

**TIMMINS AND DISTRICT HOSPITAL  
/L'HÔPITAL DE TIMMINS ET DU DISTRICT  
ADMINISTRATIVE BY-LAW**

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**PREAMBLE**

**WHEREAS** it is the intent of Timmins and District Hospital/L'Hôpital de Timmins et du district to serve the Community, and whereas the mission of Timmins and District Hospital/L'Hôpital de Timmins et du district is,

1. To give care and treatment to the sick,
2. To provide education and maintain appropriate educational standards,
3. To promote medical research,
4. To maintain and improve community health,
5. To perform such lawful acts as are deemed necessary to promote the attainment of these objects, and

**WHEREAS** the governing body of Timmins and District Hospital/L'Hôpital de Timmins et du district deems it expedient that By-Law No. 1 heretofore enacted be cancelled and revoked and that the following By-Law No. 1 be adopted for regulating the affairs of the Hospital,

**AND WHEREAS** the Timmins and District Hospital/L'Hôpital de Timmins et du district, in accordance with the provision of the French Language Services Act (1986) is committed to provide services in both official languages in order to meet the linguistic needs of the population serviced by the Hospital. The Board and the Senior Leadership Team are accountable to ensure the appropriate provision of quality French Language Services.

**NOW THEREFORE** be it enacted and it is hereby enacted that By-Law No. 1 heretofore enacted be cancelled and revoked and that the following By-Law No. 1 be substituted in lieu thereof.

**BY-LAW NO. 1**

**OBJECTS OF THE CORPORATION**

“The objects for which the corporation is incorporated are:

- (a) To establish, equip, staff, maintain, operate and conduct a public hospital on one or more sites, including without limitation, active treatment programs and services, chronic care, community health, emergency services, mental health, out-patient services, rehabilitation and therapeutic services;
- (b) To equip, operate and maintain laboratories, diagnostic imaging services, therapeutic and rehabilitation facilities, pharmacies, dispensaries and/or any other services incidental to a hospital;
- (c) To promote and carry on teaching and scientific research activities with educational institutions related to the care of the sick and injured, insofar as such teaching and research can be carried on in, or in connection with, the Corporation;
- (d) To undertake research programs in connection with the prevention, treatment or rehabilitation of any sickness, injury or disease;
- (e) To participate in all phases of education pertaining to health care, including the education of physicians, dentists, nursing staff and other health care personnel;
- (f) To participate in any activities designed and carried on to promote the general health of the community;
- (g) 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, long-term care facilities and in-home health care services, in accordance with all applicable legislation as may be amended from time to time.”

**ARTICLE 1.     DEFINITIONS**

**1.1     DEFINITIONS AND INTERPRETATION**

- (1)     In this By-Law and all other By-Laws of the Corporation,
- (a)     “Act” means the *Not-for-Profit Corporations Act*, 2010 (Ontario)<sup>1</sup>, and where the context requires, includes the Regulations made under it;
  - (b)     "Admitting Privileges for the medical staff" means the privileges granted to members of the medical staff related to the admission of in-patients, registration of out-patients, and the diagnosis, assessment and treatment of in-patients and out-patients in the Hospital;
  - (c)     "Admitting Privileges for the midwifery staff" means the privileges granted to members of the midwifery staff related to the admission of in-patients, registration of out-patients, and the assessment and treatment of in-patients and out-patients in the Hospital;
  - (d)     “Admitting Privileges for the dental staff” means the privileges granted to members of the dental staff who hold a specialty certificate from the Royal College of Dental Surgeons of Ontario authorizing practice in oral and maxillofacial surgery, related to the admission of in-patients, registration of out-patients, and the diagnosis, assessment and treatment of in-patients and out-patients in the Hospital;
  - (e)     “Articles<sup>2</sup>” means any document or instrument that incorporates a corporation or modifies its incorporating document or instrument, including articles of incorporation, restated articles of incorporation, articles of amendment, articles of amalgamation, articles of arrangement, articles of continuance, articles of dissolution, articles of reorganization, articles of revival, letters patent, supplementary letters patent or a special Act;
  - (f)     “Board" means the governing body of the Hospital;
  - (g)     “By-Law” means any By-Law of the Corporation from time to time in effect;

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<sup>1</sup> Part III of the *Corporations Act* will be repealed on July 1, 2013.

<sup>2</sup> NFPCA 1(1).

- (h) "Chair" means the Director elected by the Board to serve as Chair of the Board;
- (i) "Chief Executive Officer" means, in addition to 'administrator' as defined in section 1 of the Public Hospitals Act, the President and Chief Executive Officer of the Corporation;
- (j) "Vice President, Stewardship and Accountability/Chief Financial Officer" means the senior employee responsible to the Chief Executive Officer for the treasury and controllership functions in the Hospital;
- (k) "Vice President, Clinical/Chief Nursing Executive " means the senior employee responsible to the Chief Executive Officer for nursing practice in the Hospital;
- (l) "Chief of Staff/Vice President of Medicine" means the Chief of the Medical Staff, Dental Staff, Midwifery Staff and Extended Class Nursing Staff appointed to the Hospital;
- (m) "Clinical Chief" is the head of a Clinical Service;
- (n) "Clinical Service" means an organizational unit of a Program which is based on a sub-speciality area of clinical practice;
- (o) "College" means, as the case may be, the College of Physicians and Surgeons of Ontario, the Royal College of Dental Surgeons of Ontario, the College of Midwives of Ontario, and/or the College of Nurses of Ontario;
- (p) "Conflict of Interest" includes, without limitation, the following three (3) areas that may give rise to a conflict of interest for the Directors of the Corporation, namely:
  - (i) Pecuniary or financial interest – a Director is said to have a pecuniary or financial interest in a decision when the Director (or the Director's Associates) stands to gain by that decision, either in the form of money, gifts, favours, gratuities or other special considerations;
  - (ii) Undue influence – participation or influence in Board decisions that selectively and disproportionately benefits particular agencies, companies, organizations, municipal or professional groups, or patients from a particular demographic, geographic, political, socio-economic or cultural group is a

violation of the Director's entrusted responsibility to the community at large; and

- (iii) Adverse Interest – a Director is said to have an adverse interest to the Corporation when the Director is a party to a claim, application or proceeding against the Corporation;
- (q) "Corporation" means the Timmins and District Hospital/L'Hôpital de Timmins et du district with the Head Office at 700 Ross Avenue East, Timmins, Ontario, P4N 8P2;
- (r) "Dental Staff" means the collection of legally qualified Dentists appointed by the Board to attend or perform dental services for patients in the Hospital;
- (s) "Dentist" means a dental practitioner in good standing with the Royal College of Dental Surgeons of Ontario;
- (t) "Director" means a member of the Board;
- (u) "Disruptive Behaviour" occurs when the use of inappropriate words, actions or inactions by a Professional Staff member interferes with his or her ability to function well with others to the extent that the behaviour interferes with, or is likely to interfere with, quality healthcare delivery and/or patient or workplace safety and/or staff recruitment, retention or the cost of providing healthcare to patients;
- (v) "ex officio" means membership "by virtue of the office" and includes all rights, responsibilities, and power to vote unless otherwise specified in the Legislation, By-Law or policy;
- (w) "Excluded Person" means:
  - (i) any member of the Professional Staff other than the members of the Medical Staff appointed to the Board pursuant to the Public Hospitals Act;
  - (ii) any employee other than the Chief Executive Officer and Vice President, Clinical/Chief Nursing Executive; and
  - (iii) any spouse, common law partner, dependent child, parent or sibling of a part-time or full-time employee (excluding students and casual employees) or full-



time member of the Professional Staff unless exempted by a special resolution of the Board.

- (iv) any person convicted of a criminal offence;
- (x) "Extended Class Nurses" means those registered nurses in the extended class to whom the Board has granted privileges with respect to the right to diagnose, prescribe for or treat out-patients of the Hospital;
- (y) "Extended Class Nursing Staff" means those Extended Class Nurses who are in good standing with the College of Nurses of Ontario, and who may:
  - (i) be employed by the Hospital and authorized to diagnose, prescribe for or treat out-patients in the Hospital, or
  - (ii) not be employed by the Hospital but be granted privileges by the Board to diagnose, prescribe for or treat out-patients in the Hospital;
- (z) "HSAA" means the Hospital Service Accountability Agreement entered into between the Corporation and the LHIN;
- (aa) "Hospital" means the Timmins and District Hospital/L'Hôpital de Timmins et du district;
- (bb) "Impact Analysis" means a study conducted by the Chief Executive Officer, or designate, in consultation with the Chief of Staff/Vice President of Medicine and Program Medical Directors to determine the impact upon the resources of the Corporation of the proposed or continued appointment of any person to the Professional Staff;
- (cc) "Independence" A Director is independent if the Director has no direct or indirect material relationship with a person which could be perceived by others as reasonably interfering with the exercise of the Director's independent judgement;
- (dd) "Legislation" means relevant statutes and regulations that govern the provision of health care to patients of the Hospital, including without limitation the *Broader Public Sector Accountability Act*, 2010, the *Commitment to the Future of Medicare Act* (Ontario), *Dentistry Act* (Ontario), the *Excellent Care for All Act* (Ontario), the *Freedom of*

*Information and Protection of Privacy Act (Ontario)*<sup>1</sup>, the *Health Care Consent Act (Ontario)*, the *Health Insurance Act (Ontario)*, the *Local Health System Integration Act (Ontario)*, the *Medicine Act (Ontario)*, the *Mental Health Act (Ontario)*, the *Midwifery Act (Ontario)*, the *Not-for-Profit Corporations (Ontario)*, the *Nursing Act (Ontario)*, the *Occupational Health and Safety Act (Ontario)*, the *Personal Health Information Protection Act (Ontario)*, the *Public Hospitals Act (Ontario)*, the *Quality of Care Information Protection Act, 2004 (Ontario)*, the *Regulated Health Professions Act (Ontario)*, the *Substitute Decisions Act (Ontario)*, and the *Workplace Safety and Insurance Act (Ontario)*;

- (ee) "LHIN" means the North East Local Health Integration Network;
- (ff) "Locum Tenens or "locum tenens" means Physicians, Dentists, Midwives or Extended Class Nurses who provide coverage for a member of the Professional Staff during their absence;
- (gg) "Medical Human Resource Plan" means the plan developed by the Chief Executive Officer in consultation with the Chief of Staff/Vice President of Medicine and Program Medical Directors based on the mission and strategic plan of the Corporation and on the needs of the community, which provides information and future projections of this information with respect to the management and appointment of Physicians, Dentists, Midwives, and Extended Class Nurses who are or may become members of the Professional Staff;
- (hh) "Medical Staff" means those Physicians who are appointed by the Board and who are granted Privileges to practise medicine in the Hospital;
- (ii) "Medical Staff Rules and Regulations" means provisions concerning the practice and professional conduct of the members of the Medical Staff;
- (jj) "Member" means member of the Corporation;
- (kk) "Midwife" means a Midwife in good standing with the College of Midwives of Ontario;

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<sup>1</sup> *Freedom of Information and Protection of Privacy Act (Ontario)* shall apply to records in the control and custody of the Corporation as of January 1, 2012.

