

# Governance Policy Manual

*[current as at March 30, 2020]*

Serving Ontario's  
hospitals to build a better  
health system.

Discovery  
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## Board Accountability Statement

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1. The Ontario Hospital Association Board of Directors governs the Association in accordance with:
  - the Association’s purpose and values
  - the Association’s objects
  - OHA By-law 1
  - Board policies
  - All applicable legislation and regulatory requirements
2. The Board will make efforts to ensure decision making will be open and transparent and that it acts in an accessible, clear, and visible manner.
3. The Board will make decisions that are in the best interests of the Association and with regard for members and stakeholders.
4. To guide the Directors in making decisions in the best interests of the Association, in a manner consistent with the values and within the capacity of the Association’s resources, the Board has confirmed the following accountabilities:

To Members of the Association	For complying with OHA’s objects, By-law 1, and applicable legislation as it governs the Association and for the achievement of the purpose
To staff	For fair, timely, and transparent decision-making and effective leadership
To health care partners	For collaboration and cooperation
To funders	For meeting policy and performance obligations

Amendment: The Board may amend this policy      Last Review: August 2019

Approval Date: October 19, 2009      Last Revision: August 2019

## Board Evaluations

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### **PURPOSE**

The purpose of deliberate evaluation is to enable continuous improvement of Board effectiveness through regular review of governance processes.

### **POLICY**

The Board will evaluate, annually, the effectiveness of the Board.

Evaluations will be conducted for Board meetings and planning sessions.

The Board's on-boarding program will be evaluated by new Directors.

The Board Chair's performance will be subject to evaluation only during the Chair's first one-year term.

At the call of the Chair, an independent evaluator may be engaged to conduct an evaluation.

Each Board member is responsible to contribute to the quality of board governance and to participate in the Board evaluation processes.

### **PROCESS**

#### *Board Annual Evaluation*

The Board will alternate its annual evaluation survey between a long form and a shorter format.

The long form will evaluate the Board, Board Chair, Committees, and Committee Chairs; and request information from Directors on educational activities to support them in their role as Director.

The long form survey will include separate sections for all Directors to assess the effectiveness of:

- the Board (i.e., its operations, structure and effectiveness); and
- the Board Chair (meeting management, relations, etc.).

The long form survey will provide opportunity for Standing Committee members to assess the effectiveness of:

- the Committee(s) on which they serve in fulfilling their responsibilities; and
- the Committee Chair in leading the Committee.

Directors will also be asked to self-assess their knowledge and contributions.

The shorter format will focus on evaluation on fundamental performance measures for the Board Chair, the Board, and its relationship with its Committees; and request information from Directors on educational activities to support them in their role as Director.

The annual survey may collect information from Directors about their preference for Standing Committee membership for the following year.

The Governance and Nominating Committee will approve the questionnaire to ensure that results will contribute to continuous improvement of Board and Committee processes.

The Secretary will collate the responses to the questionnaire and provide to the Board Chair. Any comments quoted from the responses will not include attribution to the respondent.

The Secretary will present a report of the results regarding the effectiveness of the Board to the Governance and Nominating Committee. The Governance and Nominating Committee will make recommendations, as appropriate, to the Board of Directors.

The Secretary will provide to each Standing Committee Chair the results related to the operations of the respective Standing Committee. The Committee Chair will present the results to the Committee and consider these results in developing the work plan and agendas for the Committee.

The Secretary will provide to each Standing Committee Chair the results related to the effectiveness of the Committee Chair. The Board Chair or the Chair of the Governance and Nominating Committee will discuss the results with Committee Chairs, as appropriate.

The Secretary will provide the collated responses to the questions regarding the Board Chair's performance to the Board Chair for consideration in meeting management and Board Chair development activities.

Responses to Director self-assessment questions will be used to suggest opportunities for director development, as appropriate.

Any additional information collected (e.g., committee preferences) will be used to inform the board's nominating processes.

#### *Board Meeting and Planning Session Evaluations*

Following the completion of each Board meeting and planning session, participants will be asked to evaluate the effectiveness of the meeting and its contribution to the Board's governance role. The Board Chair and the President and CEO will review the results and apply them to planning for future meetings and planning sessions.

#### *On-boarding Program Evaluation*

Following the second regular Board meeting of the Board year, new Directors will be surveyed on the effectiveness of the on-boarding program in enabling their transition to the Board. The Secretary will provide a report to the Governance and Nominating Committee which may inform development of additional resources for new Directors.

#### *Independent Evaluation*

The Board Chair, in consultation with the Executive Committee and the Chair of the Governance and Nominating Committee, will define the parameters for an independent evaluation of the Board's operations and processes, or any part thereof. The engagement of an independent evaluator will follow OHA's normal procurement practices.

Amendment: The Board may amend this policy.

Last Review:

Approval Date: August 12, 2015

Last Revision: November 21, 2018

## Diversity of Board Membership

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### **PURPOSE**

The purpose of this policy is to articulate the Board's commitment to diversity in its membership.

### **PRINCIPLES**

The Board recognizes that highly qualified directors from diverse backgrounds contribute different perspectives and experiences and enrich the board's decision-making.

The Board is committed to enabling the Association's purpose and exemplifying its values in all actions to serve its Members.

The Board, collectively, should include members with experience in the diversity of the hospital membership of the Association.

Nominees to the Board will be selected based on the experience, expertise, and attributes selected by the Board from time to time.

The Board values the contributions of Hospital CEOs, who bring deep industry expertise in the hospital sector and health care system, and Hospital Trustees, who contribute experience in local governance of hospitals and expertise outside of the health care system that contributes varied perspectives to the Board's deliberations. In accordance with By-law 1, at least 30% of elected Directors will be trustees of member hospitals at the time of their initial election to the Board and at least 30% of elected Directors will be chief executive officers of hospital members. The Board welcomes others with experience and expertise that contribute to the advancement of the Association's purpose.

### **EXPERIENCE DIMENSIONS**

The Board recognizes the varied experiences of hospitals and healthcare providers in different sectors within Ontario's health care system. To enable the Board to consider various perspectives in its decision-making, the Board has identified that its membership will include at least one director with direct experience within the past five years as the CEO or a Board member of a hospital in Northern Ontario; a hospital with a deep academic mission and a minimum of \$10M in annual research revenue; hospitals identified by the Ministry of Health and Long-Term care as Mental Health/Addictions, Complex Continuing Care or Rehabilitation, and small; a community acute care hospital; and leaders from other sectors of the health system, such as home care, community care, long term care, and primary care.

The Board recognizes that expertise gained through leadership in other sectors of society could be valuable to the Board in its oversight of the Association's strategy.

Board members will have previous board experience in organizations committed to the governance role of the board.

### **EXPERTISE DIMENSIONS**

On an on-going basis, Board members are required to contribute expertise to enable the OHA to fulfill its responsibility to its members. These areas of expertise include an understanding of public policy

development and the workings of government to guide the OHA's advocacy efforts; an ability to understand organizational and system behaviour to inform the OHA's activities to support improvements in the hospital sector and health care system; financial expertise to assist with its obligations related to financial planning and reporting and control systems; investment expertise to lead the Board in its oversight of the OHA's financial reserves; an ability to think strategically about the role of the Association in the evolving health care environment; oversight of enterprise risk management programs; and deep knowledge of labour relations in hospitals to assist in the board's oversight of the OHA's labour relations services for members.

Board members recruited from among senior leaders at member hospitals will contribute an understanding of health care funding and administration.

### **OTHER DIMENSIONS**

The Board strives to reflect the geography of Ontario in its membership and to include those with current experience in denominational hospitals and hospitals subject to the *French Language Services Act*.

In its selection of nominees from among qualified candidates, the Board will consider ethnic/cultural background and gender mix, as self-declared by directors.

### **PROCEDURES**

Annually, Board members provide updated information about their experience and the other dimensions described in this policy.

Information about hospital experience and other dimensions will be captured by the application form.

### **RELATED POLICIES**

This policy is to be read in conjunction with the *Terms of Reference of the Governance and Nominating Committee* and the policy on *Recruitment of Board Members*.

Amendment: The Board may amend this policy.

Last Review:

Approval Date: May 22, 2019

Last Revision:

## *In Camera* Sessions of the Board

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### **PURPOSE**

The purpose of this policy is to clarify when the Board of Directors may restrict the presence of persons who are not Directors at a Board meeting or portions thereof.

This policy complements the Board's policies on *Open Board Meetings* and *Meetings without Management*.

### **POLICY**

The Board may move *in camera* or hold special meetings that are not open to OHA Members or OHA staff when it determines it is in the best interests of the Association to do so. The Chair may order that a meeting move *in camera* or any Director may request a matter be dealt with *in camera*. In either case a vote will be taken and if a majority of the Board so decides, the matter shall be dealt with *in camera*.

The following matters will be dealt with *in camera*:

- Assessment, rewarding or disciplining of individuals (staff or Board members);
- Financial, personnel, contractual and any other matters for which a decision must be made in which premature disclosure would be prejudicial;
- Matters involving property;
- Discussions that may prejudice a person or entity involved in a criminal proceeding or a civil suit or proceeding, including matters before administrative tribunals;
- Instructions given to or opinions received from a solicitor(s) or a consultant(s);
- Matters involving litigation;
- Material contracts;
- Human resource issues;
- Labour relations issues such as matters involving Economic and Non-Economic Bargaining Mandates for central bargaining on behalf of participating Hospitals;
- Deliberations that may be necessary to decide whether the matter warrants being dealt with in an *in camera* session of the Board; and
- Any other matters the Board deems confidential.

### **Attendees during an In-Camera Session**

Board members are entitled and expected to attend unless recused due to a conflict of interest or other concern.

During an *in camera* session of the Board, all persons who are not Board members shall be excluded, save and except members of the Senior Management Team and the recording Secretary, unless those persons are specifically asked to leave.

Guests or counsel may remain during an *in camera* session at the invitation of the Chair or the consent of the meeting.

## Procedure

1. A motion is required to move into and rise from an *in-camera* session of the Board, and to approve any actions of the Board.
2. Material to support *in camera* discussions will be presented or distributed in printed form at the meeting and collected following the discussion and will not be made available electronically.
3. Where an *in camera* session of the Board is required, a separate agenda, indicating the items to be dealt with during the *in camera* session of the Board, may accompany the confidential material and the agenda would also be identified as confidential. If the items to be considered in an *in camera* session are included in the main agenda, only the general nature of the matters and that the discussion is to be held *in camera* will be indicated on the main agenda.
4. Minutes shall be recorded by the Secretary or their delegate. In the absence of the Secretary or their delegate, the Chair shall designate a Director to record the minutes. When circulated to the Board the minutes should be clearly identified as confidential and handled and secured in a manner which respects the nature of the material. Minutes of an *in camera* session of the Board shall be presented for verification at another *in camera* session of the Board at a subsequent meeting. Members shall return all copies of *in camera* minutes at the conclusion of the Board meeting. Any board member wishing to review *in camera* minutes shall contact the Office of the Secretary and make appropriate arrangements.
5. Matters before an *in camera* session of the Board shall remain confidential until such matters are moved by the Board to the open session of the Board. At its sole discretion, the Board may move matters which have been dealt with in an *in camera* session of the Board to the open session of the Board.
6. The Chair, in consultation with the CEO, shall determine the information and timing of any communication with Full Members about matters considered in an *in camera* session.

Amendment: The Board may amend this policy.

Last Review: August 11, 2015

Approval Date: October 14, 2009

Last Revision: May 16, 2018



## Open Board Meetings

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### **PURPOSE**

This policy documents those permitted to be in attendance at Board meetings of the Association.

This policy complements the Board's policies on *In Camera Sessions of the Board* and *Meetings without Management*.

### **POLICY**

All meetings of the Board are open to Full Members and OHA staff only, except where the Board determines that a matter shall be dealt with in an *in camera* session in accordance with the policy on *In Camera Sessions of the Board*.

Full Members and Association staff are welcome to observe the open portion of the Board's meetings to:

- Facilitate the conduct of the Board's business in an open and transparent manner;
- Ensure the Association maintains a close relationship with its Full Members; and,
- Generate trust, openness, and accountability.

Representatives of Full Members may request to make a presentation to the Board. The decision as to whether to allow the presentation is at the sole discretion of the Chair of the Board.

### **PROCEDURE**

#### **Notice of Meeting**

At the beginning of each Board year a list of the dates, times and location for all regularly scheduled Board meetings will be prepared and available from the Board office and will be posted on the Association's website. Changes in the schedule will be posted on the website.

An agenda identifying all items requiring Board action shall be prepared by the Chair of the Board in consultation with the President. At least five days prior to the Board meeting, a copy of the agenda for the open portion of the Board meeting will be made available to all Full Members of the OHA on request.

Items to be dealt with in an *in camera* session of the Board may be set out in the main agenda or in a separate agenda. If set out in the main agenda such matters shall identify only the general nature of the matter to be considered at the *in camera* session of the Board and the fact it is to be held in an *in camera* session of the Board.

#### **Attendance**

To ensure adequate space, a Full Member may send up to two representatives to attend an open session of the Board. The Full Member shall notify the Secretary of the Association four business days in advance of the Board meeting of his/her intention to attend the Board meeting. The Board may limit the number of attendees if space is insufficient.

A copy of "Conduct at Open OHA Meetings" will be posted on the OHA website with the schedule of meetings.

## Agendas and Board Materials

Copies of the agenda for the open portion of the meeting will be distributed at the meeting and may be obtained from the Secretary or their delegate prior to the meeting. Supporting material will be distributed only to the Board.

## Addressing the Board

Individuals who wish to raise questions with the Board must contact the Secretary or their delegate in advance of the meetings. Full Members' representatives may not address the Board or ask questions of the Board without the permission of the Chair.

### *CONDUCT AT OPEN OHA BOARD MEETINGS*

1. The Chair of the Board shall control all meetings of the Board and may expel any person for improper conduct at a meeting of the Board.
2. Full Members who wish to make a presentation before the Board shall make their request in writing to the Secretary at least 4 weeks before a regularly scheduled Board meeting or within such time as may be determined by the Chair of the Board. The Secretary will promptly inform the Chair of the Board who will assess the appropriateness of the presentation and, if appropriate, determine if time can be made available on the agenda; the Secretary or their delegate shall notify the Full Member of the Chair's decision.

#### Additional requirements:

- a. At the time of the request, presenters must provide the content and purpose of the presentation; names of presenters and names and number in the delegation; a list of the audio/visual equipment which would be required; and copies of any handout which would be made available; and
- b. Length of presentation shall not exceed 15 minutes.
3. Full Members and invited guests who attend Board meetings are there for information and interest purposes only and shall not interfere with the orderly conduct of the meeting. Any interference may result in the Chair requiring the person to leave.
4. Recording devices, videotaping and photography are prohibited by Full Members' representatives.
5. A copy of the "Conduct at OHA Board Meetings" will be distributed with the schedule for regular meetings of the Board.
6. This policy does not grant individuals the right to make presentations.

Following each OHA Board meeting, the summary of the Board meeting, titled Chair's Report, will be distributed to the CEO and Board Chair of Full Member organizations and posted on the Association's website.

Amendment: The Board may amend this policy. Last Review:

Approval Date: October 14, 2009

Last Revision: May 16, 2018

## Statement of the Roles and Responsibilities of the Board of Directors

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### **PURPOSE**

To ensure that the Board has a shared understanding of its governance role, the Board has adopted this Statement of the Roles and Responsibilities of the Board of Directors.

### **POLICY**

The Board is responsible for the overall governance of the Ontario Hospital Association (the “Association”).

Good governance means that the Board meets its fiduciary responsibilities, succeeds in serving its objects, achieves its purpose, operates in a sustainable manner, adheres to its values, and is accountable to stakeholders.

When the Board chooses to utilize Committees to assist with these Board’s responsibilities, Committees will report regularly to the Board about their activities.

### Strategy

1. The Board actively participates in the formulation of strategy and approves the organization’s purpose and values.
2. The Board actively participates in the development of and approves a strategic plan that is consistent with its objects and values, and which will enable the organization to fulfill its purpose.
3. The Board ensures alignment of the operating plan with the strategic plan.
4. The Board receives regular progress reports on implementation of the approved strategy.
5. The Board ensures that its decisions are consistent with the strategic plan and the objects, purpose, and values.
6. The Board conducts a review of the strategy as part of a regular planning cycle.

### Performance Measurement and Monitoring

1. The Board establishes a performance management framework to oversee performance.
2. The Board monitors organizational and Board performance against Board-approved performance standards and indicators.
3. The Board ensures that management has plans in place to address variances from performance standards and indicators, and the Board oversees implementation of remediation plans.

### Financial Oversight

1. The Board is responsible for stewardship of financial resources including ensuring availability and overseeing allocation of financial resources.

2. The Board approves policies for financial planning and approves the annual budget and operating plan.
3. The Board monitors financial performance against the Association's budget.
4. The Board approves investment policies and monitors compliance.
5. The Board ensures the accuracy of financial information through oversight of management and approval of annual audited financial statements.
6. The Board ensures management has put measures in place to ensure the integrity of internal controls.

### Oversight of Management

1. The Board is responsible to ensure that the Association is well managed.
2. The Board recruits and appoints the Chief Executive Officer (CEO) to manage the Association.
3. The Board approves the annual CEO priorities and monitors progress regularly throughout the year.
4. The Board reviews the CEO's performance and determines the CEO's compensation, as set out in Board policy.
5. The Board reviews the CEO's management succession plans on an annual basis.

### Governance

1. The Board is responsible for the quality of its own governance.
2. The Board establishes governance structures and processes to facilitate the performance of the Board's role and to enhance individual director performance.
3. The Board determines its approach to search, selection, and succession for Directors to ensure a qualified Board.
4. The Board ensures ongoing Board training and education.
5. The Board creates and implements a program for evaluation of the Board, its Committees, and governance practices.
6. The Board annually appoints the Association's officers.

### Risk Identification and Oversight

1. The Board recognizes that there is risk in all aspects of the Association's business. The Board is responsible to be knowledgeable about risks inherent in both the external environment and the organization's operations and to ensure that appropriate risk analysis is performed as part of Board decision making.
2. The Board oversees management's risk management program.
3. The Board ensures that appropriate programs and processes are in place to protect against risk.

4. The Board is responsible for identifying unusual risks to the organization and for ensuring that there are plans in place to prevent and manage such risks.
5. The Board ensures that appropriate processes are in place to ensure compliance with legal requirements.

