

**BOARD OF DIRECTORS
TERMS OF REFERENCE**

The Board of Directors is responsible for -

- legal, ethical, and functional responsibilities
- accounting and financial reporting processes
- quality of patient care and services under the Excellent Care for All Act

DUTIES AND RESPONSIBILITIES

With respect to the Board's *legal, ethical and functional* responsibilities -

Corporate Governance

- review the Terms of Reference of the Board to ensure adequacy and effectiveness in the area of governance best practices
- regular review of documentation related to the governance structure and functions of the Board and ensure compliance with laws, regulations and standards as they apply to the health/community care sectors

Board Composition

- in conjunction with the Chair of the Board, assess, propose and recommend appropriately qualified and skilled new director candidates for nomination to the Board
- ensure that the Board has and retains a majority of independent Directors
- review annually the size and composition of the Board to ensure the continual effectiveness of the Board

Director's Roles and Education

- Identify the responsibilities of Board members and for the Chair of the Board
- Ensure orientation and continuing education is available for Directors

Effectiveness

- Establish and implement a procedure for the annual assessment of the effectiveness of the Board and the Chair of the Board
- Ensure that there is an appropriate procedure in place to annually assess the contribution and skills of existing directors and report such assessments to the Board, if necessary

Other Responsibilities

- Ensure that the Board reviews the major risks that have been identified by Management
- Ensure that the Board has an adequate and effective Code of Conduct and Conflict of Interest Policy and that violations and suspected violations are reviewed

With respect to the Board's *accounting and financial* responsibilities:

Financial Governance

- Review and recommend policies/procedures related to the financial governance structure and functions of the Board
- Ensure that the Board is properly developed in the area of a Business Plan and the fiscal ramifications of starting any new ventures

Budget Planning and Oversight

- Ensure there are processes in place for the development of annual operating/capital budgets
- Review and recommend financial assumptions used to develop operating/capital budgets and Strategic Plans
- Review the annual Operating Plans and budget
- Review the annual Capital Plan/budget
- Review quarterly financial performances and compare actual performances against budgets
- Develop plans to address variances between budgets and actual performances
- Monitor the implementation of plans to address variances

Long Term Planning

- Review long term financial goals, long term revenue, and expense projections
- Review health care developments, legislation changes that may have an impact on financial resources, performance and risk

Asset Management

- Ensure that there are processes in place to manage the Hospital's assets
- Review material asset acquisitions not contemplated in the annual Operating plans
- Inform the Board on all property matters on which the Board requires knowledge

Financial Transitions

- Review banking arrangements
- Review lines of credit and long term debt

Donations and Bequests

- Advise the Board with respect to donations including donor recognition

Investments

- Review the Hospital's Investment policy
- Monitor investment performance for compliance

Internal Controls and Risk Management

- Oversee and review risk management processes
- Identify unusual risks and oversee management's plan to address unusual or unanticipated risks
- Review the adequacy of financial resources
- Review insurance coverage
- Review the quality and integrity of management's internal controls

Audit Oversight

- Recommend auditors for appointment or re-appointment
- Review auditor remunerations
- Meet with auditors to review proposed scope of audits
- Approve auditor's engagement letters
- Oversee management of audits
- Review audited financial statements and auditor reports
- Meet with auditor and receive and review recommendations with respect to management, accounting systems and internal control issues
- Review policies regarding financial operations and internal controls
- Review non audit services provided by auditor and other factors that might compromise the auditor's independence
- Review management response to recommendations of auditor
- Oversee implementation of auditor's recommendations

With respect to the Board's *quality of patient care and services* responsibilities in accordance with Excellent Care for All Act (ECFAA) -

- Monitor and report to the Board on quality issues and on the overall quality of services provided with reference to appropriate data including:
 - performance indicators used to measure quality of care and services and patient safety
 - reports received from the Medical Advisory Committee identifying and making recommendations with respect to systemic or recurring quality of care issues
 - publicly reported patient safety indicators
 - critical incident and sentinel event reports
 - staff quality reports
 - health and safety reports

- Consider and make recommendations to the Board regarding quality improvement initiatives and policies.
- Ensure that best practices information supported by available scientific evidence is translated into materials that are distributed to employees, members of the Professional Staff and persons who provide services and subsequently monitor the use of these materials by such persons
- Oversee preparation of the annual Quality Improvement Plans
- Perform such other responsibilities as may be provided under regulations under ECFAA.
- Oversee the Hospital's plan to prepare for accreditation
- Review accreditation reports and any plans required to be implemented to improve performance and correct deficiencies
- Oversee implementation of policies, processes and programs to ensure quality objectives are met and maintained.

Policy Implementation

Oversee implementation and regular review of policies, procedures and programs to ensure all legal, ethical, functional, financial, accounting and quality of care and services objectives are met and maintained.

Compliance

Monitor compliance with legal requirements and applicable policies of funding and regulatory authorities with respect to legal, ethical, functional, financial, accounting and quality of care and services.

MEMBERSHIP

The Board shall consist of a maximum of seven voting directors and five *ex officio* non voting members -

- Chief Executive Officer
- Chief Nursing Executive/Chief Operating Officer
- Executive Director, Family Health Team/Community Services

- Chief of Staff
- Lead Physician of the Nipigon District Family Health Team
- President, Medical Advisory committee

FREQUENCY OF MEETINGS

The Board shall meet a minimum of eight times per year.

QUORUM

A quorum shall consist of 2/5 of the voting membership.

RECORDS

The records of the Board shall be maintained by the Board Secretary in the form of correspondence related to those decisions, legal documents, and/or confidential minutes of meetings as appropriate.

EVALUATION

Monthly

A meeting effectiveness tool will be completed after each open board meeting in order to evaluate the effectiveness of the meeting and to make improvements.

Annually

The Directors utilize the Governance Centre of Excellence's *Individual Director Self Assessment Tool* to support their own development by identifying skills gaps, training and development opportunities, and assist in succession planning.

The Governance Centre of Excellence's *Board Self-Assessment Tool* is an instrument the Board utilizes to improve its effectiveness, and, in turn, enhance organizational performance.

Effectiveness of CEO Services, as per the Strategic Alliance Agreement between Thunder Bay Regional Health Sciences Centre and Nipigon District Memorial Hospital (Schedule A - Chief Executive Officer Services, Services 3.)



 Kal Pristanski, Board Chair



 Cathy Covino, Chief Operating Officer

Approved by Board of Directors -

Sep 29, 2014
 May 28, 2018

Sep 28, 2015
 Sep 24, 2018

Oct 24, 2016
 Oct 16, 2019