

CORNWALL COMMUNITY HOSPITAL / HÔPITAL COMMUNAUTAIRE DE CORNWALL

Application to Become a Director

Schedule "A"

Excerpts taken from the Corporation's By-Law

Part 1 – Objects of the Corporation

- (a) To establish, equip, staff, maintain, operate and conduct a public hospital, including without limitation active treatment programs and services, mental health services, community health, emergency services, out-patient services, rehabilitation and therapeutic services.
- (b) To operate and maintain laboratories, diagnostic imaging services, research facilities, therapeutic and rehabilitation facilities, pharmacies or dispensaries as may be required.
- (c) To participate in all phases of education pertaining to health care, including the education of dentists, midwives, nursing staff, physicians and other health care personnel.
- (d) To participate in any activities designed and carried on to promote the general health of the community.
- (e) To promote and develop standards of health care administration and service.
- (f) To provide such other health care services as are required by the communities served by the Corporation, including without limitation, the provision of community programs and addictions services, and in-home health care services, in accordance with all applicable legislation as may be amended from time to time.

Part 2 – Requirements to Vacate Office of Director

- (a) The office of an elected Director shall automatically be vacated if:
 - (i) the Director becomes bankrupt or suspends payment of debts generally or compounds with creditors or makes an assignment in bankruptcy or is declared insolvent;
 - (ii) if any order is made declaring the Director to be a mentally incompetent person or incapable of managing his/her affairs;

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Reference: CCH Policy CR 15-011 (Appendix A)

Ce document est disponible en français sous le titre :

“Demande pour devenir membre du Conseil d’administration – Annexe « A »”

- (iii) at a special meeting of the Members, a resolution is passed by at least two-thirds (2/3) of the votes cast by the Members, removing a Director before the expiration of the Director's term of office, provided that in any given fiscal year no more than two (2) Directors can be removed pursuant to the powers provided to the Members pursuant to this clause (iii);
 - (iv) the Director, by notice in writing to the Corporation, resigns office, which resignation shall be effective at the time it is received by the Secretary of the Corporation or at the time specified in the notice, whichever is later;
 - (v) if he/she loses his/her qualifications or eligibility as a Director; or
 - (vi) the Director dies.
- (b) The office of any elected Director may, at a special meeting of the Members, be terminated by a simple majority resolution of the Board:
- (i) if a Director does not comply with the Board's attendance Policy; or
 - (ii) if a Director fails to comply with the *Public Hospitals Act*, the *Act*, the Corporation's Letters Patent, By-Laws, the Rules and Regulations, the Policies and procedures, including without limitation the confidentiality, Conflict of Interest and standards of care requirements.

Part 3 – Conflict of Interest and Confidentiality Provisions

Conflict of Interest

- (a) Every Director who, either directly or through an associate, has or thinks the Director may potentially have an actual or perceived Conflict of Interest with respect to a proposed or current contract, transaction, matter or decision of the Corporation, shall disclose the nature and extent of the Conflict of Interest at a meeting of the Board.
- (b) The declaration of interest shall be disclosed at the meeting of the Board at which the contract, transaction, matter or decision is first raised.
- (c) If the Director, or the Director's associates, becomes interested in a contract, transaction, matter or decision after the Board meeting at which it is first raised, the Director shall make a declaration at the next Board meeting following the Director's perception or apprehension of a conflict.
- (d) In the case of an existing contract, transaction, matter or decision, the declaration shall be made at the first meeting of the Board after the individual becomes a Director or the interest comes into being.
- (e) All such declarations of interest (including the specific nature thereof) shall be recorded in the minutes of the meeting and in the minutes of every meeting at which the matter that is the subject of the declaration is addressed (either discussed or voted on). The Secretary of the Corporation shall maintain a list of all ongoing matters that are the subject of a conflict of interest declaration,

together with the identity of the conflicted Director(s). Such list shall be referred to by the Secretary (or designate) when preparing Board or committee packages, and any materials relating to a matter that is the subject of a conflict of interest declaration shall be omitted from the Board or committee package of any conflicted Director.

