

THE PERLEY AND RIDEAU VETERANS' HEALTH CENTRE (Perley Rideau)
BOARD GOVERNANCE
BOARD OPERATING PHILOSOPHY AND PROCEDURE

Preamble

This document provides guidance in respect of the Perley Rideau Board of Directors Operating Philosophy and Procedure.¹

Good “Corporate Not for Profit Governance” can be properly described as “*A process of providing strategic leadership (by) setting direction, making policy and strategic decisions, overseeing and monitoring organizational performance, and ensuring overall accountability.*”² It is the intent of this document to further the application of the above definition of Good Governance at the Perley Rideau.

Board Operating Philosophy

The Board of Directors of the Perley Rideau represents the membership of the Corporation. It is the legally constituted authority responsible directly to the funders and the community for prudent oversight of the Corporation’s operations. It is responsible for the articulation and safeguarding of the organizational mission and defining the outputs and outcomes it seeks. The Board is responsible for long term planning and direction. It defines the organizational culture, values, operating principles, and parameters within which it expects the Executive Director to manage the Corporation’s operations.

The Board’s focus is on strategic leadership rather than administrative detail, important policy rather than operational matters. It establishes and respects distinctions between Board and staff roles and manages any overlap between these respective roles in a spirit of collegiality and partnership that supports the authority of staff and maintains lines of accountability.

¹ The Perley Rideau is indebted to Mel Gill for the use of his work Governing for Results: A Director’s Guide to Good Governance, 2005. It is from his text that much of this document was adapted.

² David Renz, cited in Mel Gill, 2005, Governing for Results: A Director’s Guide to Good Governance.

In this spirit the Board of Directors of the Perley Rideau should:

- Direct, control, and inspire the Perley Rideau through careful deliberation and establishment of strategic direction and general policies
- Monitor the operations of the Perley Rideau to determine that the objectives and goals outlined in the strategic plan are being achieved
- Monitor and regularly discuss the Board's own processes, progress and performance
- Provide Directors with the knowledge necessary to fulfil their responsibilities for the Good Governance of the Corporation
- Be accountable for the competent, conscientious, and effective accomplishment of its obligations as a body
- Ensure that all business of the Corporation is conducted in a transparent, legal and ethical manner
- Conduct its business in accordance with the principles of fair play and due legal process
- Enforce upon itself and its members the behaviour that is needed to govern with excellence. This will apply to matters such as attendance, policy-making principles, and respect of roles, maintaining a unified front as a board, and monitoring and correcting any tendency of directors to stray from the principles of governance adopted in these policies. It will allow no officer, individual, or committee of the Board to either usurp this role or weaken this discipline.

Board Operating Philosophy and Role of the Chair of the Board

The role of the Chair is to ensure the integrity of the Board's processes. The Chair is the only Director authorized to speak for the Corporation, unless this is specifically delegated to another Director.

- The Chair presides as the 'manager' of the Board's activities, ensuring that the Board and its members follow Board rules or policies and those obligations legitimately imposed by statute or regulation. Since most of the work of the Board will be done during regularly scheduled Board meetings, the Chair is responsible for ensuring that the Board's work is conducted efficiently and effectively. The Chair has no authority to make decisions outside the by-laws or the parameters of policies created by resolution of the Board.
- The Chair will set the agendas for meetings of the Board with input from Directors and with the assistance of the Executive Director and ensure that its meetings are focused on matters of Board responsibility.
- The Chair is responsible for promoting the development of a Board work plan; complementary to the strategic priorities of the organization, and that the Board's work and power are evenly distributed among Board members.
- The Chair will plan the conduct and timing of Board meetings in conjunction with the Executive Director and will chair meetings of the Board, Executive Committee and Corporate membership.
- The Chair will ensure that the Board is properly informed about the operations of the Corporation, has the information and opportunity necessary to come to decisions on matters within its purview, and that decision-making is transparent.

- The Chair, without undermining the Executive Director's accountability to the full Board, will be the Board's primary liaison with the Executive Director, who is responsible for the execution of Board policies and directives, and for determining the means, organizational structure and management processes necessary to achieve the corporate objectives.
- The Chair will strive to ensure that the Board works effectively as a team and those areas of overlap between Board, management and staff responsibilities are managed constructively.
- The Chair is responsible to ensure that conflict of interest issues and other conflicts or disputes are addressed sensitively and resolved constructively.
- The Chair is responsible to ensure that Board and Director Self-assessments are carried out.
- The Chair, with the support and cooperation of the Board, is responsible for ensuring adequate communications and accountability to key stakeholders and the public.

Board Operating Philosophy and Executive Authority

The Board contracts with the Executive Director for the management and administration of the Corporation. The Executive Director is responsible, within parameters established by the Board and its By-Laws, for determining the methods or 'means' by which the Board's directions and policies will be executed and the desired outcomes achieved.