#### Stakeholder Relationships and Accountability

1. The Board identifies the organization's stakeholders and understands accountability to stakeholders.
2. The Board ensures the organization appropriately communicates with stakeholders in a manner consistent with accountability to stakeholders.
3. The Board contributes to the maintenance of strong stakeholder relationships.
4. The Board assesses the state of stakeholder relationships through regular reporting by the CEO.
5. The Board, through its authorized spokespersons, performs advocacy on behalf of the organization with stakeholders where required in support of the objects, purpose, values, and strategy of the Association.

Amendment: The Board may amend this policy.

Last Review: March 2019

Approval Date: August 23, 2006

Last Revision: March 2019

## Board and Committee Meeting Attendance

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### **PURPOSE**

A common understanding of the attendance expectations for Board and committee members will enable them to contribute their expertise and judgement to the business and affairs of the Association.

### **POLICY**

Board members are expected to make best efforts to attend regularly scheduled Board meetings in person.

It is recognized that Directors may be unable to attend some meetings in person due to conflicts with other commitments or unforeseen circumstances. Facility for remote participation will be made available.

Board and Committee members are expected to actively participate in all meetings of the committees to which they have been appointed. While attendance in person is preferred, teleconference participation is acceptable in many cases. Some Committees may meet exclusively by telephone.

### **PROCESS**

The Governance and Nominating Committee will clearly express the attendance expectations to candidates during the Board recruiting process.

Where a Director or committee member fails to attend 75% of the regular meetings of the Board or misses more than one regular meeting of a committee in a 12-month period, or is absent from three consecutive meetings, the Board Chair/Committee Chair may discuss the reasons for the absences with the member and confirm that the member continues to have the time to fulfil their commitments to the Board.

A member's record of attendance shall be considered with respect to renewal of a Board term or future assignment to a committee.

The Board Chair/Committee Chair shall, in the Chair's sole discretion, determine if a Board or committee member's absences are excusable and may grant a Board or committee member a limited period of time to rearrange their schedule to minimize conflicts with regular Board or committee meetings. The Committee Chair shall have this authority for Committee members who are not members of the Board.

Amendment: The Board may amend this policy. Last Review: August 15, 2018

Approval Date: October 14, 2009 Last Revision: August 15, 2018

## Board Member On-boarding Program

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### **PURPOSE**

This policy outlines the components of the on-boarding program for new Board members.

### **POLICY**

The OHA will provide an on-boarding program to assist Directors to develop an understanding of the scope and mandate of the Ontario Hospital Association and their role as a board member.

The on-boarding program complements the Board's commitment to Director development.

The on-boarding program will include reference materials, on-boarding sessions, mentors, and educational opportunities related to governance and Ontario's health system.

Prior to the first regular board meeting, on-boarding sessions about the OHA, the Board of Directors and their board position will be provided to new Board members. Normally, these sessions will be held by teleconference.

The on-boarding sessions will familiarize Directors with the purpose and values of the OHA, the various programs and services it provides to Members, the role of the OHA in the broader health system, the functions of the Board, and the operating culture of the Board and the organization. Following sessions, new Board members are encouraged to follow-up with staff about outstanding questions.

Reference materials will be available on the Board portal to provide background information for the sessions and for matters related to the Association and the Board.

Continuing Directors and those beginning a second term are welcome to attend the orientation sessions as both a refresher and to offer their perspectives to new Directors.

Board members are encouraged to attend conferences and courses on governance and health issues, as needed, to augment the information provided through Board materials.

The *Education Policy for the OHA Board of Directors* outlines the OHA's commitment to Director development and the expectations on Directors for on-going education.

Board members will be provided with complimentary registration, accommodation, and travel to attend the Association's signature conferences (e.g., *HealthAchieve*, Leadership Summit).

Each new Board member will be assigned a more experienced Board member as a mentor or guide to assist the new member and answer questions s/he may have regarding Board processes.

Board members acting as mentors are encouraged to contact their assigned new Board member prior to the first regular Board meeting and to check-in periodically during the first year of the new board member's term. New Board members are encouraged to engage with their mentors as they become acclimatized to the Board.

The Board Chair or delegate will contact each new Board member to provide information on committee assignments and significant Board decisions or events.

In the second year of a Director's first term, the Board Chair will meet individually with the Director to provide feedback to the Director and invite observations about the Board.

The Governance and Nominating Committee is responsible for periodically reviewing the quality of the board on-boarding program and recommending amendments to the Board of Directors as required.

Amendment: The Board may amend this policy.  
Approval Date: October 14, 2009

Last Review: June 10, 2015  
Last Revision: December 13, 2017



## Code of Conduct for Directors

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### **PURPOSE**

The Association is committed to ensuring that, in all aspects of its affairs, it maintains the highest standards of public trust, integrity, and fosters respect for the dignity and well-being of every person. This policy explains the standards of conduct that are expected.

### **APPLICATION**

All Directors, including ex-officio Directors, and external members of Standing Committees shall comply with this policy.

### **POLICY**

#### **Directors' Duties**

All Directors stand in a fiduciary relationship to the Association. As fiduciaries, Directors must act honestly, in good faith, and in the best interests of the Association.

Directors will be held to strict standards of honesty, integrity and loyalty. A Director shall not put personal interests ahead of the best interests of the Association.

Directors will not engage in conduct that would discredit or compromise the integrity of the OHA, the Board of Directors, or the work of the Association.

Directors must avoid situations where their personal interests will conflict with their duties to the Association. Directors must also avoid situations where their duties to the Association may conflict with duties owed elsewhere. Where conflicts of interest arise, directors will comply with the requirements of the by-laws, applicable legislation, and the Board's policy on *Conflict of Interest and Addressing Breaches of Duty*.

In addition, all Directors must respect the confidentiality of information about and from the Association and comply with the requirements of the by-laws, applicable legislation, and the Board's policy on *Confidentiality of Board Deliberations and Board Authorized Spokespersons*.

#### **Best Interests of the Association**

All Directors are held to the same duties and standard of care and must act solely in the best interests of the Association, even if this conflicts with the interests of their region, sector, or particular group or organization.

#### **Maintaining Confidentiality**

Every Director and committee member of the Association shall respect the confidentiality of information about the Association whether that information is received in a meeting of the Board or of a committee or is otherwise provided to or obtained by the Director, officer, or committee member. Board and Committee members are required to adhere to the Board policy on *Confidentiality of Board Deliberations and Board Authorized Spokespersons*. It is expected that Directors maintain the confidentiality of this information while it is in their custody and control.

A Director is in breach of his or her duties with respect to confidentiality when information is used or disclosed for purposes other than those of the Association.

It is recognized that the role of Director may include representing the Association in the community; however, such representations must be respectful of and consistent with the Director's duty of confidentiality and in accordance with the Board policy on *Confidentiality of Board Deliberations and Board Authorized Spokespersons*.

### **Respectful Conduct**

The OHA is committed to fostering a positive environment throughout the organization that is free of violence, harassment, and discrimination, and upholds fair treatment of all persons.

Everyone is required to ensure that his/her communications and interactions are perceived at all times to be professional, businesslike, respectful, and civil, in terms of both tone and content. Interactions and communications must be conducted without discrimination, harassment, and violence.

Harassment refers to vexatious comments or conduct that is known or ought reasonably to be known to be unwelcome and includes sexual harassment, such as sexual solicitations or advances including touching, leering, and sexually suggestive gestures.

Violence is defined as the exercise of or an attempt to exercise physical force that causes or could cause physical injury or a statement or behavior that is reasonably interpreted as a threat to exercise physical force that could cause physical injury.

The Board is committed to ensuring a civil, respectful, and supportive environment in which all participants feel secure, respected, and valued.

It is recognized that Directors bring to the Board diverse perspectives, skills, and experience. Directors will not always agree with one another on all issues. All debates shall take place in an atmosphere of mutual respect and courtesy.

The authority of the Chair must be respected by all Directors.

### **Board Solidarity**

The board speaks with one voice. Directors acknowledge that properly authorized board actions must be supported by all Directors. Those Directors who have abstained or voted against a motion or voted for a motion that was defeated must adhere to and support the decision of the Board.

### **Obtaining Advice of Counsel**

Individual Directors and Committee members may request advice from external experts (e.g., legal or financial) at the expense of the Association. Such requests shall be made to the Chair who has sole authority to determine disposition of the request.

### **COMPLAINT RESOLUTION PROCESS**

Any person who experiences or witnesses behavior inappropriate under this policy is encouraged to communicate concerns directly to the person whose conduct was received as inappropriate.

If the complainant is uncomfortable with approaching the person directly or the matter is not satisfactorily resolved through a direct approach, the person who experienced or witnessed the conduct is encouraged to report it to the Board Chair, any Vice-Chair, or the President & CEO.

When such a report is received, if the person whose conduct was received as inappropriate is a member of the Board or a Committee member, the Board Chair (or any Vice Chair, if the complaint involves the Chair) will conduct an investigation and take steps to resolve the matter. Steps would include interviews with all parties and review of relevant evidence (including documents, emails, texts, etc.). If the complaint were to be substantiated, remedial action appropriate to the circumstances would be applied, and could include asking the Director to resign or invoking processes necessary to remove the Director.

If the person whose conduct was received as inappropriate is an employee of the OHA, the President & CEO will oversee the application of the *Positive Working Environment and Workplace Violence, Harassment and Discrimination Policy*.

### **Related Policies**

Confidentiality of Board Deliberations and Board Authorized Spokespersons

Conflict of Interest and Addressing Breaches of Duty

Amendment: The Board may amend this policy. Last Review: August 15, 2018

Approval Date: October 14, 2009 Last Revision: August 15, 2018

## Confidentiality of Board Deliberations and Board Authorized Spokespersons

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### **PURPOSE**

The purpose of this policy is to ensure that everyone understands their role in maintaining confidentiality such that confidential matters are only disclosed in the manner approved by the Board.

### **APPLICATION**

This policy applies to members of the Board of Directors and its Standing and Special Committees.

### **POLICY**

Board and Committee members owe the Association a duty of confidence. All matters before the Board or its Standing or Special Committees, or that otherwise are received by a Board or Committee member in his or her capacity as a Board or Committee member, are to be treated as confidential and are not subject to disclosure by that Board or Committee member, unless authorized by the Board.

#### *Board Spokespersons*

The President and CEO and the Chair of the Board, or their delegate, shall act as the authorized spokespersons for the Association and the Board. Media contact and responses, and public discussion of the Association's affairs, shall only be made through the Board's authorized spokespersons. A Director shall not make any statement to the media or the public in his or her capacity as a Director unless such statement has been authorized by the Board or one of its authorized spokespersons.

### **Materials**

Board and Committee members will be provided with materials to inform participation in Board and committee deliberations. These confidential materials are provided to enable the governance of the Association and remain property of the Association. Materials for meetings of the Board and Standing and Special Committees are normally made available through the Association's Board portal. Board and Committee members are expected to maintain the confidentiality of these materials while in their custody and control.

It is the opinion of the OHA that OHA Board and Committee related materials are outside the scope of the *Freedom of Information and Protection of Privacy Act*. In the event that OHA Board-related materials are identified to be included in response to an access to information request, OHA should be notified prior to the release of any such documents.

Many OHA Board members may access Board materials using electronic devices (e.g., computers and tablets) that are in environments that are subject to the *Freedom of Information and Protection of Privacy Act*. OHA Board members are provided with mobile devices to enable access to OHA materials without compromising the confidentiality of the materials. These devices allow Directors to download Board materials in a confidential and secure environment. While Directors may use any internet-enabled device to view OHA documents posted to the Board portal, Directors are encouraged only to use OHA-provided devices when retaining Board and Committee materials.

Board and Committee members will securely and permanently dispose of any and all materials provided to them in the course of their tenure. Materials means documents, reports, presentations, and other printed and electronic resources provided by the Association. Board and Committee members may return their materials to the Association's Secretary, or delegate, for secure disposition. Electronic copies will be deleted from computers and mobile devices.

Board and Committee members will normally securely dispose of their materials immediately following the meeting for which the material was provided. Board and Committee members may leave their paper materials at the meeting site for secure disposal (e.g., shredding) by the Association's Secretary, or delegate. If Board and Committee members decide to take materials with them, the Board or Committee member will dispose of the materials in a manner that is complete, permanent and secure. Electronic copies will be deleted from computers and mobile devices immediately following the meeting for which the material was provided.

The Chair of the Board and the Chairs of Committees may retain materials for reference for one year after the meeting date. Those materials may also be returned to the Association's Secretary, or delegate, for disposal. Chairs may also decide to dispose of those materials personally and will ensure such disposal is complete, permanent and secure.

Board and Committee members will ensure complete, permanent and secure disposal of all notes made throughout review and discussion of the materials.

### **Deliberations**

All matters that are the subject of a session of the Board where representatives of Member organizations are present are not confidential. Matters discussed at all other sessions of the Board should be considered confidential unless Directors are expressly told otherwise.

All matters discussed in closed (*in camera*) sessions of the Board are confidential until disclosed in a session of the Board that is open to Members or until such time as the authorized Board spokespersons determine that that information can be made public.

All matters that are before a Standing or Special Committee of the Board are confidential unless they have been determined not to be confidential by the Chair of the relevant Standing or Special Committee.

### **Procedure for Maintaining Minutes**

All minutes of meetings of the Board, Standing or Special Committees shall be marked confidential and handled in a secure manner.

The Secretary is responsible for the production, circulation and safeguarding of the official minutes of the Association. The Secretary may delegate these duties to other properly qualified persons.

The Secretary may issue certified copies of resolutions contained therein, under the seal of the Association, as may be required, either prior to or after verification.

Minutes of meetings of the Board shall be recorded by the Secretary or delegate or, if the Secretary or delegate is not present, by a Director designated by the Chair.

Minutes will be presented for verification to a subsequent meeting of the Board.

After verification, minutes will be signed by the person who presided at the meeting and by the Secretary.

When a meeting to verify the minutes of the previous meeting will not occur for a period of six months or more from the previous meeting, the Chair or presiding officer or the Secretary may circulate the minutes in question as the “official minutes, subject to verification” if necessary, and subject to consultation with legal counsel.

The master signed copy of the minutes shall be retained in the Association’s Secretary, where they may be examined by any authorized person during normal business hours.

### **Related Policies**

Code of Conduct

Conflict of Interest and Addressing Breaches of Duty

Board Documentation Access

Board iPad Policy

Amendment: The Board may amend this policy      Last Review: August 15, 2018

Approval Date: August 23, 2006      Last Revision: August 15, 2018

## Conflict of Interest and Addressing Breaches of Duty

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### PURPOSE

All Directors have a duty to ensure that the trust and confidence of the public in the integrity of the decision-making processes of the Board is maintained by ensuring that they and other members of the Board are free from conflict or potential or perceived conflict in their decision-making. This policy is intended to assist all directors in understanding their obligations when a conflict of interest or potential or perceived conflicting interest arises.

### APPLICATION

This policy applies to members of the Board of Directors and its Standing and Special Committees.

### POLICY

Directors owe the Association a fiduciary duty to act solely in the best interests of the Association. Directors and members of Board committees who are not Directors shall avoid situations in which they may be in a position of conflict of interest. By-law 1 contains provisions with respect to conflict of interest that must be strictly adhered to. In addition to By-law 1, the process set out in this policy shall be followed when a conflict or potential or perceived conflict arises.

#### *Description of Conflict of Interest*

The situations in which a conflict of interest may arise cannot be exhaustively set out. Conflicts generally arise in the following situations:

- Interest of a Director – ‘wearing two hats’: When a Director, or a party of which the Director is a principal, officer or representative, transacts business with the Association directly or indirectly, or when a Director has a significant direct or indirect interest in a transaction or contract with the Association.
- Interest of a Relative: When the Association conducts business with any party of which a relative or member of the household of a Director is a principal, officer, or representative.
- Gifts: When a Director or a member of the director’s household or any other person or entity designated by the Director, accepts gifts, credits, payments, services, or anything else of more than nominal value, from a party with whom the Association may transact business (including a supplier of goods or services) for the purposes of (or that may be perceived to be for the purposes of) influencing an act or decision of the Board.
- Acting for an Improper Purpose: When Directors exercise their powers motivated by self-interest or some other improper purposes. Directors must act in the best interest of the Association.
- Appropriation of Corporate Opportunity: When a Director diverts to his or her own use an opportunity or advantage that belongs to the Association.
- Duty to Disclose Information of Value to the Association: When Directors fail to disclose information that is relevant to a vital aspect of the Association’s affairs.

- Access to Insider Information: When, to obtain a benefit for himself or herself, a Director offers or is perceived to offer access to OHA information for the benefit of another individual or organization.
- Serving on other corporations: A Director who is a director of corporation that competes or transacts business with the Association may be in a conflict when related matters are considered by either Board.

#### *Absent from Discussions*

A Director shall not be present during the discussion of the matter in which he or she has a conflict and will not be counted in the quorum concerning any resolution or vote relating to the matter. The Director shall not vote on the matter nor attempt in any way to influence the voting on the matter. The Director will not be involved in any way in negotiations or other discussions on behalf of the Association concerning the matter.

#### *Exceptions*

Notwithstanding the foregoing, no Director shall be considered to be directly or indirectly interested in any matter before the Board or a committee or task force of the Board where the interest of the Director is held in common with a broad group of other directors (for example, where the director is an officer or director of a hospital and the matter affects all hospitals in the province).

In addition, and notwithstanding the foregoing, no Director shall be considered to be directly or indirectly in conflict with any matter before the Board or a committee or task force of the Board by virtue of the Director's appointment as a hospital supervisor or hospital investigator by the Province of Ontario.

### **PROCESS FOR DISCLOSURE OF CONFLICTS AND ADDRESSING BREACHES OF DUTY**

#### *Disclosure of Conflicts*

A Director who is in a position of conflict or potential or perceived conflict shall immediately disclose such conflict to the Board by notification to the Chair or any Vice Chair of the Board in writing or by disclosure that is entered in the minutes. The disclosure shall be sufficient to disclose the nature and extent of the Director's interest. Disclosure shall be made at the earliest possible time and before any discussion and vote on the matter. Every declaration of a conflict of interest at a meeting of the Board or committee of the Board will be recorded in the minutes of the meeting. The nature of the conflict will be included in the minutes.