- (ll) "Midwifery Staff" means those Midwives who are appointed by the Board and who are granted Privileges to practise midwifery in the Hospital;
- (mm) "Nurse" means a holder of a current certificate of competence issued in Ontario as a registered nurse;
- (nn) "Patient" unless otherwise specified, any in-patient, out-patient or other patient of the Corporation;
- (oo) "Patient Safety Indicators" means the patient safety indicators identified by the MOHLTC that hospitals are required to disclose publicly through their public web sites or such other means as the MOHLTC may direct;
- (pp) "Accountability Indicators" means the performance indicators set out in the HSAA;
- (qq) "Performance Metrics" means the Board approved organization performance metrics that provide an overview of the organization performance in achieving financial, quality, safety, and human resource targets including without limitation, the Accountability Indicators, Balanced Scorecard Indicators, Patient Safety Indicators, performance improvement targets, wait times indicators and such other performance metrics that the Board may approve from time to time;
- (rr) "Physician" means a medical practitioner in good standing with the College of Physicians and Surgeons of Ontario;
- (ss) "Policies" means the administrative, medical and professional policies of the Hospital;
- (tt) "Professional Staff" means those Physicians, Dentists, Midwives and Extended Class Nurses who are appointed by the Board and who are granted specific Privileges to practise medicine, dentistry, midwifery, respectively, or, with respect to extended class nursing the right to diagnose, prescribe for or treat out-patients in the Hospital;
- (uu) "Program" means a cluster of patient-centred services which optimizes patient care, education and research and is consistent with the mission and vision of the Corporation;
- (vv) "Program Medical Director" means the member of the Medical Staff who is appointed by the Board to be responsible for the professional standards and quality of

professional care rendered by the Professional Staff members of his or her Program at the Hospital;

- (ww) "Public Hospitals Act" means the Public Hospitals Act (Ontario) and, where the context requires, includes the regulations made under it;
- (xx) "Rules and Regulations" means the rules governing the practice, conduct and expectations of the Professional Staff in the Hospital both generally and within a particular Department, such as codes of behaviours and conduct, which have been established respectively by the staff in general and the staff of the Program; and
- (yy) "Standardized Credentialling Policy" means the policy which governs appointment, re-appointment, alteration and mid-term revocation of Hospital staff privileges, between the Hospital and other hospitals in the catchment area;
- (zz) "Special Resolution" means a resolution passed by the Directors and confirmed with or without variation by at least two-thirds (2/3) of the votes cast at a general meeting of the Members of the Hospital duly called for the purpose, or at an annual meeting, or in lieu of such confirmation, by consent in writing of all Members entitled to vote at such meeting; and
- (aaa) "Supervisor" means a physician, dentist or midwife, as the case may be, who is assigned the responsibility to oversee the work of another physician, dentist, midwife or registered nurse in the extended class respectively, unless otherwise provided for in this By-Law.

## **1.2 INTERPRETATION**

This By-Law shall be interpreted in accordance with the following unless the context otherwise specifies or requires:

- (1) all terms which are contained in this By-Law and which are defined in the Act or the Public Hospitals Act or the regulations made thereunder, shall have the meanings given to terms in the Act or Public Hospitals Act or the regulations made thereunder;
- (2) the use of the singular number shall include the plural and vice versa, the use of gender shall include the masculine, feminine and neuter genders;
- (3) the headings used in this By-Law are inserted for reference purposes only and are not to be considered or taken into account in

construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions;

- (4) any references herein to any laws, by-laws, rules, regulation, order or act of any government, governmental body or other regulatory body shall be construed as a reference thereto as amended or re-enacted from time to time or as a reference to any successor thereto;
- (5) any Director, officer, Medical Staff member, employee or member of the public, as the context requires and as is permitted by the By-Law or rules and policies of the Corporation, may participate in a meeting of the Board or of a committee of the Board or a committee of the Medical Staff Association by means of telephone conference or electronic or other communication facilities as permit all persons participating in the meeting to communicate adequately with each other during the meeting<sup>3</sup>, and a person participating in such a meeting by such means is deemed for the purposes of the Act and this By-Law to be present at the meeting; and
- (6) business arising at any meeting of the Corporation, the Board or any Committee established pursuant to this By-Law, shall be decided by a majority of votes unless otherwise required by statute, provided that:
  - (a) unless otherwise specified, each Member, each Director and each Committee member shall be entitled to one (1) vote at any meeting of the Corporation, Board or Committee, respectively;
  - (b) in accordance with the Public Hospitals Act, no Member shall be entitled to vote by proxy at a meeting of the Corporation, all Members must attend annual and/or special meetings of the Corporation in person or via telephone or electronic means in order to be eligible to vote;
  - (c) votes shall be taken in the usual way, by show of hands, among all Members, Directors and Committee members present and, in the event of a tie, the motion is lost, except that at a meeting of the Members the Chair is entitled to a casting vote in the event of a tie;
  - (d) after a show of hands has been taken on any question, the Chair of the meeting may require, or any person entitled to

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<sup>3</sup> NFPCA S.53(4).

vote on the question may demand, a poll thereon. A poll so required or demanded shall be taken in such manner as the Chair of the meeting shall direct. A demand for a poll may be withdrawn at any time prior to the taking of the poll. Upon a poll, each individual present in person and entitled to vote at such meeting shall have one (1) vote and the result of the poll shall be the decision of the Members, the Board or the Committee, as the case may be;

- (e) whenever a vote by show of hands shall have been taken on a question, unless a poll is required or demanded, a declaration by the Chair of the meeting that a resolution, vote or motion has been carried and an entry to that effect in the minutes shall be admissible in evidence as prima facie proof of the fact that without proof of the number or proportion of the votes recorded in favour of or against such resolution, vote or motion;
- (f) despite any other provisions of this By-Law, any person entitled to vote at a meeting may at any time require that the vote be recorded. The request for a recorded vote does not require a motion and is not debatable or amendable; and
- (g) any questions of procedure at or for any meetings of the Corporation, of the Board, of the medical staff, or of any committee, which have not been provided for in this By-Law, by the Act, by the Public Hospitals Act or Regulations thereunder, or the Rules of the Hospital, shall be determined by the Chair of the Board or Committee as the case may be, in accordance with the rules of procedure adopted by resolution of the Board.

## **ARTICLE 2. CORPORATION**

### **2.1 MEMBERS OF THE CORPORATION**

The Directors of the Corporation shall be ex officio Members of the Corporation.

### **2.2 TERMINATION OR DISCIPLINE OF MEMBERSHIP**

- (1) The interest of a Member in the Corporation is not transferable and lapses and ceases to exist<sup>4</sup>:
  - (a) upon death or resignation of the Member;

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<sup>4</sup> NFPCA s.51.

- (b) violating any provision of the Articles, By-Law, or written Policies of the Corporation;
  - (c) carrying out any conduct which may be detrimental to the Corporation or
  - (d) for any other reason as determined by the Board in its sole and absolute discretion;
  - (e) in the event that the Member ceases to meet the qualifications set out for membership in this By-Law, such determination to be made in the absolute sole discretion of the Board; or
  - (f) when the person ceases to be a Director of the Hospital.
- (2) In the event that the Board determines that a Member should be expelled or suspended from membership in the Corporation, the Chair, or such other officer as may be designated by the Board, shall provide fifteen (15) days' notice of suspension or termination to the Member and shall provide reasons for the proposed suspension or expulsion. The Member may make written submissions to the Chair, or such other officer as may be designated by the Board, in response to the notice received, within such fifteen (15) day period. In the event that no written submissions are received by the Chair, the Chair or such other officer as may be designated by the Board, may proceed to notify the Member that the Member is suspended or expelled from membership in the Corporation. If written submissions are received in accordance with this section, the Board will consider such submissions in arriving at a final decision and shall notify the Member concerning such final decision within a further fifteen (15) days from the date of receipt of the submissions<sup>5</sup>.
- (3) A Member of the Corporation who claims to be aggrieved because they were disciplined or because their membership was terminated may apply to the court for an order that the court thinks fit<sup>6</sup>.

### **2.3 RIGHTS OF THE MEMBERS**

The Members shall be entitled to all of the rights conferred upon them by this By-Law and the Act.

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<sup>5</sup> NFPCA s.51(3).

<sup>6</sup> NFPCA s.51(5).

## **2.4 ANNUAL MEETING OF THE CORPORATION**

### **2.4.1 Time and Place**

The annual meeting of the Corporation shall be held on such day in each year and at such place in Ontario as the Board may determine.

### **2.4.2 Notice**

- (1) Not less than ten (10) days' prior written notice and not more than fifty (50) days' notice<sup>7</sup> (prepaid mail, facsimile or e-mail) of an annual meeting shall be given to each Member. Notice of any meeting where special business will be transacted shall contain sufficient information to permit the Member to form a reasoned judgement on the decision to be taken and the text of any special resolution to be submitted to the meeting<sup>8</sup>.
- (2) In lieu of such notice, it is sufficient notice of any annual or special meeting of Members of the Corporation if notice is given by publication at least once a week for two successive weeks next preceding the meeting in a newspaper or newspapers circulated in the municipalities in which Members of the Corporation reside as shown by their addresses in the records of the Corporation.
- (3) No unintentional or technical error or omission in giving notice of a meeting of Members of the Corporation may invalidate resolutions passed or proceedings taken at the meeting. Any Member may at any time waive notice of any such meeting and may ratify, approve and confirm any or all resolutions passed or proceedings taken at the meeting.

### **2.4.3 Voting**

At all annual or special meetings, voting shall be determined in accordance with the process set out in paragraph 1.2(6).

### **2.4.4 Quorum**

A quorum for the annual meeting of the Corporation shall be (50) percent plus one (1), members entitled to vote.

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<sup>7</sup> NFPCA 55(1).

<sup>8</sup> NFPCA 55(8)(b).



### 2.4.5 Business

- (1) The business transacted at the annual meeting of the Corporation shall include,
  - (a) Reading and/or the circulation and consideration of<sup>9</sup>:
    - (i) minutes of the previous annual meeting;
    - (ii) report of the unfinished business from any previous meeting of the Corporation;
    - (iii) report of the Chair of the Board;
    - (iv) report of the Chief Executive Officer;
    - (v) report of the Chief of Staff /Vice President of Medicine;
    - (vi) report of the Chair of the Resource Planning and Utilization Committee which shall include consideration of the financial statements;
    - (vii) report of the auditor;
  - (b) appointment of the auditor to hold office until the next annual meeting and authority for Directors to fix the remuneration of the auditor;
  - (c) report of the Board Governance Committee; and
  - (d) election of Directors.

