

PART II

The Board of Directors

OVERVIEW

The Board of Directors is the governing body of Perley Health. Directors are elected by the Members of the Corporation and are accountable collectively to meet the Corporation's expectations as set out in the By-Laws.

The primary focus of the Board is on establishing general direction, defining concrete objectives and monitoring/auditing results. Board Committees may be established to advise the Board in fulfilling its responsibilities.

Some of the key features of Perley Health's approach to Board governance are:

- The Board's focus is on mission, values, objectives, strategic planning, risk management, effective achievement of goals, and the effective and efficient utilization of resources.
- The Board determines which advisory Committees are appropriate to support the Board in fulfilling its responsibilities, taking into account the size and complexity of the organization, its mandate and other unique circumstances.
- The Board recruits Board members who have an interest in the organization and skills and knowledge to be effective members of the Board.
- The Chair derives his/her authority from the Board and represents the Board's collective view in all communications pertaining to Board matters.
- The Board is not involved in the day-to-day operations, the management of which is delegated to the CEO.
- The CEO is a non-voting member of the Board and carries substantial responsibility for advising the Board on direction and policy-making.
- The Board is responsible for monitoring and auditing the performance of the Board, the CEO and the Perley Health organization.

This Part outlines the Board's operating philosophy, its structure and responsibilities, and to some extent the procedures necessary for the effective fulfillment of the Board's functions.

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Chapter 1

BOARD STRUCTURE, RESPONSIBILITIES AND OPERATING PHILOSOPHY

This chapter outlines the parameters defining the Board of Directors, including the role of Members of the Corporation to whom the Board is accountable. It also outlines the roles and responsibilities of the Board, as well as the operating philosophy followed by the Board.

1.1 Board Accountability

The Board, as a whole, has general and specific responsibilities to the Members of the Corporation (The Perley and Rideau Veterans' Health Centre (Perley Health)) and to those government and individual or corporate donors who provide funds for the operation of Perley Health. The Board is also accountable, in a more general sense, to exercise good stewardship of the Corporation on behalf of the trust placed in it by the general public, clients, staff, volunteers and other stakeholders.

Individual members of the Board (Directors) are elected or appointed under the authority of the By-Laws and are responsible to those who elect or appoint them (i.e. the Board itself and the Members of the Corporation). However, all Directors are obligated by the governing legislation (outlined in Part I of this Governance Guide) to act in the best interests of Perley Health. In so doing, Directors support Perley Health in fulfilling its mission and discharging its accountabilities.

The By-Laws require that Directors:

- *act honestly and in good faith with a view to the best interests of the Corporation;*
- *exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances; and*
- *take such measures as necessary to ensure that the Corporation complies with all requirements under the law.*

Directors have no authority to act or give direction individually. The Board may delegate authority to an individual Director or Officer or to the CEO, but the Board retains ultimate responsibility and accountability in so doing.

The Board will account to the Members of the Corporation, funders and other key stakeholders through annual and periodic reports on the activities and finances of Perley Health, including annual audited financial statements, decisions of the Board and representations from and consultations with key stakeholders. The Board strives to operate in an open and transparent manner.

1.1.1 Members of the Corporation

As a not-for-profit corporation, Perley Health has Members. While there are similarities between the role of the members of a not-for-profit corporation and the shareholders in a for-profit corporation, there are some significant differences. Importantly, Members of the Corporation are not “owners” in the sense that shareholders have an equity interest in a for-profit corporation. Members of the Corporation do however elect Directors and receive financial statements and thus play an important role with respect to Board accountability. The Directors of Perley Health are themselves required to be Members of the Corporation.

