

CMA Standards Council's Policy on Governing Body Independence.

A person shall be deemed NOT to be independent if:

1. They are an employee or staff member of the organisation.
2. They are able to individually dictate the operations of the organisation similar to an employee or staff member. A person who is an uncompensated CEO, for instance, is not independent.
3. They are related to staff members or other members of the governing body. Relevant relationships for the purposes of this policy include spouse, partner, parents, brothers and sisters, children, grandchildren, and spouses or partners of brothers, sisters, children, and grandchildren.
4. They report to, or are subordinate to, employees or staff members of the organisation.
5. They report to, or are subordinate to, other members of the governing body.
6. They receive a material amount for consulting or speaking, or for any other engagement by the organisation.
7. They have ownership or managerial relationships with firms that have material financial dealings with the organisation, its officers, members of its governing body or key employees.
8. They are the legal counsel, related to the legal counsel (see 3 above), or are employed by the firm that is the legal counsel of the organisation.
9. They are the Auditors, related to the Auditors (see 3 above), or are employed by the auditing firm of the organisation.