Any other items of business conducted at a meeting of the Members shall be deemed to be special business<sup>10</sup>.

- (2) No item of other business shall be considered at the annual meeting unless notice in writing of such item of special business has been given to the Secretary prior to the giving of notice of the annual meeting so that such item of special business can be included in the notice of annual meeting, together with the text of the resolution. If the item of special business is requisitioned by the Members; the Member's requisition must comply with section 2.5.

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<sup>9</sup> NFPCA s.55(7).

<sup>10</sup> NFPCA s.55(7).

## **2.5 SPECIAL MEETINGS OF THE CORPORATION**

### **2.5.1 Time and Place**

Special meetings of the Corporation shall be held at such time and place in Ontario as may be determined by the Board.

### **2.5.2 Notice**

- (1) The Board or Chair may call a special meeting of the Corporation.
- (2) In accordance with the Act, if not less than one-tenth (1/10) of the members of the Corporation entitled to vote at a meeting proposed to be held, request the Directors, in writing, to call a special meeting of the members, the Directors of the Corporation shall, subject to subsection 2.5.2(6) below, call forthwith a special meeting of the members of the Corporation for the transaction of the business stated in the requisition.
- (3) The requisition referred to in subsection 2.5.2(2) shall state the general nature of the business to be presented at the meeting and shall be signed by the requisitionists and deposited at the head office of the Corporation and may consist of several documents in like form signed by one of the requisitionists.
- (4) Notice of a special meeting shall be given in the same manner as provided in subsection 2.4.2(1).
- (5) The notice of a special meeting shall specify the purpose or purposes for which it is called and shall include the text of the resolution<sup>11</sup>.
- (6) If the Directors, acting in their sole and absolute discretion, determine that:
  - (a) the requisition meets the qualifications set out in subsection 2.5.2, the Directors shall call and hold such meeting within twenty-one (21) days from the date of the deposit of the requisition that met the one-tenth (1/10th) threshold requirement; or
  - (b) (i) the requisition does not meet the qualifications set out in subsection 2.5.2<sup>12</sup>; or

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<sup>11</sup> NFCA s.55(8)(b).

<sup>12</sup> NFPCA s.56(6).

- (ii) the primary purpose of the requisition is to enforce a personal claim or redress a personal grievance against the Corporation or its Directors, officers, or Members; or
- (iii) the requisition does not relate in a significant way to the activities or affairs of the Corporation; or
- (iv) substantially the same requisition was submitted to Members in a notice of a meeting of the Members held not more than two (2) years before the receipt of the requisition and the requisition was defeated; or
- (v) the rights conferred by this section are being abused to secure publicity,

the Directors shall provide the requisitioning Members written notice of their determination not to call a meeting within twenty-one (21) days of the date calculated pursuant to clause (i) above.

- (7) Subject to paragraph (6) above, if the directors do not within twenty-one (21) days from the date of the deposit of the requisition call and hold such meeting, any of the requisitions may call such meeting as nearly as possible in the manner as is set out in this section 2.5.2.<sup>13</sup>

### **2.5.3 Quorum**

A quorum for a special meeting of the Corporation shall be a majority of the members.

### **2.6 ADJOURNED MEETINGS OF THE CORPORATION**

- (1) If within one half-hour (1/2) after the time appointed for a meeting of the Corporation, a quorum is not present, the meeting shall stand adjourned until a day within two (2) weeks to be determined by the Board.
- (2) At least three (3) days' notice of the re-scheduled meeting following an adjournment shall be given by publication in a newspaper circulated in the municipality in which the Corporation is located.

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<sup>13</sup> NFPCA s. 60(5).

## **2.7 MEETINGS OF THE CORPORATION**

### **2.7.1 Chair**

The meetings of the Corporation shall be Chaired by,

- (1) the Chair; or
- (2) a Vice-Chair if the Chair is absent; or
- (3) a member of the Corporation elected by the members present if the Chair and Vice-Chairs are all absent, or unable to act.

## **2.8 WRITTEN RESOLUTIONS**

A resolution signed by all the Members entitled to vote on that resolution at a meeting of the Members is as valid as if it had been passed at a meeting of the Members<sup>14</sup>.

## **2.9 FISCAL YEAR OF THE CORPORATION**

The fiscal year of the Corporation shall end with the 31st day of March in each year.

## **ARTICLE 3. BOARD OF DIRECTORS**

### **3.1 BOARD COMPOSITION AND TERM**

- (1) The affairs of the Corporation shall be governed by a Board of a maximum of twenty-one (21) and a minimum of nineteen (19) Directors of whom<sup>15</sup>:

#### Elected

- (a) a minimum of eleven (11) and a maximum of thirteen (13) Directors shall be elected in accordance with subsection 3.1(2); and

#### Ex Officio

- (b) eight (8) Directors shall be ex officio in accordance with subsection 3.1(4).

- (2) The number of elected Directors shall be fixed from time to time by at least two-third vote of the Directors.

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<sup>14</sup> NFPCA s.59(1).

<sup>15</sup> NFPCA s.22(2).

- (3) The elected Directors shall be elected on a rotational basis, for three year terms. The term may be renewed by invitation of the Governance Committee subject to the 12 years as described in section (7).
- (4) The persons holding the following offices shall be ex officio Directors of the Corporation:
  - (a) one (1) director of the Timmins & District Hospital Foundation;
  - (b) one (1) director residing in the District of Cochrane who is recommended by the North Eastern Ontario Municipal Association for a four (4) year term;
  - (c) one (1) Indigenous Canadian, who is a resident of the Cochrane sub-region for a three (3) year term; and
  - (d) the Chief Executive Officer, Chief of Staff/Vice President of Medicine, President of the Medical Staff Association and Vice-President of the Medical Staff Association and Vice President, Clinical/Chief Nursing Executive shall be ex officio non-voting members of the Board. The rights of the ex officio Directors listed in this paragraph to vote at Board Committee meetings shall be as prescribed in the By-Law or in policy.
- (5) The Board of Directors in its sole discretion may appoint honorary non-voting Directors for a term of one year who may attend Board meetings but do not count towards quorum.
- (6) The Chief Executive Officer shall be, ex officio, the Secretary of the Board.
- (7) No person may be elected or appointed a Director for more terms than will constitute twelve (12) consecutive years of service provided, however, that following a break in the continuous service of at least one (1) year the same person may be re-elected or reappointed a Director. In circumstances deemed exceptional by a two-third (2/3) vote of the Board, the Board may extend a Director's expiring term under this provision by one (1) year increments in the interests of Board continuity and succession planning.
- (8) No Director may serve as Chair, Vice-Chair or Treasurer of the Board for more than two (2) consecutive three (3) year terms in one office, subject to annual confirmation by the Board, provided however, that following a break in the continuous service of at least one year, the same person may be re-elected or re-appointed to any office.

- (9) Notwithstanding paragraph (6) above, in the event that any Director is serving on the Board of Directors of the Ontario Hospital Association or a similar organization and is nearing the 12 year maximum consecutive years of service, the Hospital Board and Corporation can have this hospital Director's term formally extended to coincide with that term of office.

### **3.2 QUALIFICATIONS OF DIRECTORS**

The following persons are disqualified from being a Director of the Corporation<sup>16</sup>:

- (1) An Excluded Person except for the ex officio positions set out in paragraphs 3.1(3)(e) above.
- (2) A person who is not an individual.
- (3) A person who is under eighteen (18) years old.
- (4) A person who has been found under the *Substitute Decisions Act*, 1992 or under the *Mental Health Act* to be incapable of managing property.
- (5) A person who has been found to be incapable by any court in Canada or elsewhere.
- (6) A person who has the status of bankrupt.

### **3.3 NOMINATIONS FOR ELECTION OF DIRECTORS**

Subject to this section and all other provisions of this By-Law, nominations for election as Director at the annual general meeting of the Corporation may be made only in accordance with the following process:

- (1) The Board Governance Committee shall request written nominations for vacant positions on the Board of Directors from Members of the Corporation, at least thirty (30) days in advance of the annual general meeting accompanied by a written declaration signed by the nominee that the nominee will serve as a Director in accordance with this By-Law if elected.
- (2) The Board Governance Committee shall, throughout the year, identify potential candidates for Directors and determine the willingness of such candidates to serve.

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<sup>16</sup> NFPCA s.23(1).

- (3) The Board Governance Committee will receive and review all nominations made by the Directors and the Members and will prepare a list of recommended nominees to the Board.
- (4) The Board will receive and review the list of candidates and recommended nominations and prepare a list for consideration by the Members for election as Directors.
- (5) Notwithstanding any other provision of this By-Law, a member is entitled to nominate a person to be elected as Director at the annual meeting of the Corporation<sup>17</sup>.

#### **3.4 ATTENDANCE AT MEETINGS**

- (1) The Board shall establish a policy for the minimum attendance by a Director at meetings of the Board of Directors and Standing Committees and Special Committees of the Board.
- (2) A Director shall attend meetings of the Board of Directors and Standing Committees of the Board in accordance with the Board policy.

#### **3.5 RESIGNATION BY A DIRECTOR**

A Director may resign his or her office by communicating in writing to the Secretary of the Corporation, which resignation shall be effective at the time it is received by the Secretary or at the time specified in the notice, whichever is later.

#### **3.6 VACANCY AND TERMINATION OF OFFICE**

- (1) The office of a Director shall automatically be vacated:
  - (a) if the Director fails to meet at any time, the qualifications set out in section 3.2 of this By-Law;
  - (b) where the Board, in its discretion, declares the Director's seat vacant because the Director is absent for three (3) consecutive meetings of the Board, or because the Director is absent for one-third (1/3) or more of the meetings of the Board in any twelve (12) month period;
  - (c) if 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; or

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<sup>17</sup> NFPCA 56(5).

- (d) if the Director dies.
- (2) The office of any elected Director may, at a special meeting of the Members, be terminated by a simple majority resolution of the Members:
  - (a) if a Director fails to comply with the Legislation, the Corporation's Articles, By-Law, the Rules and Regulations, the Policies and procedures, including without limitation the confidentiality, Conflict of Interest and standards of care requirements;
  - (b) if a Director's conduct is determined to be detrimental to the Corporation<sup>18</sup>; or
  - (c) for any other reason that the Members consider to be reasonable, having regard to the purpose of the Corporation.
- (3) If a vacancy occurs at any time among the Directors either by a resignation, by death or removal by the Members in accordance with paragraphs 3.6(1) and 3.6(2) above, or by any other cause, such vacancy may be filled by a qualified person elected by the Board to serve until the next annual meeting.
- (4) At the next annual meeting in addition to the election of Directors to fill the vacancies caused by expiry of Directors' terms, the meeting shall elect an additional Director to fill the unexpired term created by any vacancy referred to in subsection 3.6(1) above.