The following apply to Members of the Corporation:

- There is no limit to the number of Members that Perley Health may have;
- Members may not vote by proxy;
- Members:
 - Elect Directors (other than *ex officio Directors*);
 - Receive annual financial statements;
 - Appoint the auditors; and
 - Approve fundamental changes such as amendments to the By-Laws, special resolutions, and amendments to the Letters Patent;
- Members, as such, are not liable for the liabilities of Perley Health;
- The Corporate Secretary maintains a register with the names and addresses of all Members of the Corporation;
- The Board periodically reviews its corporate membership structure by asking the following questions:
 - Is the membership representative of the community to whom Perley Health is accountable?
 - Are there categories of persons who should not be voting Members? (e.g. medical and nursing staff, other employees)

1.1.2 Policies and Guidelines

The Board of Directors has approved the framework of Policies and guidelines contained in this Governance Guide for the good governance of Perley Health. The Policies and guidelines supplement the By-Laws but, in the event of any conflict, the By-Laws prevail.

The Policies and guidelines may be revoked or amended by resolution of the Board of Directors, and they shall be reviewed by the Board along with the By-Laws at intervals not to exceed three years.

The Policies are found in Part IV of this Governance Guide.

Accreditation Canada has established a comprehensive set of standards for sustainable governance for Canadian health service providers. Accreditation Canada’s quadrennial accreditation surveys constitute a major form of governance audit that applies formally to Perley Health as a consequence of the government funding for Veterans at Perley Health. These standards along with elaboration on the roles of an effective board are found in the Addendum to this Governance Guide.

1.2 Board Structure

The By-Laws of Perley Health specify the number and terms of office of Directors and eligibility for office.

The Officers of Perley Health are those defined by the By-Laws; they are the Chair, Vice Chair, Treasurer, Secretary and the CEO. Chapter 2 of this Part outlines the duties of the Officers.

The By-Laws allow the Board of Directors to establish Standing Committees to assist the Board in carrying out its functions. The Board may also appoint any Special Committee when necessary for a specific task or project. Chapter 3 provides the Terms of Reference for the Standing Committees and Special Committees, and describes the structure and responsibilities of these Committees.

1.3 Roles and Responsibilities of the Board

The Board of Directors is responsible for the affairs and activities of Perley Health in all things. It provides strategic direction to the CEO, formulates Board policies for the governance of Perley Health and provides oversight of Perley Health's processes and outcomes.

The principal functions of the Board of Directors include:

- a) **Fiduciary Oversight:** Confirming that the affairs of Perley Health are conducted in accordance with the law, government standards, the Corporation's By-Laws and the framework of policies and guidance established by the Board of Directors;
- b) **Direction Setting:** Establishing the mission, vision, values, ethics, strategic direction and corporate objectives of Perley Health;
- c) **Financial Oversight:** Reviewing and approving financial plans, securing adequate financial resources for operational and capital requirements, ensuring the effective and efficient use of funding and ensuring the integrity of financial reporting for Perley Health;
- d) **Resource Stewardship:** Confirming the effective and efficient utilization of Perley Health's human capital (including Directors, staff and volunteers) and its infrastructure (including plant and equipment, and information technology assets);
- e) **Risk Management:** Ensuring that relevant strategic risks and opportunities are systematically identified and acted upon to the benefit of Perley Health;
- f) **Stakeholder Relations:** Promoting and maintaining effective relationships with external stakeholders; and
- g) **Performance Evaluation:** Providing oversight of the performance of Perley Health, including: its operations, the Board, its Directors, and the Chief Executive Officer.

A detailed list of the responsibilities of the Board of Directors is set out in the Appendix to this Chapter. (See also guidelines for the effective stewardship of the Board's affairs in the Addendum to this Governance Guide.)

1.4 Board Operating Philosophy

1.4.1 General

The Board's focus should be on strategic leadership. Although the Board is responsible for monitoring and auditing performance, it is not involved in administrative matters or day-to-day operations, the management of which is delegated to the CEO.

The Board must establish and respect distinctions between Board and staff roles and manage any overlap between these respective roles in a spirit of collegiality and partnership, supporting the authority of the staff and maintaining proper lines of accountability.

Concerns raised with any Board member about the management of any specific issue involving staff at Perley Health should be referred to the CEO. If the issue involves the CEO personally, it should be referred instead to the Board Chair.