The Executive Director is employed by the Board of directors and is therefore responsible to the Board as a whole rather than to individual members of the Board. He is required to implement policies as determined by the Board, consistent with the requirements of any relevant legislation or regulations. In the exercise of these responsibilities, the Executive Director is:

- Authorized to expend funds within the limits of the annual budget approved by the Board;
- Responsible for bringing to the attention of the Board, the need for special and exceptional expenditures not included in the budget;
- Required to report to the Board if it is not possible to operate within the limits of the budget approved by it;
- Expected to provide advice to the Board on policy, program, service and delivery of care issues which affect the programs, services offered or delivery of care provided by the Corporation;
- Required to provide the Board with the information it requires to govern effectively, make informed decisions and monitor the overall performance of the Corporation in achievement of approved goals.
- Responsible for employing all staff members. Board members should bear in mind that the staff are responsible to the Executive Director or to a person designated by him or her, not to the board as a whole or to any individual officer or director. In the supervision, direction and deployment of personnel, the Executive Director is governed by the documented personnel practices and procedures approved by the Board.

- Specific responsibilities are described in the policies related to responsibilities of the Board, the roles of Chair, of other Officers and individual members, and in the job description of the Executive Director.

The Board's job is generally confined to establishing broad policies for achievement of corporate objectives. It delegates responsibility for execution of those policies to the Executive Director. All Board authority delegated to staff is delegated through the Executive Director, so that the authority and accountability of staff derives from the authority and accountability of the Executive Director.

The Board of Directors as a group, rather than individual directors, officers or committees is responsible for providing direction to the Executive Director within the context of Board policies.

Board Procedure

Meetings

Meetings of the Corporation

- Annual

In accordance with the By-Laws of the Corporation the Board shall determine the date, time and place of the Annual Meeting of Members of the corporation but the meeting shall occur not later than the last business day in the month of June in each year and shall be open to the public. Notice of the meeting is to be provided not less than 10 days and not more than 30 days before the meeting.

The Annual Meeting is to be conducted in accordance with the By-Laws of the Corporation following Robert's Rules of Order.

The Board approves the agenda for the Annual Meeting of Members of the Corporation that has been developed by the Chair and the Executive Committee. The agenda should include the Board's strategic assessment and performance evaluation of the Perley Rideau which have been developed for its approval by the Chair and the Executive Committee. The state of the Perley Rideau's financial affairs should also be part of the agenda including the report of the auditor and the appointment of an auditor for the next year. The agenda should also include provision for the election of Directors which have been appointed by the Board but remain to be considered for election by the membership.

The Chair and Executive Director should provide the leadership and support for the proper functioning of the Annual Meeting of Members

including but not limited to the taking, preparation and distribution of minutes of the Annual meeting of Members.

- Special

Special Meetings of members of the Corporation are to be conducted in accordance with the By-Laws of the Corporation following the same provisions identified above for Annual Meetings adjusted to the particular purpose of the Special Meeting.

Board Meetings

Board meetings are held and conducted in accordance with the By-Laws of the Corporation following Robert's Rules of Order.

- Scheduling

Board meetings, unless otherwise determined by the Board, are to be held monthly except for the months of July and August. The Chair of the Board in accordance with his role as described above plans and conducts the timing of Board meetings in conjunction with the Executive Director and Chairs all meetings of the Board. The Chair should give consideration to establishing in advance an annual list of the date, time and place of Board meetings and providing the Board with an opportunity to comment thereon prior to implementation.

- Agenda Setting

The role of the Chair provided above allows for the Chair to set the agendas for Board meetings with input from Directors and with the assistance of the Executive Director to ensure that the matters selected are focussed on the Board's responsibilities. The Chair should consider tabling an agenda item at one meeting for decision at a subsequent meeting of the Board where the agenda item seeks a decision of the Board to do any of the following:

- ◆ Amend the Strategic Plan of the Perley Rideau or any of its constituent elements
- ◆ Amend the Governance Framework of the Perley Rideau or any of its constituent elements
- ◆ Have a material effect on the approved budget of the Perley Rideau
- ◆ Risk the long term viability of the Perley Rideau
- ◆ Enter into a Partnership with another Corporate or Public entity.

Agenda setting should also take into consideration the training plan

established by the Executive Committee, periodic performance reporting by management on selected topics and periodic committee reporting by selected Committees. Agendas should include, the minutes of the previous meeting, information items and Committee meeting records.

Agendas and their supporting documentation should be prepared and distributed in electronic format with the provision that a Director may request a hard copy of the documents be made available at the meeting itself for use by that Director.

- Decision Making

Decisions of the Board are made as a group at Board meetings at which a quorum of the Board is present. A quorum is required for the transaction of business of the Corporation. Decisions will ideally be made through a consensus development process leading to a formal vote to record the decision (with the Chair voting only to resolve a tie). This process is intended to encourage full discussion and development of a decision that all or at least the largest possible majority of Directors can support, prior to a vote. Where disagreements continue to exist, dissenting Directors may request that their objections be recorded in the minutes. A favourable vote of a majority of the Directors present, regardless of abstentions, is required for approval.