- (f) Subject to paragraph (g) above, after making such a declaration, no interested Director shall vote or be present at the vote or during the discussions, or otherwise attempt to influence the voting, on a contract, transaction, matter or decision, nor shall the Director be counted in any required quorum with respect to the vote. The abstention of the conflicted Director from discussion and voting shall also be recorded in the minutes of each relevant meeting. The conflicted Director is not restricted from answering questions about or explaining the Director's involvement in the matter that is the subject of the declaration prior to absenting himself/herself.
- (g)
 - (i) Directors of the Hospital may have interests with stakeholders of the Hospital which may appear to be a conflict of interest. The Board recognizes that where the perceived conflicts relate to non-profit stakeholders/partners that share common goals with the Hospital that the benefits of having such Directors on the Board outweigh the potential difficulties relating to the perceived or actual conflict of interest.
 - (ii) The benefits include:
 - (A) reflection of the operational reality of the inter-relationship that the Hospital has with certain key stakeholders/partners that is critical to the Hospital achieving its mission and vision; and
 - (B) increased capacity of the Board because it leads to fuller and more informed deliberation on issues that have cross-organizational implications.
 - (iii) For the reasons reviewed above, notwithstanding provision to the contrary contained in paragraph (f) or (k) of this By-law, where a Director has an actual or perceived conflict of interest relating to a not-for-profit partner or stakeholder, the Director shall be entitled to be present at and take part in the deliberations with respect to the proposed contract or transaction or matter but shall not be entitled to vote.
- (h) If a Director has made a declaration of Conflict of Interest in compliance with this By-Law, the Director is not accountable to the Corporation for any profits that may be realized from the contract, transaction, matter or decision.
- (i) If the Director fails to make a Declaration of the Director's interest in a contract, transaction, matter or decision, as required by this By-Law, this failure may be considered grounds for termination of the position of Director, in addition to any other remedies available to the Corporation under statute, equity or common law. A Director's undeclared Conflict of Interest may, at the discretion of the Board, be brought before the members for approval and confirmation.

- (j) The failure of any Director to comply with the Conflict of Interest provisions of this By-Law does not, in or of itself, invalidate any contract, transaction, matter or decision undertaken by the Board, although the contract, transaction, matter or decision may be voidable at the discretion of the Board.
- (k) Subject to paragraph (g) above, if a Director believes that any other Director is in a Conflict of Interest position with respect to any contract, transaction, matter or decision, the Director shall have that concern recorded in the minutes, and the Director with the alleged Conflict of Interest shall have the right to address the Board with respect to the allegation, and shall then leave the room. Thereafter, at the request of the Director who recorded the initial concern, the Board shall vote on whether the Director alleged to have a Conflict of Interest is, in the opinion of the Board, in a Conflict of Interest. If the Board finds the person in a Conflict of Interest, that interested Director leave the room during any subsequent discussion or voting process relating to or pertaining to the conflict. The question or whether a Director has a Conflict of Interest shall be determined by a simple majority of the Board and shall be final.
- (l) If the Board finds that the person is not in conflict, the Board will then vote on the contract, transaction, matter or decision and the votes of each Director shall be recorded.
- (m) Where the number of Directors who, by reason of the provisions of this section, are prohibited from participating in a meeting is such that at that meeting the remaining Directors are not of sufficient number to constitute a quorum, then, notwithstanding any other provision in this By-Law, the remaining number of Directors shall be deemed to constitute a quorum, provided such number is not less than three (3).
- (n) Where, in the circumstances mentioned in paragraph (m) above, the remaining number of Directors who are not prohibited from participating in the meeting is less than three (3), the Chair of the Board may apply to the Superior Court of Justice on an ex parte basis for an Order authorizing the Board to give consideration to, discuss and vote on the matter out of which the interest arises, or such other relief as the Court may consider appropriate.

Confidentiality

- (a) Every Director, officer, employee and Professional Staff member of the Corporation shall respect the confidentiality of matters brought before the Board, keeping in mind that unauthorized statements may adversely affect the interests of the Corporation.
- (b) The Chair and/or his/her delegate, is solely responsible for communication relating to the roles and responsibilities of the Board. The Chief Executive Officer and/or his/her delegate, is solely responsible for communication relating to the operations of the Hospital.
- (c) The Board shall ensure that a confidentiality policy is enacted for the Corporation.

Part 4 – Roles and Responsibilities of Board to Corporation

Roles

The Board shall:

- (a) policy formulation
 - establish policies to provide guidance to those empowered with the responsibility to manage Hospital operations;
- (b) decision-making
 - choose from alternatives which are consistent with Board Policies and that advance the mission, vision, values and goals of the Hospital; and
- (c) oversight
 - monitor and assess organizational processes and outcomes.