#### *Addressing Breaches of Duty*

All Directors shall comply with the requirements of the Association's By-law 1 and Board policies. It is acknowledged that not all conflicts or potential or perceived conflicts may be satisfactorily resolved by strict compliance with the By-law 1 and Board policies. There may be cases where the perception of a conflict of interest or breach of duty may be harmful to the Association notwithstanding that there has been compliance with the By-law 1 and Board policies.



A Director may be referred to the process outlined below in any of the following circumstances:

(a) *Circumstances for Referral*

Where any Director believes that s/he or another Director:

- (i) has breached his or her duties to the Association; or
- (ii) is in a position where there is a potential breach of duty to the Association; or
- (iii) is in a situation of actual or potential conflict of interest; or
- (iv) has behaved or is likely to behave in a manner that is not consistent with the highest standards of public trust and integrity and such behaviour may have an adverse impact on the Association.

(b) *Process for Resolution*

The following process will apply:

- (i) the matter will be referred to the Chair, or where the issue may involve the Chair, to any Vice Chair;
- (ii) the Chair (or Vice Chair as the case may be) may attempt to resolve the matter informally;
- (iii) if the matter cannot be informally resolved to the satisfaction of the Chair (or Vice Chair as the case may be), the Director referring the matter and the Director involved, then the Chair shall refer the matter to: (i) an existing standing committee of the Board; or (ii) an ad hoc sub-committee of the Board established by the Chair (or Vice Chair as the case may be) which sub-committee shall report to the Board.

If a conflict, or other matter referred, cannot be resolved to the satisfaction of the Board (by simple majority resolution) or if a breach of duty has occurred, a Director may be asked to resign or may be subject to removal pursuant to the By-law 1 and the *Corporations Act*.

## **Related Policies**

Confidentiality of Board Deliberations and Board Authorized Spokespersons

Code of Conduct for Directors

Amendment: The Board may amend this policy

Last Review:

Approval Date: August 23, 2006

Last Revision: May 16, 2018

## Duties and Expectations of a Director

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### **PURPOSE**

The Association is committed to ensuring that it achieves standards of excellence in the quality of its governance and has adopted this policy to ensure a common understanding of the duties and expectations of directors.

### **APPLICATION**

This policy applies to all elected and ex officio directors and to external members of Standing Committees.

### **POLICY**

As a member of the board, and in contributing to the collective achievement of the role of the board, the individual director is responsible for the following:

- Fiduciary Duties

Each director is responsible to act with honesty, in good faith and in the best interests of the Association. Each director owes a duty of loyalty to the Association and of confidentiality and solidarity with decisions to the Board. Every director is expected to avoid conflicts of interest and duty.

A director shall apply the level of skill and judgment that may reasonably be expected of a person with his or her knowledge and experience. Directors with special skills and knowledge are expected to apply that skill and knowledge to matters that come before the board.

- Accountability

A director's fiduciary duties are owed to the Association. The director is not solely accountable to any special group or interest and shall act and make decisions that are in the best interest of the Association, as a whole. A director shall be knowledgeable of the stakeholders to whom the Association is accountable and shall appropriately take into account the interests of such stakeholders when making decisions as a director, but shall not prefer the interests of any one group, if to do so would not be in the best interests of the Association.

- Education

A Director shall be knowledgeable about:

- The objects, purpose and activities of the Association;
- The Association's stakeholders;
- The healthcare industry generally and Association issues in particular;
- The duties and expectations of a director;
- The board's governance role;
- Board's governance structure and processes;
- Board adopted governance policies; and,
- Corporate policies applicable to board members.

A director will participate in on-boarding activities, board planning sessions, and board education sessions. A director should attend additional appropriate educational events in accordance with board approved policies, including *Education Policy for the OHA Board of Directors*.

- Board Policies

A director shall be knowledgeable of and comply with the Association's By-law 1 and polices and corporate policies that are applicable to the board

A director shall confirm annually, in writing, that he/she has read and will adhere to the Association's By-law 1 and board policies, using Appendix A, Board and Directors' Annual Declaration. Signed forms will be kept by the Secretary or his/her delegate.

- Teamwork

A director shall develop and maintain sound relations and work co-operatively and respectfully with the Board Chair, board members, the President and CEO, senior management and staff.

- Community Representation and Support

Directors are expected, when asked by the Chair, and where feasible, to represent the Association at public events with other associations or agencies, before government, or in other venues or with other parties.

- Time and Commitment

A director is expected to commit the time required to perform board and committee duties.

The board meets approximately six times a year and a director is expected to adhere to the board's attendance policy.

A director is expected to serve on standing committees, special committees, or task forces, as assigned, and upon request.

- Contribution to Governance

Directors are expected to contribute to the governance role of the board through:

- Reading materials in advance of meetings and coming prepared to contribute to discussions and to vote, as required;
- Offering constructive contributions to board and committee discussions;
- Contributing his or her special expertise and skill;
- Respecting the views of other members of the board;
- Voicing conflicting opinions during discussions at board and committee meetings;
- Respecting the decision of the majority;
- Respecting the role of the Board Chair;
- Respecting the role and Terms of Reference of board committees;
- Respecting the role of management;
- Participating in board evaluations and annual performance reviews.

- Continuous Improvement

A director shall commit to be responsible for continuous self-improvement. A director shall receive and act upon the results of board evaluations in a positive and constructive manner.

Amendment: The Board may amend this policy. Last Review: March 2019

Approval Date: October 14, 2009 Last Revision: March 2019

## Appendix A Board of Directors' Annual Declaration

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1. I confirm that I have read OHA By-law 1 and all OHA Board Policies, including:
  - Board Code of Conduct;
  - Duties and Expectations of a Director;
  - Conflict of Interest and Addressing Breaches of Duty;
  - Confidentiality of Board Deliberations and Board Authorized Spokesperson(s);
  - Board Documentation Access
  - Guidelines for Partisan Political Activities by Board Members or OHA appointees to Board of other organizations
  - Board and Committee Meeting Attendance; and
  - Board Business Travel and Expense Reimbursement Policy.
  
2. I confirm that as a Director I am bound to adhere to and respect OHA By-law 1 and these and other policies applicable to the Board and I undertake to do so.
  
3. I agree to continue to comply with the terms of the Conflict of Interest Policy and I recognize that compliance with its terms is a condition of my continued service as a director.

*Check one box only:*

- I continue to have no interest which conflicts with the interests of the OHA.
- I am currently in a situation which is or may constitute a conflict of interest as defined in the Conflict of Interest Policy and which is described as follows:

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Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name of Director

## Education Policy for the OHA Board of Directors

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### **PURPOSE**

This policy describes the OHA's commitment to the development and education of Directors and external members of Standing Committees and the expectations placed on members of the Board and Standing Committees for on-going education.

### **APPLICATION**

This policy applies to members of the OHA Board of Directors and its Standing Committees.

### **POLICY**

Each member of the OHA Board of Directors is responsible for ensuring that s/he has the knowledge required to undertake his/her role as a Director of the Association, as identified in the Board policy, *Duties and Expectations of a Director*.

The Board Chair shall identify areas of focus for Board educational activities. The Board Chair may seek advice from the Governance and Nominating Committee in this matter.

Directors are encouraged to self-identify areas for growth. Directors may seek advice from other Directors and staff about appropriate opportunities to address these areas.

Growth and development as a Director may be considered when a Director is eligible for re-election to the Board.

### **PROCEDURES**

Board members may request assistance (e.g., financial reimbursement, logistical arrangements) from designated staff to obtain education appropriate to their needs.

Directors are encouraged to attend governance programs offered by the OHA and the Governance Centre of Excellence (GCE).

Budget will be allocated for Director registration and travel expenses related to attendance at educational events. Expenses will be subject to the *Board Business Travel and Expense Reimbursement Policy*.

Directors should seek pre-approval from the designated staff. Expenses submitted without pre-approval of the Director's attendance may be subject to approval by the Board Chair.

Financial support for participation in educational programs offered by external organizations (i.e., not OHA or GCE) shall require prior approval by the President.

Dinner speakers will be invited to address the Board members prior to most Board meetings to provide information on developments relevant to the healthcare environment.

An on-boarding program, including orientation sessions, will be provided to support Board members in their development.

Directors are encouraged to contribute suggestions for educational activities for the Board as a whole (e.g. subject matter for Board dinners, content for orientation sessions, topics for planning sessions) to the Chair for consideration in planning Board events.

Amendment: The Board may amend this policy.

Last Review: February 15, 2017

Approval Date: August 17, 2011

Last Revision: February 15, 2017

## Guidelines for Partisan Political Activities by Board Members or OHA appointees to Boards of other organizations

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### **PURPOSE**

The purpose of this policy is to ensure that Board members and OHA-related appointees and nominees to the boards of other organizations have a shared understanding of the accepted parameters for partisan political activities.

### **APPLICATION**

“OHA-related appointees and nominees” includes directors and trustees appointed by the OHA Board of Directors to the boards of the Healthcare of Ontario Pension Plan, The Change Foundation, and the OHA Legacy Fund Inc.; director candidates recommended by the OHA Board of Directors for election to the board of The Change Foundation; and appointees or nominees to other corporations for which the OHA has the right to designate or elect directors.

This policy is applicable to members of the OHA Board of Directors and OHA-related appointees and nominees to the boards of other organizations. The term “Director” refers to all such affected individuals.

### **POLICY**

Directors shall uphold the non-partisan nature of the work of the Association. As a member organization it is imperative that OHA maintain positive working relationships across the political spectrum to enable its ability to speak on behalf of its members on issues affecting the health care system.

No person holding elected office shall be eligible for nomination for election to the OHA Board of Directors or for election or appointment to corporations for which the OHA has the right to recommend, designate, or elect directors.

#### Permitted activities

Directors retain their rights to participate personally in the political process through individual activities that do not imply endorsement by the OHA or the related organization. Examples of permitted activities include:

- Supporting a candidate or a political party by displaying political material such as a picture, sticker, badge or button, or placing a sign on the lawn, where such support cannot be associated, or perceived to be associated, with the OHA or related organization
- Attending political rallies, meetings, and fund-raising events
- Signing nominating documents for a candidate for partisan elected office
- Donating money to a political candidate or party, where such contribution cannot be associated, or perceived to be associated, with the OHA or related organization
- Being a member of a political party registered in Ontario or federally in Canada
- Organizing, managing, hosting, or providing candidate introductions at political rallies, meetings, or fund-raising events
- Holding a full-time public office that is appointed by the Lieutenant Governor-in-Council of Ontario

- Holding a full-time public office that is appointed by the Governor General-in-Council
- Being an officer of the campaign of a candidate for election to municipal government, school board, other non-partisan bodies, provincial Legislature or Parliament

### Activities not permitted

Directors would not be permitted to engage in the following activities:

- Seeking nomination to be the candidate for a political party for election to the Ontario Legislature or the Parliament of Canada
- Seeking nomination to be a candidate for election to a position in a municipal government (i.e., councillor, school board trustee) where there is no formal party affiliation
- Seeking election as a Member of Provincial Parliament in Ontario or as a Member of Parliament
- Seeking election to a position in a municipal government (i.e., councillor, school board trustee) where there is no formal party affiliation
- Being employed by a political party registered in Ontario
- Being employed by a registered federal political party
- Being a keynote speaker at provincial level political rallies, or fund-raising events
- Being an officer of a provincial campaign
- Undertaking activities that could raise any question as to the independence of the director's judgment or ability to perform his or her duties

### **PROCEDURES**

Directors who wish to engage in the activities that are not permitted by this policy must inform the OHA Board Chair in writing of their intent.

The OHA Board Chair shall advise the Director whether resignation from the board will be required prior to undertaking the chosen activity.

The OHA Board Chair will make a recommendation to the OHA Board as to whether the Director should no longer serve on the applicable board.

The Director will have the opportunity to address the OHA Board but will recuse themselves from the deliberations and the vote by the OHA Board on this matter.

The Board of Directors will determine whether the Director should be requested to resign. Where the OHA or the OHA Board has the authority to remove a Director, it may take such actions as appropriate to effect the removal.

The OHA Board Chair will communicate the decision to the Director. The OHA CEO will communicate the decision to the CEO and board Chair of the other organization, if applicable. The OHA Board Chair will report the Director's resignation to the Board at the appropriate time.

The Board may fill the vacant Director's position in accordance with OHA By-law 1 and applicable OHA Board policies or the policies and by-laws of the relevant organization.

The Governance and Nominating Committee will inform all individuals who are candidates for election or appointment as a Director and obtain a written confirmation that such candidates will comply with this policy.



Amendment: The Board may amend this policy.

Last Review:

Approval Date: June 10, 2015

Last Revision: November 21, 2018

## Recruitment of Board Members

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### **PURPOSE**

This policy is to guide the process of recruitment of qualified individuals for nomination to the Board of Directors that will ensure that the Board of Directors comprises the collective competencies required to govern the OHA effectively.

### **POLICY**

The Board of Directors, collectively, will meet the objectives of the *Diversity of Board membership* policy.

The Board of Directors is responsible for the selection of qualified individuals to be nominated for election by the Members.

The Board of Directors may appoint member(s) to the Board to fill any vacancies in the Board membership, in accordance with By-law 1. The Board Chair shall determine whether to fill a vacancy.

The Board of Directors shall initiate a transparent recruiting process to fill positions made vacant by Directors completing terms.

The recruiting process should support succession planning to ensure that the board membership includes the experience and perspectives needed by the Board to thrive and to meet the needs of the Association's members.

### **DEFINITIONS**

Applicants – individuals who submit a completed application form

Candidates – applicants recommended by the Governance and Nominating Committee to the Board of Directors

Nominees – candidates selected by the Board for nomination at the annual and general meeting of members

Continuing Board members – members of the Board of Directors whose current term extends beyond the next annual and general meeting of members

Sitting Directors – Board members who are serving during the year in which recruiting for Board members occurs

### **PROCESS**

#### Annual Recruiting

1. Annually, continuing Board members will complete a self-assessment that will inform deliberations of the Governance and Nominating Committee (GNC) to identify potential areas of focus for recruiting for recommendation to the Board for approval.

To support succession planning, Management will provide the Committee with information about the experience and perspectives self-identified by Directors who are expected to leave the board in at least two subsequent years.

2. The Board Chair (or Chair of GNC) will approach each sitting director whose current term ends at the next regular Members' meeting and who is eligible for election for a subsequent term to discuss their continued interest, performance, and suitability for continued membership on the Board.

The intentions of these directors regarding a subsequent term will be reported to the GNC in its determination of the number of vacancies to be filled through the recruiting process.

3. The Governance and Nominating Committee will report to the Board the number of vacancies to be recruited for the subsequent Board year.
4. Having considered the recommendations from GNC, the Board will determine the focus of recruiting and the number of positions to be filled.
5. Prior to its distribution, the Governance and Nominating Committee will review the application package for Board vacancies to ensure it includes background and context that will enable applicants to self-assess their suitability. Areas of focus will be included in the application package to assist interested people in determining their fit for the Board.
6. The Chair of GNC will determine the response timeframe and will issue the Call for Applications. The Call will be distributed to Member hospital CEOs and Board Chairs, and the OHA Board of Directors. The Governance and Nominating Committee will also identify other distribution channels appropriate to the specific search criteria, giving consideration to Affiliate and Associate members, health care organizations, and other networks.
7. GNC may appoint a Candidate Assessment Sub-Committee to assist with the process. Membership on the sub-committee shall be open to members of GNC, continuing Board members, and others deemed appropriate for assessment of the specific competencies sought each year.

The GNC (or its Sub-Committee) will review applications, select applicants to be interviewed, determine the questions for applicants, conduct interviews, check references (as required), and select applicants for nomination to Board by the GNC.

Applicants will be assessed on governance experience, fit with the board, and ability to be a team player. Common interview questions will be used, although evaluation of responses may be tailored to the different backgrounds of applicants.

The President & CEO may participate in any part of the recruiting process, excluding the final selection of Candidates.

8. No later than the last regularly scheduled Board meeting prior to the annual and general meeting, GNC will present recommendations to the Board of candidates for nomination to the Members at the annual and general meeting.
9. Following the Board's selection of nominees, all applicants will be notified of the disposition of their application by direct contact from the Chair of GNC or a member of the Candidate Assessment Sub-Committee.

#### In-year Vacancy

1. When a Director position becomes vacant between yearly Members' meetings, the Chair, Chair of GNC, and the President and CEO will determine areas of focus to fill the vacancy and will develop and rank a short list of preferred individuals.

2. The Chair (or the Chair of GNC) will invite identified individuals (in rank order) to participate as a Director and make recommendation to GNC of the preferred candidate.
3. GNC will recommend a candidate to the Board for appointment to complete the unexpired portion of the term of the Director whose position has become vacant.

#### External Committee Members

1. Some Standing Committees include non-Board members in their membership.
2. The Standing Committee will provide guidance on the characteristics sought in the external members.
3. Management, with input from the Chair of the Standing Committee, will identify potential individuals for consideration by GNC, not later than the last regularly scheduled committee meeting prior to the annual and general meeting.
4. GNC will include selected external candidates in the Committee memberships that it recommends to the Board at its first meeting following the annual and general meeting.

Amendment: The Board may amend this policy.

Last Review:

Approval Date: February 13, 2013

Last Revision: May 22, 2019

## Social Media Usage

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### PURPOSE

This policy sets guidelines for social media usage by Directors of the Ontario Hospital Association.

Inappropriate social media use can result in reputational damage to the OHA or its members. The OHA has a responsibility to establish guidelines to ensure that social media is not used in a manner which is detrimental to the organization or its members.

### POLICY

Directors should be mindful of the potential impact of their social media activities on the OHA, its members and their reputations.

Directors will act with integrity, treat others with respect, and protect confidentiality in all social media posts, regardless of whether there is overt association of the post or poster with the OHA. Online participation must be respectful, relevant, protect the OHA's reputation, and follow the letter and spirit of the law.

Directors may not represent that they are communicating the views of the OHA or do anything that might reasonably create the impression that they are communicating on behalf of or as a representative of the OHA.

Directors must not say or suggest that the views and opinions they express represent the official views of the OHA. In situations where a connection to the OHA is apparent, Directors must make it clear that the statements made are personal and not on behalf of OHA. In some circumstances, it may be appropriate to include a disclaimer, such as, "The views expressed on this [blog; website] are my own and do not reflect the views of any organization with which I am affiliated."