### **3.7 ROLES OF THE BOARD**

The Board shall:

- (1) Policy Formulation  
establish policies to provide guidance to those empowered with the responsibility to manage Hospital operations;
- (2) Decision-Making  
choose from alternatives which are consistent with Board Policies and that advance the goals of the Hospital; and
- (3) Oversight  
monitor and assess organizational processes and outcomes.

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<sup>18</sup> NFPCA s.56(6).



### **3.8 RESPONSIBILITIES OF THE BOARD**

The Board shall:

- (1) Define Ends
  - (a) Formulate the vision, mission, and values of the Hospital.
  - (b) Contribute to the development of and approve:
    - (i) the strategic plan of the Hospital;
    - (ii) the Performance Metrics; and
    - (iii) Quality Improvement Plan.
  - (c) Ensure that key goals are formulated that help the Hospital accomplish its mission and actualize its vision in accordance with the Hospital's accountability framework.
  - (d) Monitor and measure corporate performance against the strategic and operating plans, Performance Metrics and Quality Improvement Plan.
  - (e) Retain overall accountability for the performance of the Hospital.
- (2) Corporate Performance

The Board is responsible for ensuring that there are systems in place to:

- (a) identify principal risks to the Corporation and oversee the effectiveness of the process for identification thereof, which principal risks shall include but not be limited to strategic, leadership, partnership, public image, financial, quality and patient/workplace safety risks;
- (b) implement systems to monitor, mitigate, decrease and respond to the principal risks, including without limitation implementing systems;
- (c) oversee the implementation of internal control and management information systems which will allow the Board and management to oversee the Corporation's achievement of the Performance Metrics;
- (d) ensure processes are in place to monitor and continuously improve upon the Performance Metrics;

- (e) review regularly the functioning of the Corporation in relation to the objects of the Corporation as stated in the Articles, the By-Law, Legislation, and the HSAA; and
  - (f) establish procedures for monitoring compliance with, and take such measures as the Board considers necessary, to ensure that the provisions of the Public Hospitals Act, the regulations made under the Public Hospitals Act, and the By-Law of the Corporation and other applicable Legislation, are complied with.
- (3) Provide for Excellent Leadership and Management in the Chief Executive Officer and Chief of Staff/Vice President of Medicine Positions.
- (a) Select the Chief Executive Officer. In doing so, the Board shall satisfy itself as to the integrity of the Chief Executive Officer.
  - (b) Establish a Board policy for the performance evaluation and compensation of the Chief Executive Officer. The policy shall ensure that:
    - (i) the Chief Executive Officer's performance evaluation and compensation are aligned with the Corporation meeting its Performance Metrics targets;
    - (ii) all Board members are provided an opportunity to provide input into the process; and
    - (iii) the Board shall be required to approve any changes to the Chief Executive Officer's employment agreement or compensation and the determination of the Chief Executive Officer's entitlement to a performance payment.
    - (iv) Delegate responsibility and concomitant authority to the Chief Executive Officer and require accountability to the Board.
    - (v) Select the Chief of Staff/Vice President of Medicine. In doing so, the Board shall satisfy itself as to the integrity of the Chief of Staff/Vice President of Medicine.
  - (c) Establish a Board policy for the performance evaluation and compensation of the Chief of Staff/Vice President of Medicine. The policy shall ensure that:

- (i) the Chief of Staff/Vice President of Medicine's performance evaluation and compensation are aligned with the Corporation meeting its Performance Metrics targets;
    - (ii) all Board members are provided an opportunity to provide input into the process; and
    - (iii) the Board shall be required to approve any changes to the Chief of Staff/Vice President of Medicine's employment agreement or compensation and the determination of the Chief of Staff/Vice President of Medicine's entitlement to a performance payment.
  - (d) Delegate responsibility and authority to the Chief of Staff /Vice President of Medicine, and require accountability to the Board.
- (4) Ensure Succession Planning
- (a) Provide for Chief Executive Officer succession.
  - (b) Provide for Chief of Staff /Vice President of Medicine succession.
  - (c) Ensure that the Chief Executive Officer and Chief of Staff /Vice President of Medicine establish an appropriate succession plan for both Executive Management, Professional Staff leadership, Professional Staff members and allied healthcare workers
- (5) Ensure Oversight of Professional Staff
- (a) Credential Professional Staff:
    - (i) make the final appointment, reappointment and privilege delineation decisions; and
    - (ii) ensure the effectiveness and fairness of the total credentialing process.
  - (b) 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, including without limitation, the Patient Safety Indicators and Performance Improvement Targets.

- (c) Ensure that utilization and risk management systems are in place and operating effectively.
  - (d) Provide oversight of the Professional Staff through and with the Medical Advisory Committee and Chief of Staff/Vice President of Medicine.
- (6) Build Relationships
- (a) Build and maintain good relationships with the Ministry of Health and Long-Term Care, North East LHIN and other key stakeholders, Volunteers, political leaders, donors and the Foundation.
- (7) Ensure Financial Viability
- (a) Establish key financial objectives that support the organization's goals and mission (including capital allocations and expenditures).
  - (b) Ensure that optimal utilization of resources is a key focus while ensuring that the organization operates within its resource envelope.
  - (c) Ensure that the organization undertakes the necessary financial planning activities so that resources are allocated effectively and within the parameters of the financial performance indicators.
- (8) Ensure Board Effectiveness
- (a) 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.
  - (b) Ensure ethical behaviour and compliance with laws and regulations, audit and accounting principles, Accreditation requirements and the By-Laws.
  - (c) Ensure the decision-making processes are transparent and that appropriate representation and input are achieved.
- (9) 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.

(10) 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. Ensure that Policies are in place to encourage and facilitate organ procurement and donation.

(11) Establish Executive Compensation Policy

Establish a compensation program for senior management and approve annual compensation for the Chief Executive Officer.

(12) Ensure clinical quality, patient safety and customer service excellence compared to external benchmarks

- (a) Approve quantitative goals and monitor performance.
- (b) Approve annual plans for performance improvement and patient safety.
- (c) Monitor indicators of clinical outcomes, patient safety, quality of service, and community benefit/mission effectiveness.

(13) Ensure quality of Medical Staff

- (a) Approve Medical Staff By-Law and oversee the process for appointment and reappointment of members of the Medical Staff and delineation of clinical privileges.
- (b) Review and approve appointments, re-appointments and clinical privileges for individual practitioners, based on fully documented Medical Staff recommendations.

**3.9 DUTIES AND RESPONSIBILITIES OF EVERY DIRECTOR**

In contributing to the achievement of the responsibilities of the Board as a whole, each Director shall:

- (1) adhere to the principles of governance set out in section 3.10 and the Corporation's vision, mission and core values;
- (2) work positively, co-operatively and respectfully as a member of the team with other Directors and with the Corporation's management and staff;

- (3) respect and abide by Board decisions;
- (4) serve on at least one (1) standing Committee;
- (5) regularly attend Board and Committee meetings;
- (6) complete the necessary background preparation in order to participate effectively in meetings of the Board and its Committees;
- (7) keep informed about:
  - (a) matters relating to the Corporation;
  - (b) the health needs of the community served;
  - (c) other health care services provided in the region; and
  - (d) health preservation programs;
- (8) participate in initial orientation as a new Director and in on-going Board education;
- (9) participate in an annual self and peer evaluation of the Board and individual members;
- (10) abide by the Conflict of Interest and Standards of Care provisions contained in this By-Law;
- (11) represent the Board, when requested;

### **3.10 GUIDELINES FOR THE NOMINATION OF DIRECTORS**

- (1) To ensure the membership of the Board reflects the breadth, depth and diversity of the community the following principles, qualities and skills will guide the Board Governance Committee when considering candidates for Board membership:
  - (a) the Board should be seen as capable and experienced to lead the Corporation;
  - (b) the membership of the Board shall reflect a wide range of interests and perspectives including:
    - (i) understanding the special needs of the Catchment Area;
    - (ii) community involvement;
    - (iii) perspective of patients and their families; and

- (iv) understanding of the special needs of the Indigenous People living in the Catchment Area;
  - (c) the membership of the Board should encompass the universal and collective competencies set out in sections 3.10(3) and 3.10(4) below while balancing the need to consider succession planning for the Board;
  - (d) the membership must have regard for the demographic, linguistic, cultural, economic, geographic, ethnic, religious and social characteristics of the community served, including without limitation, the Indigenous community; and
  - (e) the Board will take all reasonable steps to recruit and appoint a proportion of members to reflect the percentage of the francophone population within the community it serves based on the most recent statistics Canada data.
- (2) The Board should be seen as applying objective criteria in determining the appropriate candidates for election as a Director and in doing so, shall review the Corporation's vision, strategic direction for the upcoming three (3) years and shall require that an appropriate application for each of the candidates be completed which application shall be objectively considered by the Board prior to developing its recommendations for the membership. In doing so, the Board Governance Committee shall consider identified universal, collective and specifically identified competencies that candidates should have.
- (3) The Board Governance Committee should ensure that all Board members have the following universal competencies:
  - (a) understanding of the distinction between the strategic and policy role of the Board and the day to day operational responsibilities of management;
  - (b) capability to give leadership to the development of the Corporation;
  - (c) commitment to the vision, mission and core values of the Corporation;
  - (d) ability to work as a member of a team;
  - (e) willingness to participate in Board orientation and continuing education;
  - (f) respect for the views of others;

- (g) objectivity;
  - (h) recognition of the time commitment and the willingness to devote the time and energy necessary to perform the role of directors (considering commitments of the candidate to other organizations);
  - (i) enthusiasm and capacity for resolving challenging issues;
  - (j) integrity and the absence of conflicts of interest;
  - (k) independence;
  - (l) an understanding of the range of obligations and constraints imposed upon directors of corporations; and
  - (m) an understanding of the unique cultural and support requirements of individuals and special communities.
- (4) The Board Governance Committee should strive to ensure that the following collective competencies are present in the Board as a whole:
- (a) prior experience in governance;
  - (b) strategic planning experience;
  - (c) high level leadership or executive experience in a business or educational program;
  - (d) understanding of health care needs, issues and trends;
  - (e) understanding of the diverse needs of the district;
  - (f) understanding of the health care needs, issues and trends affecting the Indigenous People;
  - (g) previous experience in the health field;
  - (h) awareness of provincial health care trends;
  - (i) demonstrated leadership on behalf of the needs of patients and families;
  - (j) strong financial skills;
  - (k) understanding of fiscal, financial and legal matters;
  - (l) knowledge and experience in health professional education;