Responsibilities

The Board shall:

- (a) Define Ends
 - (i) Formulate and promote the vision, mission, values of the Hospital.
 - (ii) Contribute to the development of and approve the strategic plan of the Hospital.
 - (iii) Ensure that key goals are formulated that help the Hospital accomplish its mission and actualize its vision.
 - (iv) Monitor and measure corporate performance against the strategic and operating plans.
 - (v) Retain overall accountability for the performance of the Hospital.
- (b) Provide for excellent leadership and management in the Chief Executive Officer and Chief of Staff positions.
 - (i) Select the Chief Executive Officer; specify measurable performance expectations in cooperation with the Chief Executive Officer, appraise/assess performance and determine compensation.
 - (ii) Delegate responsibility and concomitant authority to the Chief Executive Officer and require accountability to the Board.
 - (iii) Select the Chief of Staff; specify measurable performance expectations in cooperation with the Chief of Staff, appraise/assess performance and determine compensation.

- (iv) Delegate responsibility and authority to the Chief of Staff and require accountability to the Board.
- (c) Ensure succession planning
 - (i) Provide for Chief Executive Officer succession.
 - (ii) Provide for Chief of Staff succession.
 - (iii) Ensure that the Chief Executive Officer and Chief of Staff establish an appropriate succession plan for both Executive Management and Professional Staff leadership.
- (d) Ensure Program Effectiveness
 - (i) Credential Professional Staff:
 - (A) make the final appointment, reappointment and privilege delineation decisions; and
 - (B) ensure the effectiveness and fairness of the total credentialing process.
 - (ii) Ensure quality goals (using best practices) are developed and monitor indicators of clinical outcomes, quality of service and achievement of desired outcomes which are consistent with the mission and values.
 - (iii) Ensure that utilization and risk management systems are in place and operating effectively.
 - (iv) Provide oversight of the Professional Staff through and with the Medical Advisory Committee and Chief of Staff.
- (e) Build Relationships
 - (i) Build and maintain good relationships with the Ministry of Health and Long-Term Care and other key stakeholders, volunteers, political leaders, donors and the Foundation.
- (f) Ensure Financial Viability
 - (i) Establish key financial objectives that support the organization's goals and mission (including capital allocations and expenditures).
 - (ii) Ensure that optimal utilization of resources is a key focus while ensuring that the organization operates within its resource envelope.
 - (iii) Ensure that the organization undertakes the necessary financial planning activities so that resources are allocated effectively.

- (g) Ensure Board Effectiveness
 - (i) Measure the Board's own effectiveness and efficiency, including monitoring the effectiveness of individual Directors and Board officers and employing a process for Board renewal that embraces evaluation and continuous improvement.
 - (ii) Ensure ethical behaviour and compliance with laws and regulations, audit and accounting principles, accreditation requirements and the By-Laws.
 - (iii) Ensure the decision-making processes are transparent and that appropriate representation and input are achieved.
- (h) Ensure Effective Communication

Ensure the Hospital has a policy to enable the Hospital to communicate effectively with its stakeholders and the public generally. This policy addresses how feedback from stakeholders will be factored into the Hospital's decisions, and will address the critical role of the media in publishing and interpreting corporate information.
- (i) Establish Programs Required under the *Public Hospitals Act*

Ensure that an occupational health and safety program, a health surveillance program, and an environmental program are established and require accountability on a regular basis and that policies are in place to encourage and facilitate organ procurement and donation.
- (j) Ensure the Provision of Designated Services to the Public in Both Official Languages

Ensure that the Hospital meets or exceeds the requirements for designation of programs and services under the *French Language Services Act (Ontario)* as directed by the Ministry of Health and Long-Term Care.

Part 5 – Duties and Responsibilities of Every Director

- (a) Every Director shall,
 - (i) be loyal to the Corporation;
 - (ii) exercise the powers and discharge the duties of the office honestly, in good faith and in the best interest of the Corporation; and
 - (iii) exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
- (b) In contributing to the achievement of the responsibilities of the Board as a whole, each Director shall,

- (i) adhere to the Hospital's mission, vision and values;
- (ii) work positively, co-operatively and respectfully as a member of the team with other Directors and with the Hospital's management and staff;
- (iii) respect and abide by Board decisions;
- (iv) serve on at least one (1) standing committee;
- (v) complete the necessary background preparation in order to participate effectively in meetings of the Board and its committees;
- (vi) keep informed about,
 - (A) matters relating to the Corporation,
 - (B) the community served, and
 - (C) other health care services provided in the region;
- (vii) participate in the initial orientation as a new Director and in ongoing Board education;
- (viii) participate in the annual evaluation of overall Board effectiveness; and
- (ix) represent the Board, when requested.
- (x) support the activities and endeavors of the Foundation to optimize fundraising opportunities; and
- (xi) as per Board policy, attend Board and assigned committee meetings and Board retreats.