Directors are encouraged to be ambassadors for the OHA's programs and initiatives and may promote events hosted by the OHA. Care should be exercised to not portray one's comments as positions of the OHA on issues under consideration. Directors should be aware that only designated OHA staff are authorized to use the OHA's name (or department/program), logo, photos, links, or any intellectual property.

Where connection to the OHA is apparent, it is not appropriate to endorse people, products, services, and organizations, including politicians or those seeking an elected office.

All media enquiries via social media looking for information about the OHA or comments related to matters within the mandate of the OHA should be referred to Strategic Communications.

### DEFINITIONS

Social Media is any type of online platform that an individual or group can use to communicate through viewing, sharing, and/or discussion of ideas, topics, opinions, as well as pre-existing content. Current examples of common social media platforms include (but are not limited to) Facebook, Instagram, Twitter, and LinkedIn.

## **PROCEDURES**

Directors may contact the OHA's Chief of Strategic Communications with enquiries about appropriate on-line behaviour and interactions.

Anyone having concerns about social media posts by a Director is encouraged to contact the poster directly. It may also be appropriate to forward the specific social media post which caused concern to the Board Chair.

## **RELATED POLICIES**

Confidentiality of Board Deliberations and Board Authorized Spokespersons

Code of Conduct for Directors

Guidelines for Partisan Political Activities by Board Members or OHA appointees to Boards of other organizations

Amendment: The Board may amend this policy.

Last Review:

Approval Date: November 20, 2019

Last Revision:

## Board Business Travel and Expense Reimbursement Policy

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### **PURPOSE**

The purpose of this policy is to set out guidelines and procedures concerning reimbursement of reasonable travel and related expenses incurred by Directors and Committee members while on Association business.

### **APPLICATION**

This policy applies to members of the Board of Directors and its Standing and Special Committees.

### **POLICY**

Directors and Committee members will be reimbursed for appropriate and reasonable travel and hospitality expenses incurred in connection with Association business.

Directors and Committee members are expected to file expense claims for eligible out-of-pocket expenses that they incur while on Association business.

The Association will reimburse for expenses relating to the following categories:

- (a) Travel and related costs incurred by Directors and Committee members to attend Board and Board committee meetings, and other related Association business.
- (b) Costs incurred by Directors when officially representing the Association, at the request of the Chair or President and CEO, at meetings or other public events, where formal representation by the Association is required.
- (c) Costs incurred by Directors to attend or participate in educational activities under the *Education Policy for the OHA Board of Directors*.
- (d) Other expenses with prior approval of the Chair, or if expenses are the Chair's expenses, with the prior approval of the Chair of the Governance and Nominating Committee.

Board members are expected to exercise due diligence when making travel arrangements and incurring expenses for travel and meals in connection with their activities relating to the Association. Expenses should enable the Director to complete Association business with reasonable cost to the Association, consistent with the least amount of interruption to the Director's regular business and personal schedules.

Costs related to others travelling with the Director (e.g. spouse, child) are not eligible for reimbursement by the Association.

Specific policies relating to expenses are as follows and any exceptions to these policies must be deemed appropriate and approved by the Association Chair (or the Chair of the Governance and Nominating Committee in the case of the Chair).

### *Meals*

The Association will reimburse a Director or Committee member's reasonable out-of-pocket costs for personal meals, including reasonable gratuities. Claims for meals for persons other than the claimant, or for group meals, should bear a beneficial relationship to the business of the Association. Claim forms should include names and particulars of all participants. Claims must include original, itemized receipts and reimbursement shall not exceed the total amount (including taxes and gratuities) as validated by the receipt.

Expense claims for the consumption of alcohol while on Association business will not be reimbursed, unless allowable under the hospitality provisions of this policy.

### *Transportation*

The mode of transportation chosen (air, train or car) should be that which enables the Director or Committee member to attend to Association business with the least cost to the Association and the least disruption to the traveller's regular business and personal schedule, including consideration of time away from workplace.

Directors and Committee members will be reimbursed for economy airfare or business rail fare. Where possible, travel arrangements shall be made in advance to obtain discounted fares. The ticket/e-ticket for each segment of travel shall be attached to the expense claim form.

If travel is by personal car, the Association will reimburse the Director at the current per kilometre rate specified by the Association. The expense claim shall include the nature of the Association business conducted, including the destination of each separate journey. The Association assumes no financial responsibility for damage or other claims as a result of using a personal vehicle for Association business. Reimbursement shall be provided for parking charges and reasonable use of toll highways. Receipts for parking charges and applicable bridge or highway tolls must be submitted with the expense claim.

The Association will reimburse taxi and other local transportation service to and from air or train terminals and other trips required in the course of performing Association business.

### *Accommodation*

The Association will reimburse accommodation costs for Directors and Committee members who need to travel the day before a meeting or event. In addition, accommodation will be reimbursed for the night following the meeting or event, if travel home is impractical. Standard tips and gratuities are reimbursable and shall be identified as such on the expense report.

When travelling on Association business, reasonable charges for long distance calls to home or workplace, computer access, internet connections, facsimile and related services are reimbursable and shall be identified as such on the expense report, if not already itemized on a hotel receipt.

### *Hospitality*

Hospitality is the reimbursement of persons who are not employed by the Association for food, beverage, accommodation, transportation and other amenities when engaged in Association business.

Hospitality should be extended in an economical, consistent and appropriate way when it will facilitate Association business or is considered desirable as a matter of courtesy.



Hospitality may be extended on behalf of the Association when:

- (a) Engaging representatives of hospitals, the government, the broader public sector, industry, public interest groups or unions in discussion on Association matters;
- (b) Providing persons from national or international organizations and charitable organizations with an understanding and appreciation of the healthcare sector or the workings of the Association.
- (c) Sponsoring formal conferences for representatives of health service provider organizations, or for government, business or labour groups;
- (d) Honouring distinguished persons from the health care sector in recognition of exceptional public service;
- (e) Conducting prestigious ceremonies that are attended by government, distinguished persons from the private sector, and/or distinguished persons from the public sector.

Directors must take care to avoid potential conflicts of interest in the provision of hospitality.

The provision of alcohol as part of hospitality should be limited to meals and receptions. Where alcohol is provided, appropriate measures should be taken to ensure a reasonable limit is placed on the quantity and cost of alcohol. The Association may also choose not to provide alcoholic beverages or to limit the number of beverages.

Claims for reimbursement of hospitality expenses must include original, itemized receipts and reimbursement shall not exceed the total amount (including taxes and gratuities) as validated by the receipt. The names of the participants in the hospitality activity must be submitted with the claim.

#### *Non-reimbursable Expenses*

As a guideline, the following expenses are considered personal and are not normally reimbursable:

- (a) Recreational activities (e.g. video/pay channel rentals, mini-bars, special facility charges, entertainment not directly related to Association business, etc.)
- (b) Laundry and valet services (unless away for a prolonged period)
- (c) Sports facilities and recreational expenses
- (d) Traffic and parking violations and other expenses resulting from unlawful conduct.

The Association's Finance Department will query expense reports that include amounts claimed relating to the above items; and this will delay the processing of the expense claim.

#### **PROCESS**

All expense forms must be properly completed and appropriately supported by original, itemized receipts. Original receipts showing the establishment's HST registration number must be submitted for hotels, rail, ground and air transportation, car rentals, airport taxis, meal expenses and parking. Where receipts are not available, Directors and Committee members are expected to account in reasonable detail for the various expenditures incurred and state the reason why receipts are not available.

Directors and Committee members should submit to the designated staff person an original signed expense form with accompanying receipts within five business days of the trip or by the end of the month in which the trip occurred. For frequent travellers, an expense form consisting of several trips

may be submitted at the end of the month in which the expenses were incurred. Following approval by authorized staff, the expense form will be forwarded to the Finance Department for processing.

Travellers expecting to incur significant expenses on Association business may request an advance prior to travel; advances will be subject to authorization by the President.

Expense forms are processed upon receipt. Incomplete information, missing receipts, or errors may delay the issuance of payments. Directors and Committee members may submit banking information to allow payments to be made through an electronic transfer of funds.

Association staff will review each Director and Committee member's expenses upon submission. Where a Director or Committee member's expenses appear unreasonable, taking under consideration the individual's circumstances, staff will advise the President who will review the expenses and may advise the Chair (or Chair of the Governance and Nominating Committee in the case of the Chair) concerning the expenses. Where the expenses are deemed to be unreasonable, the Chair (or Chair of the Governance and Nominating Committee in the case of the Chair) has the discretion to place limitations on an individual's reimbursable expenses or require a Director or Committee member to receive pre-approval for expenses.

Expense claims of the President & CEO are reviewed upon receipt by the Vice-President of Business Planning and Strategy and processed for payment; the Chair reviews and confirms the claims at the next available opportunity. Expense claims for the Chair are reviewed by Association staff and processed upon receipt and reviewed by the Chair of the Governance and Nominating Committee at the next available opportunity, usually at the time of a Committee meeting.

Amendment: The Board may amend this policy

Last Review:

Approval Date: August 23, 2006

Last Revision: March 25, 2020

## Board Chair Role Description

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### **PURPOSE**

The Board has adopted this policy to establish a shared understanding of the role and responsibilities of the Chair.

### **ROLE**

The Chair provides guidance and direction to ensure the integrity and effectiveness of the Board's governance process. The Chair is responsible for the development and effective performance of the Board of Directors and provides leadership to the Board for all aspects of the Board's work.

The Chair acts in an advisory capacity to the President and Chief Executive Officer (CEO) in all matters concerning the interests of the Association and, in consultation with the CEO, plays a role in the Association's external relationships.

### **RESPONSIBILITIES**

The Chair:

- (a) Plans and organizes activities of the Board of Directors, including:
  - a. Aligning the work of the Board to the Association's purpose and strategy;
  - b. Establishing agendas for Board and Executive Committee meetings, in collaboration with the CEO, and ensuring relevant information is available in a timely manner;
  - c. Presiding over Board and Executive Committee meetings in a manner that encourages participation and information sharing while moving the board toward timely closure and prudent decision-making;
  - d. Encouraging development of board members through access to comprehensive on-boarding activities, continuing education opportunities, and periodic check-in with individual directors regarding their emerging needs;
  - e. Providing oversight of the Board's adherence to established governance policies and processes and performance expectations;
  - f. Leading management oversight processes, including CEO performance evaluation, compensation review, annual objective setting for the CEO, and biennial feedback survey to support development for the CEO, in accordance with Board policy;
  - g. Engaging in board succession planning activities, such as director recruitment, leadership selection, and identifying and developing directors for leadership roles; and
  - h. Engages nominee for successor in activities to ease transition in the role.
- (b) Chairs meetings of the Members, and, in conjunction with the CEO, participates in other meetings with Members, as appropriate.
- (c) Represents the Board and, in conjunction with the CEO, participates in external relationships which enhance the Association's role as a leader in the health system.
- (d) Acts as the principal Board contact for the CEO, by helping to identify issues, monitoring and providing feedback, maintaining accountability, and ensuring that the CEO is aware of the views of the Board.

- (e) Works closely with the Vice-Chair(s) and CEO to provide leadership to the Board and the Association.

## COMPETENCIES

The Chair shall possess the following specific qualities:

1. Respected by Board members, the CEO, and key stakeholders.
2. Willingness and ability to commit time to leadership of the organization.
3. Ability to communicate, listen, and seek others' input.
4. Ability to effectively lead the Board in dealing with difficult issues.
5. Good strategic and facilitation skills and an ability to influence and achieve consensus.

Amendment: The Board may amend this policy.

Last Review:

Approval Date: October 9, 2013

Last Revision: May 22, 2019

## Vice Chair(s)'s Roles and Responsibilities

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### **PURPOSE**

The Board has adopted this policy to ensure a shared understanding of the role and responsibilities of the Vice Chair(s).

### **POLICY**

The role and responsibilities of the Vice Chair(s) are as follows:

- In the absence or disability of the Chair, perform the duties and exercise the powers of the Chair.
- Assume duties assigned by the Chair and/or Board.
- Advise the Chair as appropriate.
- Be a member of the Executive Committee.
- Act as a representative of the Board at business and ceremonial or social events at the request of the Chair and/or Board.
- Work closely with the Chair and Association management, as required to fulfill assigned responsibilities.

### **Designation of Vice Chair(s)**

Vice Chairs are duly elected by the Board, from among the Directors, in accordance with Board policy, *Guidelines for Selection of Board Chair and Vice Chair(s)*.

### **Skills and Qualifications**

Vice Chair(s) will possess the same skills and qualifications as required for the Board Chair.

### **Term**

In accordance with OHA By-law 1, Vice Chair(s) will serve a term of one year from the date of election, or until a successor is elected. Vice Chair(s) shall be eligible for re-election.

Amendment: The Board may amend this policy.

Last Review:

Approval Date: August 23, 2006

Last Revision: May 22, 2019

## Standing Committees

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### **PURPOSE**

The purpose of this policy is to set out parameters for Standing Committees.

### **OVERVIEW**

Standing Committees are constituted by the Board pursuant to the OHA By-law 1. Standing Committees are an important element of the Board's governance processes as committees assist the Board with its work. Standing Committees operate continuously to support and supplement the Board, but do not supplant the work of the Board.

### **POLICY**

The OHA Board will determine the number of committees and approve their Terms of Reference and composition.

All Standing committees appointed by the Board shall be accountable to the Board.

All meetings of Standing Committees are closed to all persons except for committee members and those invited by the Chair of the committees.

Minutes shall be kept of all meetings of Standing Committees. Minutes of all Standing Committees or a committee report shall be included in the materials for the consent agenda of the next regularly scheduled Board meeting.

Committee recommendations for Board consideration will be presented to the Board by the committee Chair, Vice-Chair or delegate.

The deliberations of a meeting of a committee shall be dealt with in accordance with the OHA policy, *Confidentiality of Board Deliberations and Board Authorized Spokespersons*.

It is the responsibility of the Governance and Nominating Committee to review and recommend for Board approval all Standing Committees' Terms of Reference. Standing Committee Terms of Reference are to include:

- Role
- Accountability and Reporting
- Responsibilities
- Membership and Voting
- Chair
- Quorum
- Procedures
- Meetings
- Resources

It is the responsibility of the Governance and Nominating Committee to nominate to the Board of Directors the membership of standing committees, including a Chair, taking into consideration succession planning for the Committee Chair.

The Board of Directors will appoint all Committee Chairs and Committee members immediately following the Annual Meeting of Members.

The Term of a Committee Chair and Committee members is one year, renewable, and commences immediately following the Annual Meeting of Members.

Each Standing Committee is to prepare an Annual Work Plan.

Amendment: The Board may amend this policy.

Last Review: January 21, 2020

Approval Date: October 14, 2009

Last Revision: February 11, 2015

## **Executive Committee**

### **Terms of Reference**

#### **Role**

As outlined in OHA By-law 1, the Executive Committee (the Committee) shall exercise all powers of the Board in relation to matters requiring immediate attention between directors' meetings, subject to restrictions outlined in applicable legislation and the Association's by-laws.

The Committee is responsible for the CEO's performance and compensation review each year, approving the compensation policies that apply to the senior management direct reports of the CEO, and overseeing CEO succession planning, search, and selection.

In addition, the Executive Committee may provide advice to the Board Chair and President and CEO in the execution of their responsibilities and on matters related to Association business.

#### **Accountability and Reporting**

The Committee is accountable to the Board of Directors. The Committee informs the Board of decisions made on the Board's behalf at the next regular Board meeting and reports to the Board, at least annually, on its activities.

#### **Responsibilities**

1. The Committee makes decisions on behalf of the Board between Board meetings on matters that require immediate attention, such as advocacy and labour relations.
2. The Committee provides guidance to the Board Chair and President and CEO in the execution of their responsibilities.
3. The Committee plans and carries out the CEO's performance review on an annual basis and makes related recommendations to the Board.
4. The Committee conducts 360 feedback reviews for the CEO, in accordance with Board policy.
5. The Committee reviews CEO succession plans on an annual basis and, where necessary, oversees CEO succession planning, search, and selection.
6. The Committee oversees the CEO and Executive Compensation Framework approved by the Board.
7. The Committee ensures that the annual Enterprise Risk Assessment report developed by management identifies and weights risks in alignment with the Board's perspective.

#### **Membership and Voting**

The Executive Committee shall be composed of the Chair, one or more Vice Chairs, Treasurer, Secretary, and President and CEO and such other directors as the Board may from time to time consider appropriate.

All Committee members are voting members.



**Chair**

The Chair of the Board shall chair the Executive Committee.

**Quorum**

Quorum is the majority of Committee members and shall be required where any decisions are made on behalf of the Board.

**Procedures**

Where not provided for in the Committee's terms of reference, the Committee will refer to applicable procedures outlined in OHA By-law 1, Board policies and OHA-adopted procedure standards.

The Committee may adopt such administrative processes as are required to ensure effective deliberations in the development of its decisions, recommendations, and advice to the Board.

**Meetings**

Meetings will be held at the call of the Chair of the Committee.

**Resources**

The President and CEO will provide staff support to the Committee as required.

*Latest Board Approval: September 5, 2018*

## Finance and Audit Committee Terms of Reference

### Role

The Finance and Audit Committee is responsible to assist the Board in fulfilling its obligations and oversight responsibilities relating to financial planning, financial reporting, and the system of corporate controls; and, when required, to make recommendations to the Board.

### Accountability and Reporting

The Committee is accountable to the Board of Directors and reports to the Board regularly on its activities, in accordance with its work plan.

### Duties and Responsibilities

#### Financial Planning

Management is responsible for the preparation of the annual Operating Plan, consistent with the Association's Strategic Plan.

The Committee will:

- (a) review the consistency of Operating Plans with the Association's strategic plan and initiatives approved by the Board;
- (b) review and make recommendations to the Board in respect of the annual Operating Plan of the Association and any revisions thereto;
- (c) assess the appropriateness and validity of any material assumptions and estimates used in the preparation of the annual Operating Plan, and any revisions thereto;
- (d) review and make recommendations to the Board in respect of the membership fee policies and recommendations for other sources of revenue deemed appropriate to support the activities of the Association; and
- (e) recommend methods of financing ad hoc or non-recurring activities not anticipated at the time of the preparation and approval of the annual Operating Plan.

#### Financial Reporting

Management is responsible for the selection of accounting policies used in preparation of the financial statements.