- (m) knowledge and experience in human resource management;
  - (n) knowledge and experience in communications and information technology; and
  - (o) knowledge and experience in government and public relations.
- (5) The Board Governance Committee shall annually identify characteristics that should be sought in recruitment, given the Corporation's current strategic priorities and Board needs.
- (6) Current Board members whose terms are expiring are not entitled to automatically stand for re-election but must be considered in light of sections 3.10(2), (3), (4) and (5) and in addition, the Board member's performance during the Board member's term including consideration of the following factors:
- (a) an understanding of governance and the Director's fiduciary duty to act in the best interest of the Corporation;
  - (b) demonstrates high ethical standards and integrity;
  - (c) ability to commit the necessary time for Board and Committee meetings, retreats, events and meeting preparation;
  - (d) commitment to continuing education;
  - (e) effective communication, including contributions at Board and Committee meetings and on behalf of the Board where requested;
  - (f) support of Board actions (regardless of how Director voted);
  - (g) ability to express a dissenting opinion in a constructive manner;
  - (h) ability to integrate continuing education into Board deliberations;
  - (i) compliance with the governing legislation, Articles<sup>19</sup> and By-Law, including without limitation, the conflict of interest and confidentiality provisions of this By-Law; and

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<sup>19</sup> NFPCA s.43(2)

- (j) support of the Corporation's objects, mission, vision and values;
- (7) The Board Governance Committee shall consider the above factors while balancing the need of ensuing ongoing expertise on the Board and the need to plan for the succession of the Board officer positions

### **3.11 STANDARDS OF CARE**

Every Director and officer of the Corporation in exercising his or her powers and discharging his or her duties to the Corporation<sup>20</sup> shall:

- (1) act honestly and in good faith with a view to the best interests of the Corporation; and
- (2) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

### **3.12 CONFLICT OF INTEREST [SEE ALSO DEFINITIONS AND INTERPRETATIONS SECTION 1.1 (1) (P)]**

- (1) Every Director who has or thinks he or she may potentially have an actual or perceived Conflict of Interest with respect to a proposed or current material<sup>21</sup> 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.
- (2) The declaration of interest shall be disclosed at the meeting of the Board at which the material contract, transaction, matter or decision is first raised.
- (3) If the Director becomes interested in a material 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.
- (4) In the case of an existing material 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.

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<sup>20</sup> NFPCA s.43.

<sup>21</sup> NFPCA s.41(1).

- (5) 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.
- (6) 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 material 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.
- (7) 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 the Director's may realize from the material contract, transaction, matter or decision.
- (8) If the Director fails to make a Declaration of the Director's interest in a material contract, transaction, matter or decision, as required by this By-Law, this failure may be considered grounds for termination of the Director's position as a 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.
- (9) 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 material contract, transaction, matter or decision undertaken by the Board, although the material contract, transaction, matter or decision may be voidable at the discretion of the Board.
- (10) If a Director believes that any other Director is in a Conflict of Interest position with respect to any material contract, transaction, matter or decision, the Director shall have such 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 absent themselves from 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 shall absent themselves 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.

- (11) If the Board finds that the person is not in conflict, the Board will then vote on the material contract, transaction, matter or decision and the votes of each Director shall be recorded.
- (12) 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).
- (13) Where, in the circumstances mentioned in the preceding paragraph, the remaining number of Directors who are not prohibited from participating in the meeting is less than three (3), the Chief Executive Officer may apply to the Superior Court of Justice on an expert 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.
- (14) On an annual basis, the Directors shall be required to sign a conflict of interest and independence declaration, as prescribed by the Board.

### **3.13 CONFIDENTIALITY AND PUBLIC RELATIONS**

- (1) Every Director, Officer, member of the medical staff, dental staff, midwifery staff and extended class nursing staff and employee of the Corporation shall respect the confidentiality of matters brought before the Board or before any committee, subcommittee or task force, or any matter dealt with in the course of the employee's employment or of the medical staff, dental staff, midwifery staff or extended class nursing staff member's activities in the Hospital.

- (2) The Chair of the Board is responsible for Board communications and may delegate authority to one or more Directors, Officers or employees of the Corporation to make statements to the news media or public about matters that the Chair determines appropriate for disclosure to the media.

### **3.14 MEETINGS OF THE BOARD**

#### **3.14.1 Attendees**

- (1) Members of the Hospital and the public may attend meetings of the Board of Directors of the Hospital, subject to Board policy on closed sessions of meetings of the Board.
- (2) Members of the Hospital, members of the public and invited guests who attend Board meetings shall not interfere with the orderly conduct of the meeting. The Chair of the Board or director delegated for that purpose shall control all meetings of the Board and may expel any person for improper conduct at a meeting of the Board.

#### **3.14.2 Call and Notice**

##### **3.14.2.1 *Regular Meetings of the Board***

- (1) There shall be at least eight (8) regular meetings of the Board per annum.
- (2) At the beginning of each Board year a list of the dates for all regularly scheduled Board meetings shall be prepared, and the list of the meetings shall be given to the Directors and the members of the Hospital and shall be made available to the public.
- (3) The Board shall meet at the Head Office of the Corporation, or such other place as the Board may from time to time determine.
- (4) The Secretary shall provide to each Director not less than seven (7) days' written notice of a regularly scheduled Board meeting. The notice may be delivered, mailed, e-mailed or faxed.
- (5) The Secretary shall give notice of the meeting to the Directors if the meeting is to be held at another time or day or at a place other than the Head Office. If such notice is to be given, it shall be delivered, e-mailed, faxed or telephoned to each Director at least 24 hours in advance of the meeting or shall be mailed to each Director at least 5 (five) days in advance of the meeting. Notification of time and place of the meeting shall be made available to the members of the Hospital and the public.

- (6) A meeting of the Board may be held without notice, immediately following the annual meeting of the Corporation.
- (7) The declaration of the Secretary or Chair that notice has been given pursuant to the By-Law shall be sufficient and conclusive evidence of the giving of such notice.
- (8) No error or omission in giving notice of a meeting of Directors shall invalidate such meeting or invalidate or make void any proceedings taken or had at such meeting and any Director may at any time waive notice of any such meeting and may ratify and approve any or all proceedings taken or had thereat.

#### **3.14.2.2 Special Meetings of the Board**

- (1) The Chair may call special meetings of the Board.
- (2) The Secretary shall call a special meeting of the Board if three (3) Directors so request in writing.
- (3)
  - (a) Notice of a special meeting of the Board shall specify the purpose of the meeting, may be delivered, e-mailed, faxed or telephoned to each Director and shall be given at least twenty-four (24) hours in advance of the meeting.
  - (b) If a special meeting of the Board is called that is not a closed session of the Board, as soon as the meeting is called, notification of time and place of the meeting also shall be made available to the members of the Hospital and to the public.

#### **3.14.3 Chair**

Board meetings shall be Chaired by,

- (1) the Chair;
- (2) one of the Vice-Chairs if the Chair is absent or unable to act; or
- (3) a Director elected by the Directors present if the Chair and Vice-Chairs are absent or unable to act.

#### **3.14.4 Voting**

- (1) Subject to subsection 3.14.4(4), business arising at any meeting of the Board shall be decided in accordance with paragraph 1.2(6).
- (2) A declaration by the Chair that a resolution, vote or motion has been carried and an entry to that effect in the minutes, shall be

admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution, vote or motion.

- (3) Notwithstanding any provision in this By-Law, a Director may request that his or her vote on a motion or resolution be recorded in the minutes, and if such request is made, the Director's vote shall be recorded in the minutes.
- (4) A Director who is present at a meeting of the Directors or of a Committee of Directors is deemed to have consented to any resolution passed or action taken at the meeting, unless:<sup>22</sup>
  - (a) the Director's dissent is entered in the minutes of the meeting;
  - (b) the Director requests that his or her dissent be entered in the minutes of the meeting;
  - (c) the Director gives his or her dissent to the secretary of the meeting before the meeting is terminated; or
  - (d) the Director submits his or her dissent immediately after the meeting is terminated to the Corporation.
- (5) A Director who was not present at a meeting at which a resolution was passed or action taken is deemed to have consented to the resolution or action unless within seven days after becoming aware of the resolution, the Director<sup>23</sup>,
  - (a) causes his or her dissent to be placed with the minutes of the meeting; or
  - (b) submits his or her dissent to the Corporation.

### **3.14.5 Minutes**

Minutes shall be recorded for all meetings of the Board.

### **3.14.6 Quorum**

A quorum for any meeting of the Board shall be a majority of the Directors (exclusive of any vacancies) entitled to vote.

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<sup>22</sup> NFPCA s.45(1).

<sup>23</sup> NFPCA s.45(3).

### **3.14.7 Written Resolutions**

A resolution, signed by all the Directors entitled to vote on that resolution at a meeting of Directors or of a committee of Directors is as valid as if it had been passed at a meeting of Directors or of a committee of Directors<sup>24</sup>.

## **ARTICLE 4. OFFICERS**

### **4.1 THE OFFICERS OF THE CORPORATION**

- (1) The Board shall elect the following officers at the regular meeting immediately following the annual meeting:
  - (a) the Chair;
  - (b) two Vice-Chairs; and
  - (c) the Treasurer.
- (2) The Chief Executive Officer shall be, ex officio, the Secretary (non-voting) of the Board.
- (3) Ex officio Directors shall be ineligible for election as Chair or Vice-Chair of the Board.
- (4) No Director may serve as Chair, Vice-Chair or Treasurer, for more than two (2) consecutive 3 year terms in one office, provided however that following a break in the continuous service of at least one year the same person may be re-elected or re-appointed to any office.
- (5) The Officers of the Corporation shall be responsible for the duties set forth in the By-Laws and they are not necessarily required to perform such duties personally, but they may delegate to others the performance of any or all such duties.
- (6) Any Officer of the Corporation shall cease to hold office upon resolution of the Board.
- (7) Only Directors who have had prior experience on the Executive Committee are eligible for election as Board Chair.

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<sup>24</sup> NFPCA s.35(1).



## **4.2 DUTIES OF THE OFFICERS**

### **4.2.1 Duties of the Chair**

The Chair shall,

- (1) when present, preside at meetings of the Board;
- (2) report to each annual meeting of members of the Corporation concerning the management and operations of the Hospital;
- (3) in consultation with the Chief Executive Officer, develop the agenda for Board meetings;
- (4) ensure that appropriate notice of Board and Committee meetings is given to the Directors;
- (5) where possible, ensure that appropriate Board and Committee information and supporting materials are provided to Board and Committee members at least seven (7) days prior to their meetings;
- (6) report regularly and promptly to the Board issues that are relevant to their governance responsibilities;
- (7) be responsible for addressing issues associated with under performance of individual Directors including, if applicable, their removal from the Board;
- (8) ensure that the annual review of the Chief Executive Officer's and Chief of Staff/Vice President of Medicine's performance and compensation is done in accordance with Board approved policy;
- (9) represent the Corporation at public or official functions;
- (10) be an ex officio member of all committees of the Board
- (11) When present, preside at meetings of the Executive Committee;
- (12) serves as the Board's central point of official communication with the Chief Executive Officer;
- (13) develops a positive, collaborative relationship with the Chief Executive Officer, including acting as a sounding board for the Chief Executive Officer on emerging issues and alternative courses of action;
- (14) stays up-to-date about the organization and determines when an issue needs to be brought to the attention of the full Board or a committee;

- (15) sets a high standard for Board conduct by modelling, articulating and upholding rules of conduct set out in Board By-Law and policies;
- (16) intervenes when necessary in instances involving conflict of interest, confidentiality and other Board policies;
- (17) has served on the Executive Committee;
- (18) perform such other duties as may from time to time be determined by the Board.