1.4.2 Style of Governance

In carrying out its roles and responsibilities, the Board is committed to:

- Directing and inspiring Perley Health through careful deliberation and innovative directions;
- Encouraging continuous learning and performance improvement;
- Demonstrating to all its stakeholders its competence, diligence, and effectiveness in fulfilling its obligations;
- Ensuring that all business of the Corporation is conducted in a transparent, legal and ethical manner and in accordance with the principles of fair play; and
- Enforcing upon itself and its members the behaviour that is needed to govern with excellence. This includes matters such as attendance, policy-making principles, respecting roles, maintaining a unified front as a Board, and monitoring and correcting any tendency of Directors to stray from the principles adopted in this Governance Guide.

1.4.3 Board Culture

The Board's culture sets the tone for the whole Perley Health organization. Board members, managers, staff and volunteers must feel valued, nurtured, supported and encouraged to take measured risks in pursuit of organizational goals.

To do this the Board strives to achieve a safe environment where:

- Trust is established through respect, openness and transparent communications;
- Members and staff feel free to express their opinions, share their assumptions (and even change them) without being subject to personal criticism;
- Opinions are given thoughtful and careful consideration, and are treated as the

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- property of the Board rather than the individuals who expressed them;
- New ideas are challenged, evaluated and reflected upon in a constructive manner;
- Board members are made to feel like equals in the decision-making process; and
- Disagreements and conflicts are resolved constructively.

While organizational stability is desirable, it must be balanced against the need for innovation in a complex, rapidly changing environment. This requires of the Board:

- Avoiding a culture of blame;
- Building on strengths;
- Promoting calculated risk-taking;
- Setting policy, but not specifying means to achieve outcomes; and
- Identifying organizational paradoxes and tensions (in cooperation with management and staff) and working collegially to resolve them.

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Specific Responsibilities of the Board of Directors (Adapted from the OHA Guide to Good Governance)

Legal Compliance

- The Board ensures that appropriate processes are in effect to establish and maintain compliance with all legal requirements.

Strategic Planning and Mission, Vision and Values

- The Board participates in the definition and/or safeguarding of the mission, vision, and the values framework and operating principles within which it expects the organization to be administered, and it reviews and updates these periodically to ensure that they remain current and responsive to community needs.
- The Board ensures that Perley Health develops and adopts a strategic plan that is consistent with the corporate mission and values, and which will enable Perley Health to realize its vision. The Board participates in the development of, and ultimately approves, the strategic plan and priorities.
- The Board oversees Perley Health's operations for consistency with the strategic plan and strategic directions.
- The Board receives regular briefings or progress reports on the implementation of strategic directions and initiatives.
- The Board ensures that its decisions are consistent with the strategic plan and Perley Health's mission, vision and values.
- The Board annually conducts a review of the strategic plan as a part of a regular annual planning cycle.

Quality and Operational Performance Monitoring

- The Board regularly reviews Perley Health's services to ensure that they are consistent with the purpose of the organization and that its programs are effective and relevant to community needs.
- The Board is responsible for ensuring a process and a schedule for monitoring and assessing performance is in place.
- The Board ensures that management has identified appropriate measures of performance.
- The Board monitors Perley Health's operational and Board performance against Board approved performance standards and indicators.
- The Board ensures that management has plans in place to address variances from agreed performance standards and indicators, and the Board oversees implementation of remediation plans.
- The Board ensures fair resolution of complaints from residents and clients about services through a formal complaints process.

Financial Oversight

- The Board is responsible for the stewardship of financial resources including:
 - Seeking and securing sufficient resources for the organization to adequately finance its operational and capital requirements;
 - Allocating financial resources consistent with the mission, vision, values and strategic directions;
 - Accounting to Members of the Corporation, financial investors, other key stakeholders and the public for the services of the organization and expenditure of funds; and
 - Ensuring prudent and proper management of the organization's resources.
- The Board approves policies for financial planning and approves the annual operating budget and capital budget.
- The Board monitors financial performance against the budget.
- The Board approves investment policies and monitors compliance.
- The Board ensures the accuracy of financial information through oversight of management and approval of annual audited financial statements.
- The Board ensures that management has put measures in place to ensure the integrity of internal controls.