The Committee will:

- (a) maintain oversight of the selection of accounting policies, including consideration of relevant alternatives;
- (b) review and report to the Board on financial results; and
- (c) review and recommend to the Board for approval the annual audited financial statements and the accompanying notes thereto.

#### Audit Process

Management is responsible for the preparation and integrity of OHA's financial statements and for

maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures designed to ensure compliance with accounting standards and applicable laws and regulations.

The audit firm (Auditor) is responsible for planning and carrying out, in accordance with professional standards, an audit of OHA's annual financial statements and internal controls over financial reporting.

The Committee will:

- a) review the terms of engagement of the Auditor and the reasonableness of proposed fees;
- b) review and approve the annual audit plan;
- c) pre-approve all non-audit work performed by the Auditor, unless the fee is less than 100% of the annual audit fee, in which case the Chair is authorized to approve the work;
- d) confirm the independence of the Auditor annually;
- e) discuss with the Auditor any problems experienced in conducting the audit including any issues with management's co-operation or disagreements with management regarding the financial statements or disclosure;
- f) discuss with the Auditor any significant findings and recommendations;
- g) meet with the Auditor at least once per year without management present;
- h) recommend to the Board the re-appointment of the Auditor on an annual basis, or following a comprehensive review performed at least every five years, or, in the event the Committee does not recommend re-appointment or the Auditor is unable to accept re-appointment, the Committee will oversee the steps for an orderly transition to a new auditor; and
- i) review and recommend on an annual basis the actual fees paid to the Auditor.

#### Internal Controls

Management is responsible for designing and implementing internal controls to promote efficiency and safeguard the OHA's assets.

The Committee will:

- a) through discussions with management and the Auditor, obtain reasonable assurance that the organization has implemented appropriate systems of internal control:
  - i. over financial reporting and that these systems are operating effectively;
  - ii. to ensure compliance with its policies and procedures and that these systems are operating effectively; and
  - iii. to identify, monitor, mitigate and report significant financial or operational risk exposures and that these systems are operating effectively;
- b) review with management on at least an annual basis any legal matters that could have a significant impact on the organization's financial statements;
- c) review the evaluation of internal controls by the Auditor, including any recommendations for improvement of the organization's accounting procedures and internal controls, together with management's response; and
- d) direct the Auditor's examinations to any particular areas of concern with respect to internal controls;

- e) review management's report of its annual Internal Business Review program.

### Other Responsibilities

The Committee will:

- a) annually review the banking arrangements of the Association and recommend revisions to the *Banking Policy*, as appropriate;
- b) annually review the adequacy of the Committee's Terms of Reference;
- c) review the *Board Business Travel and Expense Reimbursement Policy* and make recommendations regarding revisions to the Board, as required;
- d) review, at least every two years, the *Operating Reserve Policy*, and make recommendations to the Board, as required;
- e) review management's compliance certificate regarding withholding and remittance obligations with respect to employee compensation;
- f) monitor and report to the Board on financial performance of related entities; and
- g) conduct an annual self-assessment of its performance and effectiveness in relation to its mandate.

### **Membership and Voting**

The Committee is composed of a minimum of five Board members, including the Chair of the Board, the President and CEO, and the Treasurer.

The Board may also appoint up to two external members.

The Committee membership shall include a cross-section of OHA Board members who have a degree of financial literacy deemed appropriate by the Board. Financial literacy is a committee member's ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the OHA's financial statements.

In addition, at least one member of the Committee should have a financial designation or relevant financial management expertise.

All Committee members are voting members. The President and CEO shall not vote on any matters related to the audit function.

### **Chair**

The Chair of the Committee is appointed under the Board's policy *Standing Committees*.

### **Quorum**

The majority of Committee members who are Board members must be present to duly constitute a committee meeting.

### **Procedures**

The Committee shall adopt an annual work plan to assist it in fulfilling its responsibilities.

In undertaking its responsibilities, the Committee will refer to applicable procedures outlined in OHA

By-law 1, Board policies, and OHA-adopted procedure standards.

The Committee may adopt such administrative processes as are required to ensure effective deliberations in the development of its recommendations and advice to the Board and the execution of its duties.

### **Meetings**

A schedule of meetings will be determined at the start of the Board year.

Meetings may also be called at the discretion of the Chair of the Committee.

### **Resources**

Primary management resources for the Committee shall be the Vice President, Business Planning and Strategy; and the Director, Finance and Business Planning. The President and CEO may assign other management resources to the Committee as required.

## Governance and Nominating Committee Terms of Reference

### Role

The Governance and Nominating Committee (the Committee) shall oversee, monitor and, where necessary, make recommendations to the Board on aspects of corporate governance for the Association. The Committee shall apply the OHA publication *Guide to Good Governance: Not-for-Profit and Charitable Organizations* and other sources to its activities.

The Committee shall manage the process for nominations to the Board, its committees, and for OHA Board appointments to other organizations. The Committee's mandate does not limit the Board's ability to determine the membership of Board task forces, working groups, or appointees to internal or external bodies.

### Accountability and Reporting

The Committee is accountable to the Board of Directors and reports to the Board at least annually on its activities.

### Responsibilities

The Committee shall make recommendations to the Board, as appropriate:

1. in response to changes to the regulatory framework (e.g. governing legislation and regulations) applicable to the corporation.
2. to ensure on-going alignment of the Letters Patent and By-law 1 with organizational requirements.
3. to ensure ongoing application of leading practices to Board governance policies.
4. to ensure governance structures and tools align with the organization's purpose and Strategic Plan (including, diversity of Board membership, board composition and size).
5. of nominees for election to the Board.
6. of nominees for officers and Committee leaders and membership.
7. of candidates for Board membership of related entities, in accordance with applicable policies (e.g., *HOOPP: Selection Process for OHA Appointees*).
8. in response to requests for the removal of an OHA appointee to a related entity, in compliance with Board policy.

The Committee shall:

1. Oversee the delivery of appropriate director education to ensure on-boarding and continuous development of Directors, in accordance with *Board Member On-boarding Program and Education Policy for the OHA Board of Directors* policies.
2. Establish and implement a program to evaluate Board performance, consistent with the requirements of the *Board Evaluations* policy.

3. Undertake other duties as directed by the Board, including those contained in governance policies (e.g., *Board Governing Documents and Structures Review Cycle*).

### **Membership and Voting**

The Committee is composed of a minimum of six (6) Board members, including the Chair of the Board, a Vice-Chair, the President and CEO, and at least one Board member who would be eligible to chair the nominating sub-committee. The Committee membership will include a cross-section of OHA Board members.

The Board may also appoint one external member.

All Committee members are voting members.

### **Chair**

The Chair of the Committee is appointed under the Board's policy *Standing Committees*.

### **Quorum**

Quorum is the majority of Committee members who are Board members.

### **Procedures**

In undertaking its responsibilities, the Committee will refer to applicable procedures outlined in OHA By-law 1, Board policies, and OHA-adopted procedure standards.

The Committee may adopt such administrative processes as are required to ensure effective deliberations in the development of its recommendations and advice to the Board.

### **Meetings**

A schedule of meetings will be included in the Board and Committee Meeting Schedule approved by the Board.

Meetings may also be called at the discretion of the Chair of the Committee.

### **Resources**

Primary management resources for the Committee shall be the the manager responsible for governance of the OHA and its related entities. The President and CEO may assign other management resources to the Committee as required.

## Investment Committee Terms of Reference

### Role

The Investment Committee (the Committee) shall assist the Board in fulfilling its governance responsibilities with respect to the OHA's investments through oversight of the Association's financial reserves with the objective of supporting the OHA's objects and strategic plan and protecting its long-term financial position.

### Accountability and Reporting

The Committee is accountable to the Board of Directors and reports to the Board at least annually on its activities.

### Responsibilities

The Committee will:

- a) monitor and report to the Board on financial performance of the Association's investments;
- b) ensure that investment policies, objectives and strategies are appropriate to the objectives for the Association's funds and comply with policies approved by the Board;
- c) develop and maintain a *Statement of Investment Policies and Procedures* (SIPP) and recommend to the Board for approval, at least annually;
- d) re-balance short- and long-term investments within the parameters of the SIPP;
- e) assess the implementation of and monitor compliance with the SIPP;
- f) approve the appointment and termination of investment manager(s), custodian(s) and other providers of investment related services;
- g) review, at least annually, the performance of each fund manager and providers of investment-related services;
- h) monitor, as required, management's compliance with guidelines and processes for the selection of investment managers, including compliance with conflict of interest policies.
- i) analyse investment issues and support management in day-to-day investment decisions;
- j) undertake other duties as directed by the Board, including those contained in governance policies.

Management has responsibility for implementation of the investment policy, including recommendations of appropriate external advisors and investment managers.

### Membership and Voting

The Committee is composed of up to seven members, including the Chair of the Board, the Chair of the Board of OHA Legacy Fund Inc., the independent directors of OHA Legacy Fund Inc., OHA's Treasurer, and up to two external members with investment expertise appropriate to OHA's investments.

All Committee members are voting members.



**Chair**

The Chair of the Committee is appointed under the Board's policy *Standing Committees*.

**Quorum**

Quorum is the majority of Committee members.

**Procedures**

In undertaking its responsibilities, the Committee will refer to applicable procedures outlined in OHA By-law 1, Board policies, and OHA-adopted procedure standards.

The Committee may adopt such administrative processes as are required to ensure effective deliberations in the development of its recommendations and advice to the Board and the execution of its duties.

**Meetings**

A schedule of meetings will be determined prior to the start of the Board year.

Meetings may also be called at the discretion of the Chair of the Committee.

**Resources**

The President and CEO will ensure appropriate staff support is provided to the Committee.

*Approved by the Board: September 17, 2019*

## Labour Relations Committee

### Terms of Reference

#### Role

The Labour Relations Committee shall oversee central collective bargaining activities on behalf of members; shall make recommendations to the Board, as appropriate, on labour relations matters of provincial importance or impact; and shall monitor developments that would affect OHA's role in labour relations matters.

#### Accountability and Reporting

The Committee is accountable to the Board of Directors and reports to the Board at least annually on its activities.

#### Responsibilities

The Committee shall:

- Recommend central collective bargaining mandates to the Board.
- Provide oversight and guidance to central collective bargaining processes.
- Appoint bargaining teams for central collective bargaining with unions, as required.
- Provide guidance, advice, and direction to management related to grievances that have a provincial importance or impact.
- Monitor developments related to pay equity.
- Inform OHA's response to emerging issues and trends in labour relations.
- Undertake other activities, as requested by the Board.

#### Membership and Voting

The Committee shall be composed of 8-10 members, including four members of the Board who shall be two from among hospital CEOs and Trustees, OHA Board Chair, and OHA President & CEO. External committee members shall include two Chief Human Resources Officers, one Chief Financial Officer, and one clinical executive lead, such as Chief Nursing Executive. Other members may be appointed at the discretion of the Board. Collectively, the Committee shall include members from a cross section of OHA member hospitals.

All Committee members are voting members.

Chairs of Bargaining Teams are non-voting members of the committee when in office and shall attend meetings as needed to enable the Committee's work.

#### Chair

The Chair of the Committee is appointed under the Board's policy *Standing Committees*.

#### Quorum

Quorum is a simple majority of voting Committee members.

**Term**

Board members would be appointed annually and could serve for the duration of their term on the Board of Directors.

External Committee members would be asked to commit for a three-year period and would be appointed annually by the Board.

**Procedures**

In undertaking its responsibilities, the Committee will refer to applicable procedures outlined in OHA By-law 1, Board policies, and OHA-adopted procedure standards.

The Committee may adopt such administrative processes as are required to ensure effective deliberations.

**Meetings**

A schedule of meetings will be determined at the start of the Board year.

Meetings may also be called at the discretion of the Chair of the Committee.

**Resources**

The President and CEO will provide staff support to the Committee as required.

*Approved by the Board: August 16, 2017*

## Special Committees of the Board

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### **PURPOSE**

The purpose of this policy is to set out the process for the appointment and functioning of Special Committees accountable to the Board of Directors.

### **POLICY**

Pursuant to By-law 1, the Board will approve the appointment of Special Committees with a mandate to perform specific duties that will expire on completion of the assigned tasks. The functions, duties, membership, responsibilities and mandate are subject to Board approval.

The Board may authorize, by resolution, the Board Chair or others to appoint the membership of a Special Committee.

Special Committee members are subject to By-law 1 and Board policies

- Confidentiality of Board Deliberations and Board Authorized Spokespersons
- Code of Conduct
- Conflict of Interest and Addressing Breaches of Duty
- Board and Committee Meeting Attendance
- Board Business Travel and Expense Reimbursement Policy.

### **CRITERIA**

The creation of a Special Committee is based on the following criteria:

- Subject to By-law 1, Section 28
- Accountable to the Board of Directors
- Addresses a specific issue that is not already being addressed by other Committees/Councils
- The Special Committee ceases upon completion of its mandate

### **PROCESS**

1. Board and/or staff will identify the need for a Special Committee
2. The Board is responsible for approving the appointment of the Special Committee and its Terms of Reference, as per By-law 1.
3. The Chair and members of the Special Committee may, but need not be, OHA Board members.
4. Deliberations of the Special Committee will be confidential, subject to the Committee's requirements for consultation with Members or others.
5. The Special Committee will provide regular updates to the Board.
6. Upon conclusion of the tasks, the Committee Chair will report the Committee's recommendations/findings to the Board.

Amendment: The Board may amend this policy      Last Review: January 21, 2020

Approval Date: June 10, 2009      Last Revision: February 15, 2017

## Board Documentation Access

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### **PURPOSE**

The Board has adopted electronic distribution of materials for Board meetings through an OHA Board portal. This policy will ensure that everyone who has access to Board materials understands the responsibilities and expectations associated with that access.

### **POLICY**

#### Location of materials

The OHA Board portal will provide access to meeting materials, governance policies, and reference materials.

Materials and minutes related to *in camera* meetings will be available by request from the President's Office.

#### Access to Materials

Access to materials will be through the Board portal. Meeting materials will not be distributed through e-mail.

#### *Board Members*

Board members will have access to Board meeting materials, reference documentation, and materials for all Committees on which they serve.

#### *External Committee Members*

External committee members will have access to materials for the Committee on which they serve and to Board governance policies.

#### *OHA Staff*

Senior Management Committee members will have access to Board meeting materials, governance policies, and reference materials.

Access to materials by staff supporting Committees will be determined by the President and CEO.

Access to materials by administrative staff in the President's Office will be determined by the President and CEO.

Access by Information Technology staff will be determined by the President and CEO.

#### Posting of Materials

All materials will be posted to the portal by staff reporting to the President and CEO.

#### Security

Portal users are expected to keep their access credentials (user name and password) confidential.

Users may download materials to their computers or mobile devices. Retention and disposition of materials will comply with the Board's policy, *Confidentiality of Board Deliberations and Board Authorized Spokespersons*.

### Timing

Board and Standing Committee meeting materials will be available on the portal for the current year and one prior year. Materials for meetings outside that timeframe may be accessed by contacting the President's Office.

Special Committee meeting materials will be available to all members of the Committee through the portal for the duration of the Committee's mandate.

Revised Board policies will be posted within 15 days of approval by the Board.

Reference Materials will be refreshed as required and at least once per year.

### **PROCEDURES**

Board members will be notified when meetings materials have been posted to the Board portal.

The agenda package for regularly scheduled Board meetings will be made available to Board members one week prior to the meeting. Agenda materials for Board meetings between scheduled meetings will be posted as soon as available to provide Board members with maximum time for review and preparation.

The agenda package for Committee meetings will be posted as soon as available and Committee members will be notified.

Requests for user support for the portal should be directed to Manager, Corporate Governance in the President's Office.

Amendment: The Board may amend this policy.

Last Review:

Approval Date: June 11, 2014

Last Revision: December 14, 2016

## Board Governing Documents and Structures Review Cycle

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### PURPOSE

The purpose of this policy is to establish a time frame and process for review of documents and practices related to the OHA's By-law 1, Board Policies, and Governance Structures, including Officers, Standing Committees, and their Terms of Reference.

### OVERVIEW

The Board of Directors is responsible for the quality of its own governance and believes systematic reviews of OHA By-law 1, Board policies and governance structures should be carried out periodically. Periodic review will also ensure that OHA By-law 1, Board policies, and governance structures continue to serve the needs of the Association.

### POLICY

1. The OHA Board will review OHA By-law 1, Board Policies, and Governance Structures, including Board size and composition, Officers and Committee structure and Committee Terms of Reference based on the following timeline:

Item	Time Frame
OHA By-law 1	Every 3-4 years
Board Policies	Review 1/3 of all Board policies each year, in rotation Every 4 years review entire Board Policy Manual
Governance Structures: <ul style="list-style-type: none"> <li>• Standing Committee Mandates</li> <li>• Board size and Composition</li> <li>• Officers</li> </ul>	Annually After approval of each new Strategic Plan Every 3-4 years as part of by-law review

2. The review of the Board's size and composition will be led by the Governance and Nominating Committee. The process will begin following approval of each new Strategic Plan, to ensure alignment to the strategies and direction articulated in the strategic plan, and when required by significant changes in leading governance practices.
3. The Governance and Nominating Committee will develop a work plan that outlines which governance documents and governance structures will be reviewed in the following Board year and obtain Board approval at the August Board meeting.
4. The Governance and Nominating Committee is responsible for carrying out the approved work plan and recommending changes to OHA By-law 1, Board Policies and/or Governance Structure for disposition by the OHA Board. When necessary, the Board presents recommendations to Members for decision.

5. In addition to the scheduled reviews, circumstances (e.g., change in legislation) may prompt a review on a different time frame.

### **Procedure for Reviewing Composition of the OHA Board of Directors**

The review of board size and composition will consider the skills, experience, and diversity required for the board to lead the OHA in achieving the goals of its Strategic Plan and be accountable to stakeholders.

The potential impacts of changes on the board's culture and operations should be identified and considered in the evaluation of proposed changes.

Research may include board composition of other associations, leading governance practices, a survey of members and stakeholders, and other appropriate tools.

Recommendations will be presented to the board for consideration.

Member approval of changes to the board's composition will be sought in accordance with the by-law.

### **RELATED POLICIES**

This policy is to be read in conjunction with *Diversity of Board Membership*, *Recruitment of Board Members*, and *Board Accountability Statement*.

Amendment: The Board may amend this policy.

