Form 2.1

Sample Statement of the Roles and Responsibilities of the Board

### 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.

### Responsibility of the Board

The board is responsible for the overall governance of the affairs of the hospital.

Each director is responsible to act honestly, in good faith and in the best interests of the hospital and in so doing, supports the hospital in fulfilling its mission and discharging its accountabilities.

### Approve Strategic Goals and Directions

The board participates in the formulation and adoption of the hospital’s mission, vision and values.

The board ensures that the hospital develops and adopts a strategic plan that is consistent with its mission and values, and which will enable the organization to realize its vision. The board participates in the development of, and ultimately approves, the strategic plan.

The board oversees operations for alignment with the strategic plan and strategic directions.

The board receives regular briefings or progress reports on the implementation of strategic directions and initiatives.

The board ensures that its decisions are consistent with the strategic plan and the mission, vision and values unless there is a sound rationale to do otherwise.

The board conducts a review of the strategic plan as part of a regular planning cycle.

### Establish a Framework for Performance Oversight

The board is responsible for establishing a framework for monitoring and assessing performance in areas of board responsibility, including:

* Fulfillment of the strategic directions in a manner consistent with the mission, vision and values;
* Oversight of management performance.
* Quality of programs and patient services;
* Financial conditions and risks;
* Stakeholder relations; and
* The board’s own effectiveness.

The board ensures that management has identified appropriate measures of performance.

### Oversee Quality

The board is responsible for establishing policies and plans related to the quality improvement plan.

The board ensures that policies and improvement plans are in place related to quality of care, patient safety, consumer experience and access.

The board monitors quality performance against the board-approved quality improvement plan, performance standards and indicators.

The board ensures that management has plans in place to address variances from performance standard indicators, and the board oversees implementation of remediation plans.

### Oversee Financial Condition and Resources

The board is responsible for stewardship of financial resources, including ensuring availability and overseeing the allocation of financial resources.

The board approves policies for financial planning and approves the annual operating and capital budget.

The board monitors financial performance against budget.

The board approves investment policies and monitors compliance.

The board ensures the accuracy of financial information through oversight of management and approval of annual audited financial statements.

The board ensures management has put measures in place to ensure the integrity of internal controls.

The board oversees asset management.

### Oversee Enterprise Risk Management

The board is responsible for being knowledgeable about risks inherent in the hospital’s operations and ensuring that appropriate risk analysis is performed as part of board decision-making.

The board oversees management’s risk management program including an assessment of risks relative to their probability and potential impact.

The board ensures that appropriate programs and processes are in place to protect against risk.

The board is responsible for identifying unusual risks to the hospital and for ensuring that there are plans in place to prevent and manage such risks.

### Supervise Leadership

The board recruits and supervises the chief executive officer by:

* Developing and approving the chief executive officer’s job description;
* Undertaking a chief executive officer recruitment process and selecting the chief executive officer;
* Reviewing and approving the chief executive officer’s annual performance goals;
* Reviewing chief executive officer performance and determining chief executive officer compensation;
* Ensuring succession planning is in place for the chief executive officer; and
* Exercising oversight of the chief executive officer’s development of senior management as part of the chief executive officer’s annual review.

The board also oversees the chief of staff by carrying out parallel functions to its supervision of the chief executive officer. The board develops, implements, and maintains a process for selecting department chiefs and other medical leadership positions as required under the hospital’s by-laws or the *Public Hospitals Act*.

### Oversee Stakeholder Relationships

The board identifies the organization’s stakeholders and understands accountability to stakeholders.

The board ensures that the organization appropriately communicates with stakeholders in a manner consistent with accountability to stakeholders and to promote engagement.

The board contributes to the maintenance of strong stakeholder relationships.

The board performs advocacy on behalf of the hospital with stakeholders where required, in support of the mission, vision, values and strategic directions of the organization.

### Manage the Board’s Own Governance

The board is responsible for the quality of its own governance.

The board establishes governance structures to facilitate the performance of its role and enhance individual director performance.

The board is responsible for the recruitment of a board that includes directors with the knowledge, experience, qualities, and attributes (such as diversity of perspectives and cultures) required to govern the hospital.

The board ensures ongoing training and education for directors.

The board assesses and reviews its governance by periodically evaluating board structures, including board recruitment processes and board composition and size, number of committees and committee terms of reference, processes for appointment of committee chairs, processes for appointment of board officers, and other governance processes and structures.

### Legal Compliance

The board ensures that appropriate processes are in place to ensure compliance with legal requirements.

### Amendment

This statement may be amended by the board.

### Approval Date:

### Review Date: