trustee to address branch challenges.
- Ensure timely submission of required documents, including monthly financials and general/executive meeting minutes (within two weeks of each meeting).
- Implement corrective actions as directed by the trustee(s).
- Keep members informed with regular status updates at general meetings.

Zone Commander

- Conduct an initial assessment of branch issues (if needed).
- Support the trustees in resolving issues.

Branch Operations Advisors

- Serves as a resource for branch executives, Zone Commanders, trustees and BC/Yukon Command in addressing branch operational challenges.
- Provide guidance and support on branch financial management and operations.
- Assist with implementing best practices and long term strategies for sustainable branch operations.

Trustees

- Provide direct oversight and support to the branch.
- Participate in executive decision making (Level 1) or assume full management (Level 2).
- Develop and implement the development of a corrective action plan in collaboration with the Branch Advisory Committee and Branch Operations Advisor.
- Provide support and guidance to the branch executive.
- Monitor financial reporting and governance compliance.
- Submit regular progress updates to BC/Yukon Command.

BC Yukon Command

- Upon recommendation from the Branch Advisory Committee, the Admin Finance Committee determines when a branch is placed under trusteeship and at which level.
- BC/Yukon Command President appoints the Trustee(s).
- Issues official branch trusteeship notification letters and updates to the branch membership.
- Review trustee reports and any other documents to determine whether the branch will remain or be removed from oversight.
- Ensure the trustees have the necessary resources and support.

Trusteeship Overview

Step 1: Identifying the Need for Trusteeship

- Reports received from Zone Commander, Branch Operations Advisors, and Probationary Managers outlining the branch concerns.
- The Branch Advisory Committee and Admin Finance Committee will assess and recommend/determine whether trusteeship is required and what level is necessary.

Step 2: Appointment of Trustees

- If trusteeship is necessary, the Admin Finance Committee will place the branch under trusteeship and confirms the appropriate level, as outlined in the Performance Standards Policy.
- BC/Yukon Command President will appoint trustee(s).

Step 3: Notification to the Branch

- BC/Yukon Command will send a formal trusteeship notification letter to the branch executive and membership, notifying them of the trusteeship process.
- The letter will outline:
    - Reasons for the trusteeship and the specific issues to be addressed.
    - The name of the appointed Trustee(s).

Step 4: Initial Assessment and Corrective Action Plan

- Trusteeship Level 1 – trustee will meet with Branch Executive to go over the process and how things will move forward.
- Trusteeship Level 2 – the branch executive is stood down, and trustees will have the option to develop a Management Committee to take over operations.
- Trustees will review branch operations, finances and governance compliance and develop a corrective action plan.

Step 5: Ongoing Monitoring & Continued Support

- The branch is required to submit monthly financials and general/executive meeting minutes to BC/Yukon Command.
- The Trustees provide ongoing support, guidance, and supervision (level 1) or full management oversight (level 2).
- Trustees will provide regular branch updates to BC/Yukon Command.

Step 6: Evaluation & Decision

- After the specified period, the trustees provide a final assessment of the branch's progress and provides a detailed report and provides recommendation to Admin Finance on whether oversight should continue.
- The Admin Finance Committee decides next steps:

- If the branch met the required performance standards, trusteeship oversight will either be removed, or moved to a lower level of oversight.
- If branch still requires additional support, the trusteeship period is extended.
- If there has been no improvement and the branch executive is unwilling to cooperate, the branch may be escalated to a higher level trusteeship or consider revoking charter.

Expectations for Branches Under Trusteeship

When a branch is placed under trusteeship, it is required to notify their members of the situation, providing a clear explanation of the reasons for the oversight and corrective actions being taken. The branch must ensure full compliance with all Legion governance, by-laws, and policies. The branch executive will work closely with the trustees to address and resolve the issues identified. Under trusteeship oversight, any branch expenditure must be approved by the trustee in advance.

Branches are required to submit monthly financial reports and general/executive meeting minutes must be submitted to the trustees and BC/Yukon Command within a timely manner (e.g. two weeks of meeting occurrence). Failure to comply with the trusteeship requirements or continued significant mismanagement or internal conflict preventing the branch from functioning, may result in escalation to a higher level of trusteeship.

Management Committee

Under Trusteeship Level 2, when the branch executive is stood down, a temporary Management Committee may be formed by the trustees. The role of this Management Committee is to help stabilize the branch and assist with the day-to-day branch operations. This committee works under the direction of the trustees.

Branch Financial Responsibility

Branches are expected to meet performance standards. If a branch is placed under trusteeship due to non-compliance or operational issues, it is responsible for covering the costs associated with the oversight process. This includes the trustee(s) travel expenses (e.g. mileage), and any other administrative fees associated with the oversight process. The financial responsibility reinforces the importance of meeting performance standards and encourages branches to address issues proactively to ensure long term stability and effective operations.

Guidelines for Trustees

Once a branch is placed under trusteeship, the appointed trustees are responsible for helping the branch address its challenges and return to stable and compliant operations.

Each trusteeship will vary depending on the branch's specific situation. In most cases, the trustees will schedule an in-person meeting with the branch executive to formally notify them of the trusteeship. This meeting is an opportunity to introduce themselves, explain the trusteeship process/expectations, and steps moving forward. Trustees will typically attend the next general meeting to inform the membership of this trusteeship status.

Trustees will receive letters from BC/Yukon Command authorizing them to provide branch vendors and financial institutions with the necessary documentation to add the trustees as primary signatories on all accounts. Trustees are expected to review the branch's finances, operations and governance processes to identify any other concerns. Based on this review, they will work with either the branch executive (Level 1) or Management Committee (Level 2) to develop an action plan to address the issues.

Throughout this trusteeship process, trustees are expected to offer ongoing guidance and support to the branch executive/management committee. They should maintain notes on any relevant interactions, decisions, and actions taken throughout the oversight process. Any trusteeship expenses, such as mileage, should be submitted to BC/Yukon Command on a regular basis.

Trustees are encouraged to work with the Branch Operations Advisor, as needed, to navigate any operational challenges. Regular progress updates, including recommendation on trusteeship status, should be provided to BC/Yukon Command as required.

Questions

Contact BC/Yukon Command if you have any questions related to Trusteeship or the Performance Standards Policy oversight process.

BC/Yukon Command
Address: Unit #503 – 17665 66 A Avenue, Surrey, British Columbia V3S 2A7
Phone: 604-575-8840
Email: info@legionbcyukon.ca

British Columbia/Yukon Command

Trusteeship Level 2 Checklist

Securing the Branch premises/Notification Meetings

- ☐ Attend all branch financial institutions to update signing authority to trustees. Request statements for all financial and investments accounts.
- ☐ Arrange for locks to be changed (same day as notification).
- ☐ Change alarm codes and collect all keys and branch property from executive and staff.
- ☐ Inform executive and branch staff that the branch has been placed under Trusteeship
- ☐ Post closure notice on main entrance (if applicable).
- ☐ Update branch voicemail to direct inquiries to BC/Yukon Command (if applicable).
- ☐ Schedule an information meeting with the branch membership.
- ☐ Confirm whether a Management Committee will be established.

Financial & Operational Control

- ☐ Conduct full inventory of the food and bar.
- ☐ Suspend vendor/service contracts (if applicable).
- ☐ Obtain all relevant passwords:
    - Online banking, safe, social media, phone, internet, vendor accounts.
- ☐ Review upcoming hall rentals and cancel or reschedule as appropriate.
- ☐ Verify that gaming, lottery and liquor license are up to date.
- ☐ Ensure membership submissions to Dominion Command are up to date.
- ☐ Review branch budget to ensure sustainability.