Last Review: August 2019

Approval Date: October 14, 2009

Last Revision: August 2019



## Board iPad Policy

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### **PURPOSE**

To enhance confidentiality of Board and Committee materials on the Board portal, OHA will distribute iPads to each Board member. This policy will ensure a common understanding of expectation regarding the use of iPads.

### **POLICY**

#### Distribution of iPads

The OHA will provide an iPad tablet device, power cable, and protective case to each member of the Board of Directors.

Directors will be provided with an Apple Store gift card with sufficient credit to download software required for Board purposes.

#### Device Specifications

Each iPad will have wifi access to the internet.

#### Security and Asset Management

iPads will be configured with password protection. This is necessary to ensure the security of OHA data and email. Directors will be required to set a password the first time they access the iPad.

Directors will assume full responsibility for the iPad once it has been issued. Responsibility for repair or replacement of damaged, lost or stolen devices will be determined on a case by case basis.

Directors are requested to report loss or theft or damage to the Manager, Corporate Governance.

#### Terms of Use

Access to OHA Board materials using the iPad will be subject to all OHA governance policies, including *Code of Conduct*, *Confidentiality of Board Deliberations and Board Authorized Spokespersons*, and *Board Document Access*.

#### Privacy

Directors are reminded that privacy is not guaranteed when using internet-enabled devices.

#### Illegal Copying

Directors are responsible for complying with copyright law and applicable licenses that may apply to software, files, graphics, documents, messages and any other material downloaded or copied.

#### Support

All support requests pertaining to the iPad will be directed to the device manufacturer. For OHA website issues directors are to contact the Manager, Corporate Governance.

#### Ceasing to be an OHA Board Member

When a Director ceases to be a member of the OHA Board all access to OHA Board materials, including the Board portal, will be discontinued. The Director will retain the iPad device.

### Declining an iPad

If a Director already has access to an iPad tablet, then the Director may decline the OHA device and accessories. If the Director subsequently requires an iPad to be provided by the OHA to enable access to Board materials, then a device and accessories shall be provided.

Amendment: The Board may amend this policy.  
Approval Date: June 11, 2014

Last Review:  
Last Revision: December 14, 2016

## CEO and Executive Compensation Framework

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### **PURPOSE**

The Board of Directors is responsible for establishing policies that will ensure the Ontario Hospital Association (OHA) can:

- Attract the skills and experience required to advance the OHA's strategic priorities
- Reward the accomplishment of significant progress towards achieving OHA's strategic objectives
- Retain Executives with the right combination of skills, attitude and experience

### **PRINCIPLES**

The Board has the responsibility to:

1. Establish a Board Policy for the performance management for the CEO (Chief Executive Officer).
2. Approve the CEO and Executive Compensation Framework.
3. Approve the employment contract of the CEO.
4. Approve annual performance objectives for the CEO.
5. Ensure a succession plan program is in place for the CEO.
6. Ensure the sustainability of the Association.

### **Framework for CEO Compensation**

The Board has direct responsibility to oversee the CEO compensation policy.

- CEO Compensation will be in the form of a total cash compensation package, which includes competitive base salary and pay-for-performance compensation, and benefits.
- Pay-for-performance compensation is established through an employment contract between the Board and the CEO and awarded based on the outcome of an annual assessment of performance against approved objectives.
- The performance review process will ensure performance is assessed annually and considered when determining pay-for-performance compensation.
- In consultation with the CEO as to timing and assessors, 360 feedback surveys will be conducted at intervals of no more than two years, or more frequently as determined by the Board. Feedback from 360 surveys will support the development of the CEO and are not part of the annual performance review.

### **Framework for Executive Compensation**

The term "Executive" refers to OHA Vice Presidents and Chiefs reporting directly to the CEO.

Executive Compensation will be in the form of total cash compensation, administered by the CEO, as set out in the Salary Administration Policy for Senior Management Group, effective October 2015 and updated from time to time.

## PROCEDURES

The Executive Committee will act on behalf of the Board in oversight of this policy and make necessary recommendations to the Board.

The CEO will establish a salary administration policy to administer the framework and inform the Board in the event of significant changes or variances occur to the policy.

Annually, following completion of the performance management cycle, the CEO will provide an overview of the status of executive compensation in the organization.

The CEO will conduct a bi-annual market review of executive compensation. The CEO will inform the Board of significant changes to the Salary Administration Policy for Senior Management Group that result from the review.

## RELATED POLICY

This policy is to be read in conjunction with the policy on *CEO Performance Management*.

Amendment: The Board may amend this policy. Last Review: May 14, 2019

Approval Date: February 10, 2016 Last Revision:

## CEO Performance Management

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### **PURPOSE**

The purpose of this policy is to establish common understanding of the policy and procedure governing the Board's responsibility for management oversight.

### **POLICY**

It is the responsibility of the Board to ensure effective leadership of the Association through the Chief Executive Officer (CEO).

The Board ensures there are mechanisms in place to provide feedback and support to the CEO and to enable on-going dialogue.

It is the role of the Board Chair to:

- Lead the processes of CEO goal-setting, performance evaluation, and compensation review, in accordance with Board policy;
- Act as the principal board contact for the CEO, by helping to identify issues, monitoring and providing feedback, maintaining accountability, and ensuring that the CEO is aware of the Board's viewpoint/perspective;
- Support appropriate development of the CEO.

It is the responsibility of the Board to:

- Approve the initial compensation of a new incumbent in the role of CEO;
- Approve adjustments to the CEO's compensation;
- Approve annual pay-for-performance award, in accordance with Board policy.

It is the responsibility of the Executive Committee to:

- Review and establish the compensation of the CEO including the philosophy and policy underlying that compensation;
- Plan and carry out the CEO's performance and compensation review on an annual basis and make related recommendations to the Board;
- Oversee and assume responsibility for the succession planning process for the CEO.

### **PROCEDURE**

The Board Chair shall encourage Board members to provide feedback to the Chair on an as needed basis.

The Board Chair shall provide feedback to the CEO regularly throughout the year.

In the first year of a CEO's appointment, the Chair shall establish with the CEO a regular schedule of check-in meetings to support the CEO's success in the role.

The Executive Committee shall each year:

- Approve the annual performance objectives of the CEO for the fiscal year and report same to the Board.
- Conduct a performance review of the CEO based on a review of the outcomes of the CEO's performance objectives, the CEO's self-assessment, and the CEO's overall performance.
- Determine its recommendation to the Board for a pay-for-performance award as a result of the outcome of the annual performance review and report to the Board in an *in camera* session.
- Review the CEO's compensation and recommend any changes to the Board in an *in camera* session.
- Review the Association's succession plans for the CEO, including identification by the CEO to the Board Chair of two potential successors for emergency situations, and report to the Board on its review.

The Executive Committee shall, at an interval of no more than two years, conduct a 360 feedback survey to support the development of the CEO. The timing and assessors will be subject to consultation with the CEO.

#### **RELATED POLICY**

This policy is to be read in conjunction with the *CEO and Executive Compensation Framework*.

Amendment: The Board may amend this policy

Review: May 14, 2019

Approval Date: February 14, 2007

Revision: February 10, 2016

## Consent Agenda Development

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### **PURPOSE**

The purpose of this policy is to ensure the board members understand the process for development of the consent agenda during meetings of the Board.

### **CONSENT AGENDA OVERVIEW**

A consent agenda collects items that are approved or received without discussion. The consent agenda is intended to streamline the process for regular or routine matters that come before the board, based upon the assumptions that the item will not require discussion as it is self-explanatory and uncontroversial, for information only, and/or confirms a previously discussed issue. The consent agenda promotes good time management and enables board meetings to focus on matters of strategic importance to the Association or its members.

### **POLICY**

1. It is the responsibility of the Chair, in consultation with the President & CEO, to develop the consent agenda for each board meeting.
2. Information supporting all consent agenda items must be clearly identified and provided to Board members in the Board meeting package prior to the Board meeting. Items not included in the regular Board package will not be included on the consent agenda. Board members are expected to thoroughly read the Board meeting package, including all consent agenda items.
3. Any director may request that an item be removed from the consent agenda. No motion is required. The Chair will determine the placement of such matters on the discussion agenda. If one item in a committee or other report is requested to be removed from the consent agenda, that item shall be removed and the rest of the items in that committee or other report will remain on the consent agenda. The Board meeting agenda must remind Board members that, upon request, an item may be removed from the consent agenda and moved to the discussion agenda.
4. No motion is required to approve the consent agenda items. The Chair will ask if there are objections to the consent items and if there are none, they will be taken as adopted.
5. Quorum must be present in order for action on the consent agenda items to be binding.
6. Acceptance of the consent agenda is to be documented in the Board meeting minutes. Minutes will include the full text of resolutions or recommendations adopted and references to reports or other matters received.

### **CONSENT AGENDA ITEMS**

*In camera* items will not be included on the consent agenda.

The following items may be included on the consent agenda:

- Verification of minutes of previous Board meetings
- Routine and procedural decisions such as admission of new members, quarterly financial reports, minutes of standing committee meetings, etc.

- Recommendations from Standing Committees and decisions that don't require discussion or that have been previously discussed at the Board, such as revisions to a Board policy
- Minutes of Committee meetings
- Information reports that do not require any action and do not relate to discussion items.

The following items require close consideration when determining if they belong on the consent agenda:

- Financial Reports that cover important topics, raise questions or need emphasis, e.g., Approval of the Budget and Operating Plan
- Decisions that have broad implications.

Amendment: The Board may amend this policy.

Last Review:

Approval Date: June 10, 2009

Last Revision: November 21, 2018



## Guidelines for Selection of Board Chair and Vice-Chair(s)

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### **PURPOSE**

These guidelines are intended to provide consistency in the identification of leaders for the Board.

### **POLICY**

The Board will elect to the positions of Chair and Vice-Chair at the Board meeting that immediately follows the annual general meeting of Members.

The Chair of the Governance and Nominating Committee (or delegate) will present one nominee for the position of Chair.

The Governance and Nominating Committee shall determine the appropriate number of Vice-Chairs. The Chair of the Governance and Nominating Committee (or delegate) will present one nominee for each Vice-Chair position.

Only those nominated by the Governance and Nominating Committee shall be eligible to be elected to the positions of Chair and Vice-Chair.

Normally, a Vice-Chair will succeed the Chair in that position.

### **PROCEDURES**

Annually, Board members will be asked their willingness to be considered for the positions of Chair and Vice-Chair and to submit suggestions of other Board members for consideration for the roles.

If the Board Chair is eligible for a subsequent term, the Chair of the Governance and Nominating Committee will discuss the opportunity with the Board Chair.

The Governance and Nominating Committee shall review the role descriptions for the positions of Chair and Vice-Chair, the priorities of the Board for the coming year, and any specific skills and experience (e.g., Board and system committee participation and leadership) that may be appropriate to the Board at the time.

The Governance and Nominating Committee will review the list of Directors interested in serving as Chair or Vice-Chair and may approach other Directors about their willingness to be considered.

The Governance and Nominating Committee will review potential candidates against the desired attributes and nominate one candidate for each position.

When possible, the nominees for Chair and Vice-Chair(s) may be identified up to six months prior to the Annual General Meeting to allow for the nominees to become familiar with the leadership responsibilities and the processes in place to support the roles.

The Chair of the Governance and Nominating Committee (or delegate) will chair the Board meeting that immediately follows the annual general meeting of Members until the Board elects its Chair.

The Governance and Nominating Committee may appoint a sub-committee to assist with its responsibilities under this policy.

## CONSIDERATIONS

Candidates for Chair and Vice-Chair would normally have been a member of the board for at least two years, may have served on a variety of Standing or Special Committees or advisory groups, may have chaired a Standing or Special Committee, or have shown leadership in other activities.

Amendment: The Board may amend this policy.

Last Review:

Approval Date: February 12, 2014

Last Revision: May 22, 2019

## Meeting without Management

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### **PURPOSE**

This policy explains the objective and process for the Meeting without Management that occurs following every regular Board meeting.

This policy complements the Board's policies on *Open Board Meetings* and *In Camera Sessions of the Board*.

### **APPLICATION**

This policy applies to the Board of Directors.

### **POLICY**

The Board shall meet without management after every regularly scheduled Board meeting. The CEO will be invited by the Chair to participate in the first portion of this meeting.

This meeting shall provide an opportunity for the Board to:

- exercise independent oversight of management;
- assess board processes and particularly the quality of material and information provided by management;
- discuss areas where the performance of directors could be strengthened; and
- build relationships of confidence and cohesion among board members.

This discussion shall not be considered to be a meeting of the Board and no decisions binding on the Association can be made during these discussions.

Minutes will not be kept; the Chair may keep notes of the discussion.

Discussion items will not include CEO Compensation, CEO Goals and Objectives, and annual CEO Performance Evaluation. These items are addressed in the OHA Board policy *CEO Performance Management*.

### **PROCESS**

Each Board meeting Agenda must include the timing of the meeting without management.

Immediately following the meeting, the Chair shall communicate with the CEO any relevant matters that were raised in the meeting.

When follow-up to a meeting without management is required, the CEO and Board will

- Acknowledge that follow-up is required;
- Engage in honest dialogue; and
- Work together towards a suitable resolution.

When a formal Board decision is required, the motion will be presented to a duly constituted meeting of the Board or the Executive Committee.

Amendment: The Board may amend this policy

Last Review:

Approval Date: June 11, 2008 OHA Board Mtg.

Last Revision: November 21, 2018

## Members' Resolutions

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### **PURPOSE**

This policy describes the scope, submission, review and disposition process for resolutions submitted by voting Members of the Association.

### **POLICY**

A member resolution is a formal procedural action proposed by a voting member for consideration by the Board. Usually, such resolutions help to support and inform the Association's strategic and advocacy plans.

A Full Member, a Life Member, or a current Director may submit a resolution for consideration by the Board at any time. The Board may also issue a call for Member input into the Association's strategic direction or advocacy plans.

The Board shall have final authority regarding the disposition of all Member resolutions.

Member resolutions may not be proposed from the floor of an annual and general meeting of Members.

### **PROCEDURE**

#### *Requirements*

A Member resolution must:

1. be submitted in writing and, in the case of a Full Member, include confirmation that the resolution was endorsed by the Board of Directors of the member hospital;
2. demonstrate that it helps to inform the Association's strategic and advocacy plans;
3. show that the substance of the resolution is not already achieved through the work of Association staff, the Board or Board committees, or the Association's partners; and
4. include sufficient information to determine context, intention, and desired effect of the resolution.

#### *Submission and Review*

1. Members may submit resolutions at any time. Member resolutions will be considered using the following review process:
  - a. resolutions must be submitted to the Association's President.
  - b. The President will assign review of the resolution to appropriate staff.
  - c. Association staff will discuss the resolution with the submitter to confirm expectations and intent. Association staff will prepare a recommendation for the President.

- d. The President will submit the resolution to the Board along with his/her recommendation.
  - e. The Board will determine the Association's response to the resolution.
  - f. The Secretary shall communicate the Board's disposition of the resolution to the submitter in writing.
2. The Board may determine an appropriate process for soliciting member resolutions to be considered at a members' consultation called for the purpose of discussing the Association's strategic direction or advocacy plans. The process should be flexible and ensure each submitter's resolution is dealt with in an appropriate and timely manner.

Amendment: The Board may amend this policy

Last Review: May 17, 2017

Approval Date: August 23, 2005

Last Revision: May 17, 2017

## Non-Material Amendments to Board Policies

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### **PURPOSE**

The purpose of this policy is to increase the efficiency of Board policy review and to increase the on-going accuracy of Board policies.

### **POLICY**

The Board authorizes Management to implement non-material amendments to Board policies, as required.

Non-material amendments are ones that do not change the policy and do not have an impact on the interpretation of the policy. Some examples of non-material amendments are capitalization of terminology; grammatical corrections; changes that arise as a consequence of Board changes to policies that do not have an interpretive impact on another policy; re-organization of information for consistency.

Non-material amendments are effective immediately.

### **PROCEDURES**

The Association's Secretary will approve all proposed Non-material Amendments.

Amendments which are identified as material will be submitted to the Governance and Nominating Committee for review and recommendation to the Board, as appropriate.

### **REPORTING**

Annually, in August, Management will present to the Governance and Nominating Committee a report of all Non-material Amendments to policies that were implemented during the Board year then ending.

Board policies will be kept current on the Board portal.

Amendment:	The Board may amend this policy.	Last Review:	February 15, 2017
Approval Date:	June 15, 2011	Last Revision:	February 15, 2017

## OLF: Selection of Directors for OHA Legacy Fund Inc.

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### **PURPOSE**

The purpose of this policy is to establish a selection process that ensures that the persons elected to the Board of Directors (OLF Board) of OHA Legacy Fund Inc. (OLF) have the competencies required to oversee management of the investment portfolio held by OLF.

### **POLICY**

The OHA Board of Directors (Shareholder) will elect five Directors to the OLF Board, with regard to competency analysis provided by the OLF Board.

OLF Board members will be elected annually and, normally, recruited with the expectation of a five year term with total years of service not to exceed ten years.

Terms should be staggered to provide for an orderly turn-over and ensure continuity in the governance process.

In the event of a mid-year resignation by an OLF Director, the Shareholder will recruit and elect a replacement.

### **OLF BOARD RESPONSIBILITIES**

The OLF Board will be responsible to oversee the management of the investment portfolio held by OLF.

The OLF Board is bound by the terms of the Unanimous Shareholder Declaration signed by the OHA and amended from time to time. The Declaration sets expectations and limits on the actions of the OLF Board.

### **SELECTION PROCESS**

OLF Board identifies potential vacancies and, through the OHA CEO, informs the OHA Board's Governance and Nominating Committee (GNC). Potential vacancies may be created by, among other reasons, resignations, term completion, and collective competency gaps.

The OLF Board will identify collective competency gaps that should be considered in any recruiting process.

GNC will establish an appropriate process for seeking and evaluating candidates. The OLF Board may be asked to participate in the screening process through the involvement of one or more OLF Directors.

GNC will recommend qualified candidates to the Shareholder for election.

### **REMOVAL PROCESS**

The Shareholder retains the right to remove an OLF Director at its discretion.

GNC will consider requests for the removal of an OLF Director at any time and make recommendations to the Shareholder.



## RELATED POLICIES

The Shareholder approved a Unanimous Shareholder Declaration that states that for a for Board meeting of OLF to be duly constituted, two OLF Directors who are also directors of the Shareholder must be present; meaning that at least two of the five OLF Directors must also be members of the Board of OHA.