#### **4.2.2 Duties of the Vice-Chair**

Vice-chairs shall assume responsibility for chairing at least one Board Committee.

The Vice-Chair shall have all the powers and perform all the duties of the Chair in the absence or disability of the Chair and perform any other duties assigned by the Chair or the Board.

#### **4.2.3 Duties of the Treasurer**

- (1) The Treasurer shall,
  - (a) be appointed by, and report to, the Board of Directors;
  - (b) oversee the management of the finances of the Hospital, and ensure that appropriate reporting mechanisms and control systems as established by the Board are in place, and monitor such mechanisms and systems for compliance;
  - (c) ensure that systems for control for the care and custody of the funds and other financial assets of the Hospital and for making payments for all approved expenses incurred by the Hospital are in place, are functional and adequate and monitor for compliance with such systems;
  - (d) ensure that appropriate banking resolutions and signing authority policies as established by the Board are in place and monitor for compliance with such resolutions and policies. Ensure that systems for control for regular review and revision as necessary of the banking resolutions and signing authority policies are in place, are adequate and functional and monitor for compliance with such resolutions and policies;
  - (e) ensure that systems for control as established by the Board for the maintenance of books of account and accounting

records required by the Act are in place, are functional and adequate and monitor for compliance with such resolutions and policies;

- (f) review the financial results and the budget submitted to the Resource Planning and Utilization Committee by management and submit and recommend to the Board any changes to the budget;
  - (g) oversee the management of the investment policy as established by the Board, and ensure that the investment policy as established by the Board is in place, and monitor for compliance with the policy;
  - (h) review financial reports and financial statements and submit same at meetings of the Board, indicating the financial position of the Hospital;
  - (i) review and submit to the Board for the approval of the Board, a financial statement for the past year;
  - (j) ensure systems as established by the Board for the preparation and submission to the Board of compliance certificates confirming that wages and source deductions have been accomplished are in place, are functional and adequate and monitor for compliance with such systems;
  - (k) where there is concern with respect to any of the above, review the matter with the Chief Executive Officer and report to the Board the results of those deliberations; and
  - (l) perform such other duties as determined by the Board.
- (2) The Treasurer may delegate any of his or her duties that are appropriate and lawfully delegable, but remains responsible for the fulfilment of such duties.

#### **4.2.4 Duties of the Secretary**

The Secretary shall,

- (1) report to the Board of Directors;
- (2) attend meetings of members, meetings of the Directors including closed sessions and meetings of the standing and special committees of the Board, except when excused by the Chair, and shall enter or cause to be entered in books kept for that purpose, minutes of all proceedings at such meetings and shall circulate or

cause to be circulated, the minutes of all such meetings or standing or special committees, to the members of such committees, as applicable;

- (3) give, or cause to be given, all notices as required by the By-Law of the Hospital of all meetings of the Corporation, the Board and its committees;
- (4) attend to correspondence of the Board;
- (5) prepare all reports required under any applicable Act or Regulation of the Province of Ontario;
- (6) be the custodian of all minute books, documents and registers of the Corporation required to be kept by the provisions of the Act and all minutes, documents and records of the Board;
- (7) keep copies of all testamentary documents and trust instruments by which benefits are given to the use of the Hospital;
- (8) be the custodian of the seal of the Corporation;
- (9) Chair the first meeting of the Directors of the Corporation following the annual general meeting until such time as the Chair of the Board is elected by the Directors; and
- (10) perform such other duties as may from time to time be determined by the Board.

#### **4.2.5 Duties of Chief Executive Officer**

- (1) The Chief Executive Officer shall be appointed by the Board in accordance with its approved selection process.
- (2) The Chief Executive Officer shall be the Secretary of the Board.
- (3) The Chief Executive Officer shall not be entitled to vote at meetings of the Board.
- (4) The Chief Executive Officer shall:
  - (a) be responsible to the Board for the organization and management of the Hospital in accordance with policies established by the Board and subject to direction of the Board;
  - (b) submit quarterly:

- (i) certificates certifying that the methodology and data used by management to report Performance Metrics to the Board and federal and provincial agencies appropriately and accurately reflect the Corporation's performance; and
- (ii) reports to the Board in respect of the Performance Metrics;
- (c) ensure appropriate systems and structures are in place for the effective management and control of the Hospital and its resources including the employment, development, control, direction and discharge of all employees of the Hospital;
- (d) ensure structures and systems for the development, review and recommendation of new programs, program expansion or changes;
- (e) ensure effective human resources strategic planning and identify resource implications;
- (f) establish an organizational structure to ensure accountability of all departments and staff for fulfilling the mission, objectives and strategic plan of the Hospital;
- (g) provide leadership in support of the Board's responsibility to develop and periodically review the mission, objectives and strategic plan of the Hospital;
- (h) develop, recommend and foster the values, culture and philosophy of the Hospital;
- (i) communicate with related health care agencies to promote co-ordination and/or planning of local health care services;
- (j) represent the Hospital externally to the community, government, media and other organizations and agencies;
- (k) be responsible for the payment by the Corporation of all salaries and amounts due from and owing by the Corporation which fall within the purview and scope of the approved annual budget or otherwise as may be established from time to time by resolution of the Board;
- (l) be responsible for the hiring, evaluation, compensation and termination of all members of the Corporation's senior executive team, including without limitation, the Vice

President, Clinical/Chief Nursing Executive, and all other employees of the Corporation;

- (m) prepare and forward a detailed report to the College of Physicians and Surgeons of Ontario where,
  - (i) the application of a physician for appointment or reappointment to the medical staff of the hospital is rejected by reason of his or her incompetence, negligence or misconduct,
  - (ii) the privileges of a member of the medical staff of the hospital are restricted or cancelled by reason of his or her incompetence, negligence or misconduct, or
  - (iii) a physician voluntarily or involuntarily resigns from the medical staff of the hospital during the course of an investigation into his or her competence, negligence or conduct;

pursuant to sections 85.2 or 85.5 of the *Health Professions Procedural Code*, Schedule 2 to the *Regulated Health Professions Act* (Ontario);

- (n) notify the Chief of Staff/Vice President of Medicine, the Chief of Department and the Board if necessary, of,
  - (i) any failure of any member of the medical, dental, midwifery or extended class nursing staff to act in accordance with statute law or regulations thereunder, or the Hospital By-Law and Rules,
  - (ii) any belief that a member of the medical, dental, midwifery or extended class nursing staff is unable to perform the person's professional duties with respect to a patient in the Hospital,
  - (iii) any patient who does not appear to be receiving the most appropriate treatment and care or who is not being visited frequently enough by the attending member of the medical, dental, midwifery or extended class nursing staff; and,
  - (iv) any other matter about which they should have knowledge;
- (o) report to the Board as necessary regarding the occupational health and safety program;

- (p) from time to time approve a process for the participation of the Vice President, Clinical/Chief Nursing Executive, nurse managers, and staff nurses, staff and other professionals of the Corporation in decision making related to administrative, financial, operational and planning matters and for the election or appointment of the Vice President, Clinical/Chief Nursing Executive, staff nurses or nurse managers and other staff and professionals of the Corporation to those administrative committees approved by the Chief Executive Officer to have a nurse, staff or professional representation<sup>25</sup>;
- (q) report to the Board as necessary in respect of the health surveillance program;
- (r) be responsible to the Board for taking such action as considered necessary to ensure compliance with the Legislation, the By-Laws of the Hospital and all other statutory and regulatory requirements;
- (s) attend meetings of the Board;
- (t) attend meetings of all Board Committees but shall only count towards the quorum of the Board Committees if he or she is present; and
- (u) perform such other duties as may be directed from time to time by the Board.

#### **4.2.6 Duties of the Vice President, Clinical/Chief Nursing Executive**

- (1) The Vice President, Clinical/Chief Nursing Executive shall be ex officio a non-voting member of the Board.
- (2) The employment duties of the Vice President, Clinical/Chief Nursing Executive shall be as established by from time to time by the Chief Executive Officer.

#### **4.2.7 Duties of the Chief of Staff/Vice President of Medicine**

The duties of the Chief of Staff /Vice President of Medicine shall be outlined in the Corporation's Professional Staff By-Law.

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<sup>25</sup> *Public Hospitals Act*, Reg. 965, s.4.1(f)

**ARTICLE 5.      COMMITTEES OF THE BOARD**

**5.1      ESTABLISHMENT AND MEMBERSHIP OF STANDING AND SPECIAL COMMITTEES OF THE BOARD**

**5.1.1      Standing Committees of the Board**

- (1)      At the first meeting of the Board following the annual meeting of the Corporation, the Board shall,
  - (a)      establish the following standing committees of the Board:
    - (i)      the Executive Committee;
    - (ii)     the Resource Planning and Utilization Committee;
    - (iii)    the Fiscal Advisory Committee;
    - (iv)    the Board Governance Committee;
    - (v)    the Medical Advisory Committee;
    - (vi)    the Board Quality and Safety Committee;
    - (vii)   such other committees as the Board may from time to time deem necessary.
  - (b)      with the exception of the Medical Advisory Committee, the Board shall, subject to subsection 5.3.4 of this By-Law, appoint from among themselves the Chair, vice-Chair and members of the standing committees of the Board.
- (2)      With the exception of the Executive Committee and the Medical Advisory Committee, the Board may appoint additional members who are not Directors to all committees of the Board, and those persons shall be entitled to vote, but the number of non-Directors shall not exceed the number of Directors on a committee of the Board.

**5.1.2      Special Committees of the Board**

- (1)      The Board may, at any meeting, appoint any special committee and appoint the Chair and the members of the special committee.
- (2)      The Board shall prescribe terms of reference for any special committee.
- (3)      The Board may by resolution dissolve any special committee at any time.



## **5.2 PROCEDURES FOR MEETINGS OF STANDING AND SPECIAL COMMITTEES**

### **5.2.1 Attendees at Meetings of Standing and Special Committees**

- (1) Only members of a committee, subcommittee or task force of the Board, including the Medical Advisory Committee and the Fiscal Advisory Committee, may attend meetings of such committees, subcommittees or task forces.
- (2) Despite subsection 5.2.1(1), a committee, subcommittee or task force of the Board, including the Medical Advisory Committee and Fiscal Advisory Committee, may, by resolution, approve that individuals such as external legal counsel, presenters and Hospital staff be permitted to attend the meeting, but may be asked to leave the meeting before a vote is taken.