Directors have the right to discuss questions before the Board and make their decisions in an uninhibited atmosphere. The Governance Policy Framework of the Perley Rideau and in particular the Code of Conduct for Directors will govern Board deliberations. Directors should welcome and respect the diverse views of their colleagues, maintain confidentiality as required and offer public support for Board decisions. In fact disagreements are aired at Board meetings prior to a decision being made but once a decision is made the Board speaks with one voice in favour of the decision taken.

Minutes of all Board Meetings are to be taken. The Executive Director acting in his capacity as Secretary to the Corporation is responsible for providing the necessary support. The Chair is responsible for the content of the minutes that is presented to the Board for approval at the subsequent meeting of the Board.

- Confidentiality

The following items are to be treated as confidential unless otherwise decided by a resolution of the Board:

- ◆ Personal matters about an identifiable individual (i.e. member, Director, resident, client or employee)
- ◆ Acquisition or sale of land or other assets

- ◆ Labour relations or employee negotiations
- ◆ Litigation or potential litigation
- ◆ Receiving advice that is subject to solicitor-client privilege
- ◆ Matters falling under access to information or privacy laws
- ◆ Matters of personal conflict between members of the Board
- ◆ Any other matters which, the public discussion thereof, the Board determines would be prejudicial to the interests of the Corporation or its members, residents or clients.

When an item is required to be treated as confidential or the Board determines that a matter is to be kept confidential the item shall be designated as a confidential minute, segregated and kept separate from non-confidential minutes by the Secretary to the Corporation. Confidential minutes and their supporting materials shall be accessible by: Directors; persons designated by the Chair of the Board; the Executive Director or persons designated by him for the purposes of carrying out their duties.

Board Committee Meetings

Board Committees at the Perley Rideau have an advisory function to the Board. They do not speak or act for the Board unless such authority is formally delegated, is time-limited, and is for specific purposes. They do not have any authority to direct staff although they may, through the Board, ask the Executive Director to allocate resources in support of Committee activities.

Board Committee Meetings are held and conducted in accordance with the By-Laws of the Corporation, the Board Directives and Terms of Reference for their respective Committees and Robert's Rules of Order.

The role of Board Committee Chair should align with that of the role of Chair of the Board described above properly adjusted to the functions of a Board committee as opposed to the board as a whole.

- **Committee Scheduling**

The Board Committee Chair shall plan the conduct and timing of Committee meetings in accordance with the Committees Terms of Reference and where support is required for the meeting in conjunction with the Executive Director. The Board Committee Chair shall Chair all meetings of the Committee. The Board Committee Chair shall give consideration to establishing an annual list of the date, time, and place of Committee meetings and provide an opportunity for Committee members to comment on the schedule of meetings. Due to the nature of Board Committees as essentially the working Committees of the Board, there is less formality to Committee meetings than to Board meetings.

Consequently, occasions can arise where unpredicted and non-scheduled meetings will be required to be held. Such meetings may be held with the consent of Committee members and where support for the meeting is required after consultation with the Executive Director as to the availability of the support.

- Committee Agendas

The Board Committee Chair will set the agenda for Committee meetings with inputs from Committee members and the Executive Director and after consideration of the Committee Terms of Reference, assigned tasks from the Board, or the Committee's own annual work plan. Agendas should include the written records of the previous meeting of the Committee or if minutes were taken the minutes of that meeting required for approval by the Committee. Agendas and their supporting documentation should be prepared and distributed in electronic format with the provision that a Committee member may request a hard copy of the documents be made available at the meeting itself for use by the Committee member.

- Committee Decision Making

Board Committees arrive at the advice and recommendations they will give to the Board on a consensus basis. There is no voting *per se*. A discussion process should occur that allows the diverse views of committee members to be expressed on the issue to be considered by the Committee. Where there is consensus on the advice or recommendations to be provided to the Board that advice or those recommendations should be recorded by the Committee. If disagreements persist then consideration should be given to presenting the Committee's advice to the Board inclusive of the dissenting point of view. Where it is decided to provide advice or recommendations to the Board then the Chair of the Committee should seek the inclusion of the item on a future agenda of the Board or retain the matter until making its annual report to the Executive Committee.

Board Committees have the option of having minutes taken of their proceedings or making a written record of their meetings. In either case the minutes or written record must reflect the progress of work accomplished at each meeting. The content of minutes or a written record presented to the Committee for approval is the responsibility of the Chair of the Committee. The content of the minutes or a written record of the Committee provided to the Board for inclusion in a Board meeting agenda is the responsibility of the Chair of the Committee.

- Confidentiality

Committee meeting confidentiality and records thereof should be kept in an analogous fashion to that of confidential matters addressed at Board meetings as described above. Accessibility would be the same as that provided for in the section on Confidentiality for Board meetings.

Board Annual Work Cycle

The work of the Board of Directors although diverse and touching upon a variety of issues can in certain aspects be predicted and repeated from year to year. We know that every year a budget will be required. We know that every year officers will need to be selected to govern the Corporation etc. Appended to this document is an attempt to capture the cyclical work of the Board and its Committees. In respect of Board Committees only those things which all Committees are required to do are included. The required work of each individual Committee is not captured in the attached.

Approved by the Board of Directors on April 02, 2009

Chair of the Board