Amendment: The Board may amend this policy.

Last Review:

Approval Date: August 10, 2016

Last Revision: September 17, 2019

## Healthcare of Ontario Pension Plan (HOOPP): Selection of Appointees

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### **BACKGROUND**

Healthcare of Ontario Pension Plan (HOOPP or Plan) is a jointly-sponsored multi-employer pension plan. The Settlers of the Plan are the OHA and four unions.

Sixteen Trustees comprise the HOOPP Board of Trustees; eight are appointed by the OHA and eight are appointed by the Union Settlers (two per union). Each Settlor organization adopts its own appointment process. Trustees bear fiduciary responsibility for the Pension Fund, are voting members of the Board of Trustees, and serve on its committees.

Settlor organizations also appoint Observers to the Board of Trustees. Each union settlor may appoint one observer and the OHA may appoint up to four (to maintain balance among the Settlers). Subject to HOOPP board policies, Observers are entitled to receive all materials provided to the Trustees and may participate in any meetings of the HOOPP Board or its committees. Observers do not have the right to vote on any matters.

OHA appointees, collectively known as the “Employer Caucus”, select one of their number who is a Trustee as Lead Employer Trustee to serve as Chair/Vice-Chair of the HOOPP Board, in rotation with one member selected by the union-appointed Trustees, and to chair the Employer Caucus. The OHA’s expectations for the Lead Employer Trustee are explained in OHA Board policy, *HOOPP: Expectations of Lead Employer Trustee*.

### **PURPOSE**

This policy establishes an effective method to ensure that Trustees and Observers appointed by the OHA to the HOOPP Board of Trustees are appropriate to the governance of the pension plan.

### **ROLES**

The Board will appoint and re-appoint, by resolution, individuals to serve as Trustees and Observers.

The Governance and Nominating Committee (GNC) receives recommendations for appointment and re-appointment of Trustees and Observers from the Lead Employer Trustee or the Chair of a selection panel struck for that purpose.

When required, the Employer Caucus appoints a selection panel composed of Employer Caucus members with the necessary attributes and perspectives to assess the potential of applicants to meet the needs of the HOOPP Board.

The GNC provides assurance to the OHA Board that the process for the selection of nominees was appropriate. The Lead Employer Trustee or Chair of the selection panel provides a report to the GNC about the process so that the GNC can satisfy itself that the process was appropriate. That report normally will include the membership of the selection panel, information about the advertising undertaken, the number of applicants and interviewees, assessment of the nominee’s alignment with the search criteria, any concerns about other roles or potential conflicts, the timeline of the search process, and other relevant information.

## **POLICY**

### Qualifications

In the interests of ensuring the HOOPP Board understands the importance and impact of the Plan on the OHA's membership, at least one appointee will have current or recent experience as chief executive officer of an Ontario hospital corporation and one appointee will be the President and Chief Executive Officer of the OHA.

Members of the OHA Board of Directors may not serve as Trustees or Observers of HOOPP while serving on the OHA Board (except for the OHA's President and Chief Executive Officer).

Current employees and directors/trustees of other pension plans are not eligible for appointment as HOOPP Trustees or Observers. For greater clarity, individuals who held these roles previously would be eligible.

Jurisdiction of residence shall not limit consideration as an OHA appointee to HOOPP.

The President and Chief Executive Officer of the OHA is deemed to have been appointed by the Board as a HOOPP Trustee by virtue of that person's appointment to the position of the OHA's President and Chief Executive Officer and will be re-appointed annually, following the OHA's annual and general meeting of Members.

### Terms of Appointment

The duration of appointments is determined by the OHA. New appointments normally take effect at the beginning of the calendar year.

The OHA is committed to continuity and renewal in the membership of the HOOPP Board. Normally, appointments will be based on a three-year term; appointments could be for a different term length to ensure that, collectively, term end dates are staggered.

Appointments may be renewed two times for a total potential appointment of nine years. Appointees, who have served the maximum, may have their terms extended by the OHA, on a case-by-case basis to enable appropriate succession.

Calculation of term length for a Trustee shall not include time of service as an Observer.

The term of the appointee who is also the OHA's President and Chief Executive Officer will not be subject to term limits.

## **PROCEDURES**

The Employer Caucus develops and maintains a framework that identifies and explains the attributes, perspectives, and experience required among the members of the Employer Caucus. The Lead Employer Trustee will provide the framework and succession plan to the GNC prior to the start of an appointment or re-appointment process.

The Lead Employer Trustee develops a succession plan for Trustees and Observers that tracks appointments, re-appointments, and vacancies to ensure timely and suitable recommendations for appointments are made to the OHA.

### *Appointments*

The selection panel determines the process to be used to identify and vet potential candidates, which may include, and is not limited to, advertising through specific networks, approaching known individuals, and engaging search advisors to assist with the process. Steps in the process normally will include candidate application, comparison of candidate backgrounds to the search criteria, interviews, reference checks, and consultations with the OHA's President and CEO, HOOPP's President and CEO, and the Lead Trustee of the Employee Caucus. The selection panel has discretion to modify the process steps to meet the needs of a particular search and in the case of an Observer applying for a Trustee position.

### *Re-appointments*

The Lead Employer Trustee makes recommendations for re-appointment of Trustees and Observers based on the requirements of the HOOPP Board, the results of the Employer Caucus peer evaluation process, his/her own impressions, and consultations with Caucus members and others at his/her discretion. The Lead Employer Trustee will confirm the member's willingness to continue to serve prior to recommending re-appointment to the GNC.

## **REMOVAL OF AN OHA APPOINTEE**

The Lead Employer Trustee may recommend to the GNC that an OHA appointee be removed from their position. The request must be supported by an explanation of the concerns that led to the request and a description of actions undertaken to provide the appointee with an opportunity to address the concerns.

In the event the concerns are about the continued service of the individual serving in the role of Lead Employer Trustee, a recommendation for removal could be presented to the GNC by another member of the Employer Caucus with the support of the OHA's President and CEO. In addition to the information required for an appointee removal, the request also must include indications of support for the recommendation from other appointees.

The GNC will consider any request for removal and recommend an action to the OHA Board of Directors.

The OHA Board will dispose of the recommendation by resolution.

When time is of the essence, the OHA Board Chair may bring a recommendation to the Board (or Executive Committee) for removal of an OHA appointee. The decision of the Board or Executive Committee will be made by resolution.

## **RELATED POLICIES**

Healthcare of Ontario Pension Plan (HOOPP): Expectations of Lead Employer Trustee

Guidelines for Partisan Political Activities by Board members or OHA Appointees to Boards of other organizations

Amendment: The Board may amend this policy.

Last Review:

Approval Date: March 25, 2020

Last Revision:

## Healthcare of Ontario Pension Plan (HOOPP): Expectations of Lead Employer Trustee

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### **PURPOSE**

The purpose of this policy is to establish the OHA's expectations on the Lead Employer Trustee.

### **DEFINITION**

The Lead Employer Trustee is selected by the Employer Caucus from among its members to provide leadership.

Employer Caucus is the collective term for those appointed by the OHA to the Board of HOOPP and includes Trustees and Observers.

### **SELECTION**

The Employer Caucus selects from among its members one individual to provide leadership to the Caucus and to the HOOPP Board of Trustees. Selection will be based on a process that is established and revised from time to time by the Employer Caucus.

### **TERM**

It is expected that the Lead Employer Trustee would serve for two years as this individual fulfills the role of Vice-Chair and Chair of the HOOPP Board, in rotation with the lead of the Union Caucus of HOOPP Trustees. The Lead Employer Trustee is eligible for re-appointment at the discretion of the Employer Caucus.

This leadership arrangement is explained in the HOOPP *Agreement and Declaration of Trust*.

### **EXPECTATIONS**

The OHA Board expects the Lead Employer Trustee to:

- report to the OHA Board and/or OHA Governance and Nominating Committee at least annually on the state of HOOPP governance and any issues of importance
- ensure that "employer" perspectives are appropriately communicated in matters that come before the HOOPP Board and its committees for discussion and resolution
- foster amicable relationships with Union trustees to ensure functional governance relationships.

### **RESPONSIBILITIES**

The primary responsibilities of the Lead Employer Trustee are to:

- liaise with the OHA Board to ensure that the governance relationship between HOOPP and the OHA functions well
- provide advice to the OHA to assist the OHA Board in meeting its fiduciary responsibilities to HOOPP
- collaborate with the OHA's President and CEO in developing tools and resources to assist the Employer Caucus in meeting its obligations

- lead the recruiting process for members of the Employer Caucus, including
  - leading the development by the Employer Caucus of a *Competency and Diversity Framework* that meets the governance needs of the HOOPP Board
  - consulting with the Governance and Nominating Committee of OHA about the timing and process for recruiting members of the Employer Caucus to ensure appointees meet the skill and leadership requirements of the HOOPP Board and that appointments are made in a timely manner
  - ensuring appropriate engagement of members of the Employer Caucus in the recruiting of new OHA appointees
- oversee an evaluation process for the Employer Caucus and provide constructive feedback to Employer committee chairs and Employer Caucus members, as required
- chair and manage the agenda for Employer Caucus meetings

### **MANAGEMENT SUPPORT**

Support for these responsibilities will be provided to the Lead Employer Trustee by the manager responsible for governance of the OHA and its related entities.

Amendment: The Board may amend this policy.

Last Review:

Approval Date: February 14, 2018

Last Revision: March 25, 2020

## The Change Foundation: Process for OHA-Related Directors on the Board of Directors

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### PURPOSE

The purpose of this policy is to ensure that the persons associated with the Ontario Hospital Association (“OHA”) who are elected to The Change Foundation (“Foundation”) Board of Directors have a breadth of background and experience that equips them for the task of contributing the perspective of Members of the OHA on the Foundation Board to the greatest extent possible and to serve the mission of the Foundation.

### BACKGROUND

According to the Foundation’s Articles of Continuance and by-law, the OHA holds two hundred votes as a Founding member of the Foundation. The Directors elected to the Foundation’s Board hold the remaining twelve votes.

### POLICY

1. The majority of the twelve members of the Board of Directors of The Change Foundation shall be members of the Board of Directors of the OHA or associated with Members of the OHA.
2. The seven Foundation Board members who are directly related with the OHA (“OHA-related Directors”) will be:
  - a. Up to three members of the OHA Board of Directors, approved by the OHA Board and recommended to the Foundation; and
  - b. A minimum of four OHA member appointments as selected by The Change Foundation Board of Directors from a list of candidates recommended by the OHA Board of Directors.
3. In the event that an OHA-related Director of the Foundation Board ceases to qualify under clause 2 of this policy, such director may, with the consent of the OHA, continue to serve as a Foundation Director for the balance of their term and any eligible renewal terms up to a maximum of two renewal terms.
4. To provide for an orderly turn-over and ensure continuity in the governance process, appointments should be staggered to the maximum extent possible.
5. Election to the Board is normally effective immediately following the Foundation’s Annual Meeting.

### EXPECTATIONS

The general expectations of OHA-related Directors:

1. They are willing to serve a minimum of three years with an understanding that meetings of the Foundation are of critical importance and should not be missed;
2. Each year, they are willing to attend a minimum of 5 Board meetings plus additional 4 to 6 meetings on one of the Committees of the Board:

- Finance & Audit
  - Governance
  - Investment
3. They are willing to attend an initial orientation program as well as to participate in various ongoing Board education programs;
  4. They are willing to serve without remuneration; reasonable travel and accommodation expenses will be reimbursed.
  5. They will promptly notify the Foundation Board Chair and/or President and CEO when they cease to qualify.

## **NOMINATION PROCESS**

Whenever there is a vacancy pending among the seven OHA-related Directors, the recruiting process will begin with a face to face discussion between the Governance and Nominating Committee of OHA and leadership from the Foundation (e.g., Governance Committee Chair and CEO) at a regular meeting of the OHA's Governance and Nominating Committee. This dialogue is intended to assist the OHA Governance and Nominating Committee in understanding the emerging needs of the Foundation Board, the specific areas of focus for the recruiting process, and whether vacancies are from among OHA Board members or OHA Member organizations.

### OHA-Related Directors from OHA Members

When the vacancy is among Directors from OHA Member organizations, OHA management, in collaboration with Foundation's CEO, will prepare recruiting materials for distribution through channels appropriate to the areas of focus, including communication with chief executive officers of Member organizations and other means. OHA management will collect applications and support a screening panel in selecting candidates.

The OHA Governance and Nominating Committee will appoint a screening panel whose members would be one OHA cross appointed board member and two members from the Foundation (likely Governance Committee Chair and CEO). The screening panel would review applications and select a pool of candidates for consideration by the OHA Governance and Nominating Committee and, subsequently, the OHA Board.

The screening panel would interview candidates from the pool and present its nominations through the Foundation's Governance Committee to the Foundation's Board and Members.

### OHA-Related Directors from the OHA Board

For OHA-Related Directors from the OHA Board, the OHA will use the provided information to identify appropriate OHA Board members to serve on The Change Foundation Board. The OHA will forward its recommendation to the Foundation for nomination to the Annual Meeting or a Special Meeting of The Change Foundation.

## **PROCESS FOR OHA-RELATED DIRECTORS WHO CEASE TO QUALIFY**

This policy allows OHA-related Directors who cease to qualify to continue to serve on the Foundation's Board to the end of their current term and for up to two additional renewal terms, with the consent of the OHA Board of Directors.



On an annual basis and as required, the Foundation will notify the OHA of any OHA-related Director who no longer qualifies to be an OHA-related Director of the Foundation. In the event that the Foundation wishes that person to continue to serve, a written explanation shall accompany the request for approval of that person continuing to serve or being re-nominated to the Foundation Board.

### **PERFORMANCE MANAGEMENT**

Directors of The Change Foundation are subject to its policies and procedures.

Performance of OHA-related directors shall be reviewed to ensure it meets the expectations of both the OHA and the Foundation. Any concerns about the performance (e.g., attendance, commitment, engagement, or behaviour) of an OHA-related director will be subject to discussion with both organizations to enable collaboration on appropriate action.

### **POLICY APPROVAL AND REVISION PROCESS**

Both the Board of Directors of The Change Foundation and the Board of Directors of the OHA approved this policy.

All revisions must receive approval of the Boards of Directors of both organizations. Revisions become effective when approved by the second organization.

Approval Date: October 25, 2017

Last Review:

Last Revision:

## The Change Foundation: Process for the Selection of Nominees for OHA-related Directors on the Board

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### **PURPOSE**

This policy sets out the parameters for the nomination of OHA-related members of the Board of Directors of The Change Foundation (“Foundation”).

### **BACKGROUND**

The majority of members of the Foundation’s Board are OHA-related Directors. The Change Foundation Board size is set at 12 directors; seven are OHA-related. Foundation Board members are elected annually and the normal term of service is three years.

### **POLICY**

#### *OHA Board Members*

The Board of Directors will nominate up to three members of the OHA Board to be elected as members of the Board of the Foundation.

The President and CEO shall be one of the OHA Board members to serve on the Foundation Board. At the time of a change in the incumbent in the role of OHA President and CEO, the previous incumbent would submit their resignation from the Foundation Board. The new incumbent would be appointed by the Foundation Board to fill the vacancy until the next annual meeting at which time the new incumbent would be nominated for election to the Foundation’s board. (In the event such a resignation is not received, a meeting of the Foundations’ members would be called to remove the former OHA President and CEO as a director of the Foundation and the elect new OHA President and CEO to the Foundation Board.)

In addition to the President and CEO, the Board will nominate up to two other members of the OHA Board for election to the Foundation Board.

Upon notification from the Foundation that an OHA Board member on the Foundation Board is reaching the end of their term or when a Foundation Board member’s term on the OHA Board is coming to an end, the OHA will identify the appropriate number of OHA Board members who meet the expertise requirements of the Foundation and will recommend that they be nominated to the Foundation.

#### *OHA Member Organizations*

The Foundation Board will include a minimum of four members recruited from OHA members.

Annually, the Foundation will notify the OHA of OHA-related Foundation board members whose terms are coming to an end or are otherwise leaving the Foundation Board and the areas of expertise required in new nominees. The OHA will solicit expressions of interest from member organizations through communication with chief executive officers and other means deemed appropriate. The OHA Board of Directors will identify and nominate a pool of candidates to the Foundation. The Foundation will choose from among this pool of candidates and recommend nominees to the Annual Meeting of Members of the Foundation.

*OHA Proxy for Foundation Members' Meetings*

The President and CEO is hereby designated to carry and exercise the OHA's proxy at all Members meetings of the Foundation, unless an alternative proxyholder is appointed by the Chair of the OHA Board of Directors.

**RELATED POLICY**

This policy is to be read in conjunction with *Process for OHA-Related Directors on the Board of Directors of The Change Foundation*, a policy jointly-approved by the Boards of the Ontario Hospital Association and The Change Foundation.

Amendment: The OHA Board may amend this policy.

Last Review: August 16, 2017

Approval Date: October 08, 2014

Last Revision: August 16, 2017

## Framework for Funding Partnerships

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### PURPOSE

This framework provides guidance to management in the creation of funding partnerships for the delivery of priorities consistent with the Strategic Plan.

### CONTEXT

The OHA seeks to work with a variety of different organizational types to support its work in serving its members. Such collaborations include a revenue generating mandate to contribute to the OHA's total revenue which supports a range of activities in service to its members.

The OHA uses learning and engagement to support professional growth and leadership development, improve organizational excellence among its members, and influence system transformation. The OHA does this through proprietary, innovative, and future oriented interventions that drive applied learning for OHA member organizations and the health system. The pursuit of original research is one source of content for innovative learning programs for organizations and the health system.

### FRAMEWORK

Funding Partnerships provide a structure for multiple parties to participate in research and learning initiatives that address complex challenges facing health care organizations and the health system. Funding partnerships typically share a mutual interest in learning, research, and engagement outcomes. These partnerships are different from sponsorships, which are smaller in amount and linked to specific events. Sponsors buy visibility with the OHA's members, while funding partners have a mission-driven interest in furthering outcomes.

The framework ensures that the OHA considers principles, ethics, guidelines, and reporting in the development of funding partnerships and protects the interests of the Association.

### PRINCIPLES

The OHA will develop proprietary value through support from funding partnerships to address organization and system challenges.