### **5.2.2 Call for Meetings of Standing and Special Committees**

Meetings of committees, subcommittees or task forces of the Board, including the Medical Advisory Committee and Fiscal Advisory Committee, shall be held at the call of the Chair, the Chair of the committee of the Board or at the request of any two (2) members of the committee of the Board.

### **5.2.3 Voting at Meetings of Standing and Special Committees**

Business arising at any meeting of the Standing and Special Committees shall be decided in accordance with paragraph 1.2(6).

### **5.2.4 Minutes of Meetings of Standing and Special Committees**

Minutes shall be recorded for all meetings of committees, subcommittees and task forces of the Board, including the Medical Advisory Committee and Fiscal Advisory Committee.

### **5.2.5 Quorum for Meetings of Standing and Special Committees**

A quorum for any meeting of a committee of the Board, subcommittee or task force of the Board, including the Medical Advisory Committee and the Fiscal Advisory Committee, shall be a majority of the members of the committee, subcommittee, or task force entitled to vote.

### **5.3 MEMBERSHIP AND TERMS OF REFERENCE OF BOARD COMMITTEES**

#### **5.3.1 Executive Committee**

##### **5.3.1.1 *Membership***

The Executive Committee shall consist of:

- (a) the Chair;
- (b) two (2) Vice-Chairs;
- (c) Past-Chair;
- (d) Treasurer;
- (e) Chief Executive Officer, ex officio non-voting;
- (f) Chief of Staff /Vice President of Medicine, ex officio non-voting;
- (g) President of the Medical Staff, ex officio non-voting; and
- (h) at the Board's discretion, a temporary additional elected Director.

##### **5.3.1.2 *Functions***

The Executive Committee shall,

- (a) in between meetings of the Board, exercise the full powers of the Board in all matters of administrative urgency, reporting every action at the next meeting of the Board;
- (b) be responsible for the recruitment and selection of:
  - i) the Chief Executive Officer, in accordance with the approved selection process referred to in section 4.2.5(1) of this By-law; and
  - ii) the Chief of Staff/Vice President of Medicine, in accordance with the selection process set out in section 7.01 of the Medical/Professional Staff By-law;
- (c) annually appraise/assess performance of the Chief Executive Officer against the agreed upon performance expectations and determine Compensation; and

- (d) annually appraise/assess performance of the Chief of Staff/Vice President of Medicine against the agreed upon performance expectations and determine Compensation;
- (e) ensure that processes are established for the regular review of the By-Laws and governance structure of the Hospital;
- (f) oversee strategic planning;
- (g) provide political liaison for the Hospital; and
- (h) study and advise or make recommendations to the Board on any matter as directed by the Board.

### **5.3.2 Resource Planning and Utilization Committee**

#### **5.3.2.1 Membership**

The Resource Planning and Utilization Committee shall consist of,

- (1) the Chief Executive Officer;
- (2) the Treasurer who shall be Chair;
- (3) the Chief of Staff/Vice President of Medicine or delegate;
- (4) at least three (3) other directors;
- (5) Chair of the Board or delegate, ex officio.
- (6) the Vice President, Clinical/Chief Nursing Executive;
- (7) the Vice President, Stewardship and Accountability/Chief Financial Officer;
- (8) the Chief Information Officer;
- (9) the Vice President, People/Director of Operations; and
- (10) a Fiscal Advisory Committee representative.

#### **5.3.2.2 Functions**

The Resource Planning and Utilization Committee shall,

- (1) develop recommendations and Policies for the Board that ensure the financial health and integrity of the organization;
- (2) assess the operating plan against financial objectives, key goals and vision as established by the Board;

- (3) review and approve for presentation to the Board the operating plan and capital budget (including cash flow planning);
- (4) monitor Ministry funding levels versus service demands and operational benchmarks;
- (5) review financial statements, cash position, and capital spending (including capital project monitoring and capital equipment purchases) against predetermined performance indicators and standards, and report to the Board quarterly and annually unless operating results or the Hospital's financial position fall outside of predetermined parameters, as recommended to and approved by the Board;
- (6) establish Policies regarding approval limits, signing authorities, capital spending, borrowing terms, limits and procedures, and depreciation;
- (7) confirm that the Hospital is in compliance with statutory remittances and deadlines;
- (8) review annually the types and amount of insurances to be carried by the Hospital;
- (9) evaluate banking arrangements, as well as investment strategy and performance and make recommendations on related changes as appropriate;
- (10) review and recommend to the Board, strategies and financing associated with buildings, property, and the acquisition of new equipment and technologies;
- (11) review building and property issues, including waste management and environmental issues, and ensure they meet regulatory compliance issues;
- (12) establish quarterly letter of representation from Executive Management on compliance matters;
- (13) Oversee the advancement of Human Resources and provide recommendations to the Board:
  - (a) Work with the Vice President, People/Director of Operations to develop a scorecard and selection of comparative benchmarks of Human Resource performance in areas pertaining to WSIB, absenteeism, overtime, manpower and any HR-related quality or strategic indicators that are identified for the current time period.

- (b) Review the HR Scorecard and benchmarks quarterly, and make recommendations to the Board as needed.
- (c) Ensure that appropriate and meaningful employee satisfaction surveys are administered and their statistics tracked over time. Make recommendations to the Board on this subject where necessary.
- (d) Review and monitor the hospital's Human Resource Strategy (HRS) to ensure it supports strategic plan priorities. Monitor and track the HRS performance, and provide recommendations as needed.
- (e) Review and provide input into programs for attraction, retention, and development of human resources to achieve the hospital's objectives. Ensure compliance with the Ontario Human Rights Code and create an inclusive workplace that is respecting and welcoming of diversity. In conjunction with the Community Engagement Committee make recommendations to the Board with respect to Indigenous and French Language Services.
- (f) Review new government legislation to ensure the Hospital is in compliance.
- (g) Make recommendations to the Board concerning the status of collective agreements and the implications and application of existing and proposed employment and labour relations legislation.
- (h) Make recommendations concerning compensation and benefit programs of the hospital other than for Senior Management Staff which are reviewed by the Chair, Vice-Chairs, Treasurer and past Chair on an annual basis.
- (i) Review statistics and reports received from Occupational Health and Safety Committee and other related committees.
- (j) Perform such other duties and exercise such functions as the Board may, from time to time, prescribe.

- (14) Audit Functions;
- (1) In conjunction with the audit:
- (a) review the factors that might impair, or be perceived to impair the independence of the external auditors.
  - (b) take, or recommend that the Board take, appropriate action to ensure the independence of the external auditors;
  - (c) review and approve the auditor's engagement letter including fee and expenses;
  - (d) review, with the external auditors, the proposed scope of the current year's audit; and the assistance to be provided by the organization's staff.
  - (e) review control weaknesses detected in the prior year's audit, and determine whether all practical steps have been taken to overcome them; and
- (2) In determining whether the auditors can provide consulting services consider:
- (a) the benefits provided by the auditors' existing familiarity with the Corporation; and
  - (b) ensuring the accounting firm's independence is not compromised by the engagement.
- (3) Review policies for financial operations and systems of internal control including:
- (a) enquire about the changes in the financial and control systems during the year;
  - (b) receive and review the integrity and effect of Policies regarding the financial operations, systems of internal control and reporting mechanisms and that they are in accordance with generally accepted accounting principles and provisions and their appropriateness to minimize potential financial risks;
  - (c) enquire into the major financial risks faced by the Hospital, and the appropriateness of related controls to minimize their potential impact;
  - (d) review the procedures for establishing management's remuneration and benefits, and approving their expenses;

- (4) review audited annual financial statements including:
  - (a) review annual audited financial statements of the Corporation, obtain explanation from management of all significant variances from internal financial statements and report to the Board prior to the Board's approval thereof;
  - (b) recommend, when appropriate, approval of the financial statements to the Board;
  - (c) review the entire annual report for consistency with the financial statements;
- (5) review audit results including:
  - (a) review the report of the external auditors on the annual financial statements;
  - (b) review the audit results and management letter including recommendations regarding the accounting system or internal control systems, management's response and subsequent follow-up to any identified weaknesses;
  - (c) meet privately with the external auditors (without the presence of management) with regard to the adequacy of the internal accounting controls and similar matters, and review management responses to ascertain whether there are concerns that should be brought to the Board's attention;
  - (d) review any problems experienced by the external auditors in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management, or situations where management seeks a second opinion on a significant accounting issue;
- (6) review auditor's performance and appointment including:
  - (a) monitor and evaluate the performance of the external auditors;
  - (b) meet privately with senior management (without the external auditors being present) to ensure that management has no concerns about the conduct of the audit;
  - (c) annually, recommend to the Board the appointment of a firm of chartered accountants as the Corporation's external auditors;

- (d) establishing a process for the recruitment of auditors;
  - (e) consider from time to time, but no less frequently than every five (5) years, the engagement of a different external auditor
- (7) prepare the following report on its own activities and provide it to the Board:
- (a) a report to the Board of Directors discussing the actions it has taken and the assistance the Committee has had in fulfilling its duties.

### **5.3.3 Fiscal Advisory Committee**

#### **5.3.3.1 Membership**

- (1) Pursuant to the Hospital Management Regulation, the Fiscal Advisory Committee shall consist of,
- (a) the Chief Executive Officer;
  - (b) one person representing both the Medical Staff and the Dental Staff;
  - (c) one person representing nurses who are managers;
  - (d) one person representing staff nurses; and
  - (e) such other persons as are elected or appointed in accordance with the policies of the Hospital.
- (2) In addition to those persons appointed to the Fiscal Advisory Committee in subsection 5.3.4.1(1), the Chief Executive Officer may appoint other persons to the Fiscal Advisory Committee.

#### **5.3.3.2 Chair**

The Fiscal Advisory Committee shall be Chaired by the Chief Executive Officer or his or her designate.

#### **5.3.3.3 Functions**

The Fiscal Advisory Committee shall make recommendations to the Board with respect to the operation, use and staffing of the Hospital.



### **5.3.4 Board Governance Committee**

#### **5.3.4.1 Membership**

The Board Governance Committee shall consist of Directors of the Board as follows:

- (1) A member of the Executive
- (2) Chief Executive Officer
- (3) A minimum of 2 additional Board Members
- (4) the Chair or delegate, ex officio.

