

Category	Policy Title	Date Adopted	Review Schedule
Governance	Board Effectiveness Policy	Governance Committee Review: May 8, 2014 For recommendation to the Board: May 28, 2014	Annually

BACKGROUND:

High performing Boards know the importance of understanding and committing to good governance principles and practices. As a means to understand, communicate, manage and measure effectiveness as a Board and an organization, the Central West LHIN Board of Directors has adopted the following ‘Board Effectiveness Policy’ which highlights the many dimensions of good governance practice. It also serves as a lens through which the Board can pursue and monitor its compliance and performance responsibilities, acknowledging the related, yet distinct, roles played by the Board as a Whole, and each Board Member. This policy applies to all Order-in-Council appointed Board Members as well as any community members appointed to Board Sub-committees.

POLICY STATEMENT:

It is the Board’s responsibility to ensure that robust dialogue, clear documentation and careful, ongoing attention is given to all dimensions of governance work. In doing so, the Board can take the necessary steps to ensure a fully integrated way of governing, both for themselves and together with other provider Boards.

(i) Stakeholder Relationships:

The Board is first and foremost the steward for the organization’s key stakeholder identified as the Ministry of Health and Long-Term Care. In the case of health service providers, the key stakeholder is the LHIN. The Board’s secondary stakeholders are the service provider organizations that provide health services within the jurisdiction of the LHIN.

(ii) Board Composition:

Members' expertise and skills including leadership are matched to those identified by the organization as required to move the organization forward. Members provide significant input and diverse perspectives to ensure that the mission of the organization is met. The perspectives of various constituencies are best addressed through means other than through representation on the Board.

(iii) Strategic Leadership:

The Board ensures there is clear, relevant, meaningful and well-understood strategic direction for the organization. The Board provides direction to operational leadership regarding organizational priorities and resourcing. The Board is responsible for the recruitment, selection, evaluation, termination and succession of the CEO.

The CEO is the only employee of the Board and is responsible for all operations and staff. As the operational leader, the CEO is ultimately responsible for all operational issues and the Board recognizes the right of management to manage. The Board's expectations of the CEO are clear, understood, measurable and documented.

(iv) Board Accountability:

The Board establishes goals and structures and organizes itself to meet those goals. The Board measures and evaluates its contribution and goal achievement annually.

(v) Fiduciary Duty:

As a fiduciary of the Central West LHIN, a Director acts ethically, honestly and in good faith with a view to the best interests of the organization and in doing so, supports the organization in fulfilling its mission and discharging its accountabilities.

A Director exercises the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Directors with special skill and knowledge are expected to apply that skill and knowledge to matters that come before the Board.

A Director does not represent the specific interests of any constituency or group. A Director acts and makes decisions that are in the best interest of the organization as a whole. A Director commits to the vision, mission and core values of the organization and complies with the Local Health System Integration Act (LHSIA) and Central West LHIN Board policies.

(vi) Exercise of Authority:

A Director carries out the powers of office only when acting as a member during a duly constituted meeting of the Board or one of its Committees. A Director respects the responsibilities delegated by the Board to the CEO, avoiding interference with their duties but insisting upon accountability to the Board and reporting mechanisms for assessing organizational performance.

(vii) Conflict of Interest:

A Director does not place him/herself in a position where his/her personal interests conflict with those of the organization. A Director complies with the Conflict of Interest policy as recommended by the LHIN Legal Services Branch and this policy is reviewed on a regular basis to ensure adherence.

(viii) Risk & Management:

The Board oversees the management of the organization's principal risks and assets on behalf of its stakeholders. The Board ensures there is compliance with articulated standards of the organization and identifies and mitigates the principle risks of the organization. The Board ensures there is a system to manage the risks of the organization and monitors this system.

(ix) Team Work:

A Director maintains effective relationships with other Directors, management and HSPs by working positively, cooperatively and respectfully with others in the performance of his/her duties while also exercising independence in decision-making.

(x) Participation:

A Director expects to receive relevant information well in advance of meetings and is responsible for reviewing pre-circulated materials to come prepared to Board and Board Committee meetings and educational events. He/she asked informed questions, and makes a constructive contribution to discussions.

(xi) Board Solidarity:

The official spokesperson for the Board is the Board Chair or the Chair's designate. A Director supports the decisions and policies of the Board in discussions with outsiders, even if the Director holds another view or voiced another view during a Board discussion or was absent from the Board Meeting. A Director refers requests for statements on behalf of the Board to the Board Chair.

(xii) Confidentiality:

Every Director shall respect the confidentiality of the information of the organization, including matters brought before the Board and its Committees, keeping in mind that unauthorized disclosure of information could adversely affect the interests of the organization.

(xiii) Skills, Time and Commitment:

A Director is generally expected to commit the necessary time required to fulfill Board and Committee responsibilities, including preparation for and attendance at Board Meetings, assigned Committee Meetings and other events.

A Director is expected to attend a minimum of 80% of the meetings of the Board and 80% of Committee Meetings of which he/she is a member, either in person or by electronic means. For Order in Council-appointed Board Members, failure to comply may result in a recommendation by the Chair to the Minister and Public Appointments Secretariat to have the OIC removed. For community members of Board Sub-Committees, there may be a request from the Committee Chair that they resign or be removed as a Committee Member should they attend less than 80% of meetings.

All Order in Council-appointed Directors are expected to serve on at least one Board Committee and to represent the Board and the Central West LHIN in the community when requested by the Chair.

A Director actively contributes specific skills and expertise and possesses the following essential competencies and qualities which are necessary for all Directors to fulfill their responsibilities:

- Personal and professional integrity, wisdom and judgment;
- A commitment to ethical standards and behaviour;
- Experience in and understanding of governance, including the roles and responsibilities of the Board and individual Directors and the difference between governance and management;
- Ability to participate assertively and communicate effectively as a member of the team with other members of the Board and senior management;
- Ability to think critically and ask relevant questions at a strategic level.

(xiv) Ongoing Education & Professional Development:

A Director seeks opportunities to be educated and informed about the Board and the key issues in the organization and broader health care system through review of the

Board Orientation Manual, participation in Board orientation and ongoing Board education and professional development opportunities.

(xv) *Continuous Quality Improvement:*

A Director is committed to a process of continuous self-improvement. All Directors will participate in an annual evaluation of the Board as well as annual Committee Assessment reviews and will receive and act upon results in a positive and constructive manner.