Funding Partnerships will:

- support the OHA's strategic purpose and be consistent with its values.
- be developed and maintained without compromising the independence of the OHA.
- add value to OHA member organizations and the health system, in addition to adding value to participant organizations.

Funding partners are identified based on the alignment of the OHA's research and learning opportunities with their mission, funding/philanthropic priorities, interests, and products/services.

Funding Partnerships are intended to fund activities that aim to contribute to advancements in member organizations and the health system. Revenue for the OHA from these agreements will include, principally, full cost recovery; at times, a nominal percentage of the proceeds over the lifecycle of the initiative; and proceeds from subsequent related activities.

Research must be relevant, applied, and lead to pragmatic and useful learning and engagement interventions for member organizations. Funding partners will remain at arm's length from research activities.

Advocacy activities that emerge from the initiative will be for the benefit of member organizations and the health system and aligned with the OHA's advocacy priorities. The OHA will not undertake advocacy with the government on behalf of funding partners.

Selection of funding partners will consider potential risks to the OHA and its members, including conflicts of interest and reputational risks, and the risk assessment shall be documented and retained with the records of each initiative.

Initiatives supported by Funding Partnerships must be conducted in a structured manner, in a systematic way, have educational value, and not be unreasonably biased or promote a predetermined point of view.

Each funding partnership will have its own unique structure with respect to scope, revenue implications, subsequent programming activities, and other elements.

## **ETHICS**

The OHA may enter into funding partnerships with organizations that are effective and proven leaders in their field, that are results oriented and committed to examining outcomes, and that are dedicated to advancing research, policy, and practice.

The OHA will not enter into funding partnerships with businesses or organizations that are associated with products known to be harmful to human health (e.g., tobacco companies).

Financial arrangements for the initiative will be mindful of and compliant with all legislation and regulations applicable to the broader public sector participants in the partnership.

No guarantees will be provided to funding partners that the resulting deliverables will not contain any material that would be disadvantageous to the interests of the participants' business; i.e., research findings will be presented based on objective analysis of the available evidence regardless of whether those findings support the work of a funding partner.

Funding Partnership agreements will address and manage expectations for participation by the funding partner in activities related to the initiative to minimize the opportunity for the perception that the involvement of a particular organization affected the outcomes of the initiative.

The OHA may engage in separate Funding Partnerships with multiple organizations in the same field of endeavour or sectors and expects its partners would do the same.

The OHA will not facilitate direct independent contact by partners with its member organizations. Funding partners may be present at research briefings and conferences where non-confidential research outcomes are shared.

## **GUIDELINES**

Each proposed funding partner will be evaluated for the value it can contribute to the initiative and potential risk its involvement presents to the OHA or to the initiative.

Acceptable partners include business corporations, philanthropists, foundations (private and public), educational institutions, member organizations, and other corporations with perspectives that could be valuable to the initiative.

The scope of benefits for business corporations includes value of the research; participation in innovation; association with the OHA and its member network; and alignment to the business corporation's mission and activities.

Consideration should be given to the public and member attitudes towards the partnership.

All funding partnerships will be formalized through a written agreement that:

- clearly articulates the vision and objectives of the collaboration and indicators of success;
- structures the relationship in a tax efficient manner;
- explicitly addresses the ownership of intellectual property generated through the initiative;
- requires explicit permission from the OHA for every use of the Association's logo and approval from the OHA of references to an activity that is part of the initiative covered by the funding partnership agreement;
- describes how results will be communicated to relevant audiences;
- includes clear termination provisions that protect the OHA's interests.

#### **RELATED POLICIES**

- Signing Authority

#### **REPORTING**

Summary information about new Funding Partnerships will be included in the meeting materials for the next regular board meeting following execution of the agreement.

Amendment: The Board may amend this policy. Last Review:

Approval Date: November 20, 2019

Last Revision:

## OHA Membership Fees for Full Members

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### **PURPOSE**

The OHA is committed to the principles of consistency, fairness and transparency in charging membership fees to its Full members. This policy outlines the method for calculating fees.

### **APPLICATION**

This policy applies to OHA full membership fees only. Full Members of the OHA are public hospitals approved as such under the *Public Hospitals Act* and psychiatric facilities listed as designated institutions under the *Mental Health Act*.

### **POLICY**

#### Fee Basis

Membership fees are based on each hospital's percentage of total MOHLTC/LHIN funding to hospital operations, including funding from Cancer Care Ontario, and excluding paymaster transfers.

Other external or self-generated resources such as revenues from gift shops, amortization of grants, parking, and donations are not included in the fee calculation.

#### Annual Adjustment to Total Fees

An annual adjustment will be made to aggregate revenues from membership fees. The annual adjustment rate will be approved by the OHA Board of Directors.

#### Adjustment to Individual Hospital Fees

1. Individual hospital membership fees will be based on analysis of the relative average share of funding for each hospital over the previous three years.
2. Individual hospital funding increases vary by hospital over time. To ensure fairness, the OHA will review funding received by each hospital at least every two years.
3. Under extraordinary circumstances, hospitals will be permitted to implement over two years any fee increase of greater than 15% or \$10,000.
4. In case of hospital amalgamations, service re-alignments, or splits, OHA will readjust membership fees in the next billing cycle.

#### Floor and Ceiling Rates

Membership fees will be at or within the range of the floor rate and ceiling rate approved by the Board of Directors. The floor and ceiling rates will be adjusted annually based on the annual base funding increase to all hospitals.

#### Procedure

1. OHA membership fees are billed for the period from April 1<sup>st</sup> to March 31<sup>st</sup> of each year.
2. Invoices for membership fees will be sent to each hospital after the OHA Board of Directors has approved the Budget and Operating Plan.
3. Any reassessment based on significant changes to hospital funding will be made during the OHA budgeting process and changes will take effect in the following billing cycle.

## PROCESS/PROCEDURE

1. The OHA Finance and Audit Committee will recommend the following to the Board for approval:
  - annual adjustment rate to aggregate membership fee revenues
  - changes to the floor and ceiling rates; and
  - changes to the OHA policy on membership fees for Full members.
2. The Vice President, Business Planning and Strategy is responsible for addressing any concerns and questions received from members regarding the membership billings based on the policy.

Amendment: The Board may amend this policy

Last Review: February 14, 2018

Approval Date: February 16, 2011

Last Revision: February 14, 2018



## OHA Membership Fees for Non-Voting Members

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### **PURPOSE**

The OHA is committed to the principles of consistency, fairness and transparency in charging membership fees to its non-voting members. This policy outlines the method for calculating fees.

### **APPLICATION**

This policy applies to membership fees for non-voting members. OHA By-law 1 includes three categories of non-voting members:

Associate Membership is open to a corporation, partnership, or organization participating in health care in Ontario on a not-for-profit basis.

Affiliate Membership is open to a corporation, partnership, or organization participating in the health care in Ontario on a for-profit basis.

International Membership is open to a corporation, partnership or organization participating in health care outside of Ontario on a not-for-profit or for-profit basis.

### **POLICY**

Membership category is determined based on the information in the application for membership. OHA will from time to time perform audits on Members with 10 or fewer FTEs to ensure the categorization matches the organization's structure.

Membership fees consider the following characteristics of the organization:

1. For-Profit vs Non-Profit
2. participation in HOOPP versus no HOOPP participation
3. Full-Time Equivalent (FTE) Employee Complement
4. International
5. Number of separate corporations represented

In assessing an appropriate fee rate, the OHA may consider the role of the organization and whether its mandate supersedes or augments that of multiple organizations that previously were non-voting members. An association or shared service organization may be assessed a separate fee for each member organization. A parent organization also may be assessed a separate fee for each corporation within its group.

#### Associate Membership Pricing

The fees for Associate Members are based on whether the organization selects:

- HOOPP with over 10 FTEs
- Non-HOOPP with over 10 FTEs
- FTEs of 10 or under

#### Affiliate Membership Pricing

The fees for Affiliate Members are based on whether the organization selects:

- HOOPP with over 10 FTEs

- Non-HOOPP with over 10 FTEs
- FTEs of 10 or under

### International Membership Pricing

International members are charged a flat rate, regardless of pension participation and staff complement.

### Group Pricing

OHA will consider requests for group pricing on a case by case basis.

Application for group pricing must be received from a membership organization applying for the membership discount on behalf of its members.

A minimum of 90% of the members of the organization must become OHA members.

To qualify for group pricing each organization must:

- be admitted as a member organization by the OHA Board
- provide OHA with annual revenues and FTEs employed, upon request.

OHA will from time to time perform audits on the group to ensure minimum thresholds are met.

### Procedure

1. OHA membership fees are billed for the period from April 1<sup>st</sup> to March 31<sup>st</sup> of each year.
2. Invoices for membership fees will be sent to each non-voting member after the OHA Board of Directors has approved the annual Budget and Operating Plan.
3. In case of membership cancellations mid-way through the fiscal year, members in HOOPP will be charged a pro-rated fee for every month of membership in that fiscal year.
4. In the case of organizations that are invoiced on behalf of their members, the Finance and Audit Committee shall establish the initial fee rate that will thereafter escalate in parallel to the rates for other non-voting members.

### **PROCESS/PROCEDURE**

1. The Finance and Audit Committee will recommend the following to the Board for approval:
  - adjustments to membership fee rates;
  - total revenue budget from membership fees; and
  - changes to this policy.
2. The Vice President, Business Planning and Strategy is responsible for addressing any concerns and questions received from Members regarding membership fee rates and policy.
3. The Vice President, Business Planning and Strategy may exercise discretion in the assessment of the components.

Amendment: The Board may amend this policy.

Last Review: February 14, 2018

Approval Date: February 15, 2017

Revision: February 14, 2018

## Operating Reserve Policy

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### **PURPOSE**

This policy is intended to provide a transparent guideline for the management of operating reserves for the OHA budget planning and governance purposes.

### **POLICY**

The OHA normally will maintain an accumulated surplus or Operating Reserve of between three (3) months and six (6) months of the regular annual expenses of all OHA-funded programs.

The Board may, from time to time, establish short-term reserves to accumulate funds to support specific, time-limited, strategic initiatives or projects, including capital expenditures.

The Reserve shall be invested in accordance with the *Statement of Investment Policies and Procedures*.

### **PROCEDURES**

The annual Operating Plan will include a three-year budget for the Operating Reserve. Management will report regularly to the Finance and Audit Committee and the Board on the value of the Operating Reserve in relation to this policy.

Management will report regularly to the Board on the accumulated balance in any reserves for strategic initiatives or projects and the progress of dispersal of such reserves.

The Board receives recommendations from the Finance and Audit Committee for draws on the Operating Reserve. Such requests could be part of the recommendation of the annual Operating Plan or could arise mid-year due to changes in circumstances.

### **POLICY REVIEW**

This policy will be reviewed every three years by the Finance and Audit Committee or when conditions warrant.

### **RELATED POLICIES**

- Statement of Investment Policies and Procedures
- Finance and Audit Committee Terms of Reference
- Investment Committee Terms of Reference

Amendment: The Board may amend this policy. Last

Approval Date: March 25, 2020

Last Revision:

## Signing Authority Policy

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### **PURPOSE**

The Board has general authority to govern and manage the affairs of the Association. This Policy provides the framework through which the Board delegates authority to officers and management for the transacting of normal business activities of the Association.

### **PRINCIPLES**

All agreements and arrangements made under this Policy must be consistent with the Association's purpose, values, Strategic Plan, budget, and policies.

Decisions with respect to expenditures shall consider the financial situation of the Association at the time of the decision, notwithstanding that the expenditure was approved in the budget.

No person may sign any document or enter into an oral or written agreement that creates an obligation or undertaking on behalf of the Association unless the individual has the authority to do so under this Policy.

Expenditures or other commitments must not be divided into smaller projects or other attempts made to bypass the authority limits set forth in this policy.

Working with the appropriate Standing Committees, management will strive to manage the cash flow requirements of the Association to meet its obligations using the resources of the Association. The Board recognizes that short-term borrowing might be in the best long-term interests of the Association in some market environments.

### **POLICY**

The Officers and members of the Senior Management Committee (SMC) have the authority on behalf of the Association to obligate and bind the Association. The officers are the Chair, Vice-Chair(s), Treasurer, Secretary, President & CEO. The members of the Senior Management Committee are the holders of executive management positions with direct reporting to the President & CEO.

The Board retains the right to specify by resolution any different signing authority in any specific instance or situation.

The Vice President, Business Planning & Strategy is responsible for establishing such management policies and procedures as are required to implement this policy.

The members of the Senior Management Committee shall ensure that all staff members understand the limits of their spending authority and their authority to sign agreements directly related to their responsibilities.

#### *Contracts*

The Officers and members of SMC are hereby appointed as signing officers of the Association and are authorized to enter into and execute contracts and other forms of agreement on behalf of the Association relating to the general operation and development of the Association for all matters not expressly dealt with by a separate authorization or requiring prior approval by the Board of Directors.

### Budgeted Initiatives

Contracts and other forms of agreement with a total value (revenue or expenditure) of less than \$25,000 that are part of an initiative that was approved in the budget may be signed by the Director with functional responsibility for the initiative and the member of SMC with functional responsibility or the President and CEO.

Contracts and commitments with a total value (revenue or expenditure) equal to or greater than \$25,000 and less than \$100,000 that are part of an initiative that was approved in the budget may be signed by the Vice President with functional responsibility for the initiative and a member of the Senior Management Committee.

### Unbudgeted Initiatives

Contracts and other forms of agreement with a total value (revenue or expenditure) of less than \$10,000 that are not part of an initiative that was approved in the budget may be signed by the Director with functional responsibility for the initiative and the member of SMC with functional responsibility or the President and CEO.

Contracts and other forms of agreement with a total value (revenue or expenditure) equal to or greater than \$10,000 and less than \$100,000 that are not part of an initiative that was approved in the budget may be signed by the Vice President with functional responsibility for the initiative and the Vice President, Business Planning & Strategy.

### All Initiatives

Contracts and commitments with a total value (revenue or expenditure) of equal to or greater than \$100,000 and less than \$1,000,000 may be signed by the President & CEO and a member of the Senior Management Committee.

Contracts and commitments with a total value (revenue or expenditure) of \$1,000,000 or more are to be approved by the Board of Directors prior to being signed by the President & CEO and any one of the Chair, Vice-Chair(s), or Treasurer.

Budgeted Initiatives		Unbudgeted Initiatives		All Initiatives	
Range	Signatories	Range	Signatories	Range	Signatories
<\$25K	Director and Functional VP or CEO	<\$10K	Director and Functional VP or CEO	\$100K to <\$1M	CEO and any member of SMC
\$25K to <\$100K	Functional VP and any member of SMC	\$10K to <\$100K	Functional VP and VP, BPS	≥\$1M	CEO and any one of Chair, Vice-Chair(s), Treasurer

### *Payments*

Those authorized to sign cheques and other payment instruments on behalf of the Association are: the Chair, Vice-Chair(s), Treasurer, and members of SMC.

Annually, within 60 days of the annual and general members' meeting, the Chair and President and CEO will sign documents authorizing regular payments for recurring large-value expenditures for the

following calendar year. Such payments may include leases, employment-related insurance premiums, pension contributions, and tax authorities.

Management is authorized to arrange payment and receipt of monies to fulfill the Association's financial obligations using normal instruments provided by the selected financial institutions, including and not limited to cheques, wires, and electronic funds transfers.

All payments must be authorized by two signatories.

When the Association makes payment by cheque, the following signing requirements shall apply:

Less than \$3,000	facsimile signatures of two members of SMC	
Greater than or equal to \$3,000 and less than \$10,000	Facsimile signature of one member of SMC	Original signature of one member of SMC
Greater than or equal to \$10,000 and less than \$100,000	Original signatures of two members of SMC	
Greater than or equal to \$100,000	Original signature of one member of SMC	Original signature of one of the Chair, Vice-Chair(s) or Treasurer

Authorization documentation for all electronic transfers of funds and wires will also comply with the requirements outlined above.

Payments to suppliers of credit card, payroll, and similar services are recognized as aggregate payments of smaller amounts that will be individually authorized in accordance with this policy; therefore, the authorization limits above do not apply to payments to those service providers.

#### *Borrowing Instruments*

Management is authorized to enter into and execute loan agreements with appropriate financial institutions for loans that do not, in the aggregate, exceed \$100,000.

Loans equal to or greater than \$100,000 and less than \$250,000 require pre-approval by the Finance and Audit Committee.

Loans equal to or greater than \$250,000 require pre-approval by the Board of Directors, upon recommendation of the Finance and Audit Committee.

Management is authorized to establish an operating line of credit with an appropriate financial institution that does not exceed the working capital required for three months of usual operations.

#### *Financial Institutions*

Any two officers are authorized to execute banking resolutions as necessary to enter into relationships with financial institutions in the normal course of business. Such resolutions will be included in the consent agenda of the next regular Board meeting for the information of the Board.

Management is authorized to establish relationships with financial institutions within the following parameters:

- Banks listed in Schedule I of the *Bank Act* – regular operating business requirements of the OHA and the OHA Legacy Fund Inc.;

- Banks listed in Schedule II of the *Bank Act* and Credit Unions – investment activities of the OHA and the OHA Legacy Fund Inc.;
- Banks listed in Schedule III of the *Bank Act* – only upon prior review by the Finance and Audit Committee.

## PROCEDURES

Annually, following the election and appointment of Officers, and as required by turnover, financial institutions will be notified of changes to signatories.

Contracts and commitments that require review by the Finance and Audit Committee shall be presented in a summary Term Sheet that explains in plain language the essential terms and conditions of the agreement.

Original, signed copies of all contracts are kept by the Director, Finance and Business Planning.

Whenever management determines it is necessary to draw on a line of credit, the Treasurer shall be notified and information will be reported to the Finance and Audit Committee at its next regular meeting.

Directors or Managers are the primary spending authority for transactions occurring in functional centres within their portfolio and within approved budgets. The Senior Management Committee will approve a management policy that establishes spending authority thresholds for staff based on position type. Exceptions to this policy for individual positions shall be approved by the Senior Management Committee.

Members of the Senior Management Committee shall ensure that the spending authority granted to staff members within their areas of responsibility is consistent with this Policy and is maintained current to the needs of the organization and the identification of incumbents.

Any questions concerning the meaning or interpretation of this Policy should be addressed to the Vice President, Business Planning & Strategy.

Amendment: The Board may amend this policy.

Last Review:

Approval Date: March 20, 2019

Last Revision: March 25, 2020