#### **5.3.4.2 Functions**

The Board Governance Committee shall ensure processes are established and monitored for,

- (1) the establishment and review of the Hospital's mission, vision and values;
- (2) establish process for the evaluation of the Board Chair;
- (3) the establishment of a policy that will determine circumstances when a Committee or Director is entitled to engage legal services (or other services) to discharge their duties;
- (4) the establishment, on an annual basis, of Board goals and objectives (separate from the Corporate goals and objectives);
- (5) the evaluation of the Chief Executive Officer's performance and approval of his or her compensation, and setting of his or her goals and objectives;
- (6) the evaluation of the Chief of Staff/Vice President of Medicine's performance and approval of his or her compensation, and setting of his or her goals and objectives;
- (7) an effective Board orientation program and the continuing education of the members of the Board;
- (8) the development of performance indicators and the implementation of monitoring practices to evaluate the performance of the Board;
- (9) the periodic review and revision of governance policies, processes and structures as appropriate;

- (10) a regular review of the By-Laws and governance structure of the Hospital.
- (11) report to the Board the names of those persons whom it feels appropriate to nominate for election to the Board at the annual meeting, in accordance with the nomination process set out in this By-Law, and to fill any interim vacancies on the Board, all after considering the Guidelines for the Nomination of Directors;
- (12) when considering a Board member for re-election, take into account the Board member's performance during the Board member's previous term, including the factors listed in section 3.11 of this By-Law;
- (13) determine circumstances which warrant retirement of a Director or which disqualify the Director from standing for re-election; and
- (14) report to the Board on matters concerning tenure of Directors and on-going succession planning for officer positions of the Board.

### **5.3.5 Board Quality and Safety Committee**

#### **5.3.5.1 Membership**

The Board Quality and Safety Committee shall consist of Directors of the Board and other members as follows,

- (1) Board Chair and a Vice Chair;
- (2) two (2) to three (3) additional Board Members;
- (3) President/CEO;
- (4) Chief of Staff/Vice President of Medicine;
- (5) Vice President, Clinical/Chief Nursing Executive; and
- (6) one (1) member, who provides services under the *Regulated Health Professions Act* at the Corporation who is a non-physician or a nurse

#### **5.3.5.2 Functions**

- (1) The purpose of the Board Quality and Safety Committee is to assist the Board in fulfilling its responsibilities to ensure the quality of patient-centered care and equitable access to health services by establishing and monitoring performance targets, and standards of care and service.

- (a) Monitor and report to the Board on quality issues and on the overall quality of services provided in the Corporation, with reference to appropriate data.
- (b) Consider and make recommendations to the Board regarding quality improvement initiatives and policies.
- (c) Consider and make recommendations as appropriate to the Board on the quality implications of budget proposals with the Operating Plan/Accountability Agreement process.
- (d) Ensure that best practices information supported by available scientific evidence is translated into materials that are distributed to employees and persons providing services within the Corporation, and to subsequently monitor the use of these materials by these people.
- (e) Oversee the preparation of annual quality improvement plans.
- (f) Oversee the establishment and monitoring of the patient declaration of values.
- (g) Oversee the development, collection and monitoring of patient and staff satisfaction surveys and appropriate distribution of the results of such surveys including, where applicable, the incorporation of the findings into the quality improvement targets.
- (h) Receive regular reports from the Chief Executive Officer in respect of the critical incidents compiled at the Corporation and the actions taken to mitigate the risks associated with any such incidents.
- (i) Ensure the establishment of a committee that will allow critical incidents to be reviewed under the protection of the *Quality of Care Information Protection Act* and oversee the monitoring and implementation of actions to mitigate the risks associated with similar future incidents and improve upon the related Performance Metrics.
- (j) Ensure the establishment of workplace safety policies to ensure compliance with requirements under the Occupational Health and Safety Act and oversee the monitoring and implementation of actions to improve upon the related Performance Metrics.

- (k) Develop and oversee the implementation of a policy that requires the posting of Board approved quality Performance Metrics and targets on the Corporation's public website.
- (l) Review and approve significant risk management principles and policies related to the areas set out below recommended by the Corporation's management, and review periodically, but at least once a year, the management programs related thereto to oversee compliance with such principles and policies. Specifically, the Committee shall have the primary responsibility for reviewing risk policies related to the following:
  - (i) operational risk relating to quality of care, privacy and workplace safety except as operational risk relates to the conduct review function performed by the Resource Planning and Utilization Committee;
  - (ii) regulatory and legal risk;
  - (iii) reputational risk relating to the areas of risk primarily within the Committee's oversight; and
  - (iv) such other areas of risk that may be delegated to it by the Board from time to time.
- (m) Recommend education programs concerning quality for members of the Committee and Board.

## **ARTICLE 6. HOSPITAL AUXILIARY ASSOCIATION**

### **6.1 AUTHORIZATION**

The Board may sponsor the formation of a Hospital Auxiliary Association as it deems advisable.

### **6.2 PURPOSE**

Such an association shall be conducted with the advice of the Board for the general welfare and benefit of the Corporation and the patients treated in the Hospital.

### **6.3 CONTROL**

Such an association shall elect its own officers and formulate its own by-laws, but at all times the by-laws, objects and activities of each such association shall be subject to review and approval by the Board.

**6.4 REPRESENTATION ON BOARD**

The Board may determine a mechanism to provide for representation by the Hospital Auxiliary association on the Board, its Committees and Hospital Committees.

**6.5 AUDITOR**

- (1) The Hospital Auxiliary Association shall engage an auditor
- (2) The Auditor for the Hospital may be the Auditor for the Hospital Auxiliary association under this section.

**ARTICLE 7. ADVISORY MEMBERS**

**7.1 ADVISORY MEMBERS**

The Advisory Members shall consist of the Corporation's:

- (1) Life Members as of the 2010 Annual Meeting of the Corporation, who shall be grandfathered as Advisory Members for life; and
- (2) Annual Members, who are not also Directors of the Corporation, as of the 2010 Annual Meeting of the Corporation, who shall be grandfathered as Advisory Members until the Corporation's 2011 annual meeting.

**7.2 RIGHTS OF ADVISORY MEMBERS**

- (1) The Advisory Members shall to entitled to:
  - (a) notice of and to attend the annual meeting of Members referred to in section 2.4.2;
  - (b) to receive the information provided to the voting Members for the annual meeting;
  - (c) nominate individuals for consideration by the Nominations Committee for election as Directors or for appointment as non-Director members of committees established by the Board; and
  - (d) apply to be considered for appointment to the Nominations Committee and other Board Standing Committees as a non-Board member of such committees.
- (2) The Advisory Members shall:

- (a) not be entitled to vote at any meeting of the Members of the Corporation;
- (b) not be entitled to notice of, or to attend any special meetings of Members; and
- (c) have no rights conferred by the Act to Members of the Corporation including rights:
  - (i) to requisition meetings or resolutions of the Corporation;
  - (ii) approve, ratify, amend or confirm By-Law amendments; or
  - (iii) approve any decision of the Corporation required to be approved by Special Resolution.

### **7.3 TERMINATION OF LIFE ADVISORY MEMBERSHIP**

The interest of an Advisory Member is not transferable and lapses and ceases to exist upon:

- (1) the termination of the Advisory Membership;
- (2) death; or
- (3) resignation or termination or otherwise in accordance with this By-Law.

## **ARTICLE 8. INDEMNIFICATION AND INSURANCE**

### **8.1 INDEMNIFICATION AND INSURANCE**

- (1) The Corporation shall indemnify the Directors or Officers of the Corporation, the former Directors or Officers of the Corporation or an individual who acts or acted at the Corporation's request as a Director or Officer, or in a similar capacity, of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other action or proceeding in which the individual is involved because of that association with the Corporation or other entity.
- (2) The Corporation shall advance money to the Director, Officer or other individual referred to in paragraph 8.1(1) for the costs, charges and expenses of an action or proceeding referred to in that

paragraph, but the individual shall repay the money if the individual does not fulfil the conditions set out in paragraph 8.1(3).

- (3) The Corporation shall not indemnify an individual under paragraph 8.1(1) unless,
  - (a) the individual acted honestly and in good faith with a view to the best interests of the Corporation or other entity, as the case may be; and
  - (b) if the matter is a criminal or administrative proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that his or her conduct was lawful.
- (4) The indemnity provided for in the preceding paragraph 8.1(1) shall not apply to any liability which a Director or Officer of the Hospital may sustain or incur as the result of any act or omission as a member of the Professional Staff of the Hospital.
- (5) The Corporation shall purchase and maintain insurance for the benefit of an individual referred to in paragraph 8.1(1) against any liability incurred by the individual,
  - (a) in the individual's capacity as a Director or Officer of the Corporation; or
  - (b) in the individual's capacity as a Director or Officer, or a similar capacity, of another entity, if the individual acts or acted in that capacity at the Corporation's request.

**ARTICLE 9. SIGNING OFFICERS**

The Chair or Vice-Chair and the Treasurer or Chief Executive Officer jointly shall sign on behalf of the Corporation and affix the Corporate Seal to all contracts, agreements, conveyances, mortgages, or other documents, as may be required by law or as authorized by the Board.

**ARTICLE 10. AUDITOR**

- (1) The Members of the Corporation shall at each annual meeting appoint an Auditor who shall not be a member of the Board or an Officer or employee of the Corporation or a partner or employee of any such person, and who is duly licensed under the Public Accountancy Act, to hold office until the next annual meeting of the Corporation.

- (2) The Auditor shall have all the rights and privileges as set out in the Act and shall perform the audit function as prescribed therein.
- (3) In addition to making the report at the annual meeting of the Corporation, the Auditor shall from time to time report to the Board on the audit work with any necessary recommendations.
- (4) The external auditors shall disclose all consulting work provided to the Hospital.

## **ARTICLE 11. AMENDMENTS**

### **11.1 AMENDMENTS TO BY-LAWS**

- (1) The Board may pass or amend the By-Laws of the Corporation from time to time.
- (2) Where,
  - (a) it is intended to pass or amend the By-Laws at a meeting of the Board, written notice of such intention shall be sent by the Secretary to each Director at his or her address as shown on the records of the Corporation by ordinary mail not less than ten (10) days before the meeting.
  - (b) the notice of intention required by section 11.1(2)(a) is not provided, any proposed By-Laws or amendments to the By-Laws may nevertheless be moved at the meeting and discussion and voting thereon adjourned to the next meeting, for which no notice of intention need be given.
- (3) Subject to section 11.1(4)(b), a By-Law or an amendment to a By-Law passed by the Board has full force and effect,
  - (a) from the time the motion was passed; or
  - (b) from such future time as may be specified in the motion.
- (4)
  - (a) A By-Law or an amendment to a By-Law passed by the Board shall be presented for confirmation at the next annual meeting or to a special general meeting of the Members of the Corporation called for that purpose. The notice of such annual meeting or special general meeting shall refer to the By-Law or amendment to be presented.
  - (b) The Members at the annual meeting or at a special general meeting may confirm the By-Law as presented or reject or amend it, and if rejected it thereupon ceases to have effect and if amended it takes effect as amended.



- (5) In any case of rejection, amendment, or refusal to approve a By-Law or part of a By-Law in force and effect in accordance with any part of this section, no act done or right acquired under any such By-Law is prejudicially affected by any such rejection, amendment or refusal to approve.

## **11.2 AMENDMENT TO PROFESSIONAL STAFF BY-LAW**

Amendments to the Professional Staff By-laws shall be made in accordance with the process established in Article 16 of the Medical/Professional Staff By-Law.