Human Resource Stewardship

- The Board is responsible for the establishment and approval of the general values framework within which Perley Health's human resources will be managed.
- The Board reviews management's long-term plans for the effective utilization of all human capital.
- The Board periodically monitors key human resource performance indicators.
- The Board approves and periodically reviews personnel policies within which human resources will be managed.
- The Board approves a mandate (upper financial limits) within which pay and benefits agreements are to be negotiated.

Facilities and Asset Stewardship

- The Board approves and periodically reviews long-term plans and policies for the development, maintenance and effective utilization of all physical plant and equipment, including IM systems.
- The Board monitors the custody of all Perley Health property (including any intellectual property).

Oversight of Management

- The Board governs Perley Health through broad policies and planned objectives approved by the Board, formulated with the CEO and staff, and reviewed periodically.
- The Board selects, supervises and supports the CEO to whom the responsibility for administration of Perley Health is delegated by:
 - Developing and approving the CEO job description;
 - Undertaking a CEO recruitment process and selecting the CEO;
 - Reviewing and approving the CEO's annual performance goals;

- Providing advice and acting as a resource and sounding board for the CEO; and
- Reviewing the CEO's performance and determining CEO compensation.
- The Board maintains sufficient independence from management and adequate knowledge about the organization to ensure that the Board can make reasonably objective judgments about the reliability and validity of management reports on finances and general operations.
- The Board exercises oversight of the CEO's supervision of senior management as part of the CEO's annual review.
- The Board ensures succession planning is in place for the CEO and senior management.
- The Board ensures the proper management of critical transitional phases and events (such as turnover in key positions in the Board and senior management; rapid growth or decline in resources; and, issues of significant internal or public conflict or controversy).

Risk Identification and Oversight

- The Board remains knowledgeable about risks inherent in Perley Health's operations and ensures that appropriate risk analysis is performed as part of Board decision-making.
- The Board oversees management's risk management program.
- The Board ensures that appropriate programs and processes are in place to protect against risk.
- The Board is responsible for identifying unusual risks to Perley Health and ensuring that there are plans in place to prevent and manage such risks.

Stakeholder Communication and Accountability

- The Board identifies Perley Health stakeholders and understands stakeholder accountability.
- The Board ensures the organization appropriately engages and communicates with stakeholders in a manner consistent with accountability to stakeholders.
- The Board oversees opportunities for stakeholders to contribute to key decisions related to the direction and operation of Perley Health.
- The Board contributes to the maintenance of strong stakeholder relationships by representing Perley Health and its programs positively to key stakeholders and the community at large and its Directors are good ambassadors.
- The Board advocates on behalf of Perley Health with stakeholders where required in support of the mission, vision and values and the strategic directions of the Corporation.

Self-Governance

- The Board provides continuity and stability for Perley Health and contributes to the preservation of its corporate memory.
- The Board is responsible for the quality of its own governance.
- The Board establishes governance structures to facilitate the performance of the Board's role and enhance individual director performance.
- The Board is responsible for the recruitment of a skilled, experienced and qualified Board.

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- The Board ensures ongoing Board training and education.
- The Board periodically assesses and reviews its governance structures and processes including recruitment, composition, committees, as well as its own performance and effectiveness.

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Chapter 2

OFFICERS OF THE BOARD

This chapter outlines the terms of reference for the Officers of the Board, including the Chair, the Vice Chair, the corporate Treasurer, the corporate Secretary and the Chief Executive Officer.

2.1 General

The Officers of Perley Health are the Chair, the Vice Chair, the Treasurer, the Secretary and the Chief Executive Officer (CEO). The Officers, with the exception of the CEO, are appointed annually by the Board at the first Board meeting following the Annual Meeting of the Corporation. The process for identifying candidates for the officer positions of Chair, Vice Chair, Treasurer and Secretary is set out in the Appendix to this Chapter.

Individual officers may not act in place of the Board except when either the Chair or the Executive Committee is acting for the Board in accordance with the By-Laws and subject to the limitations set forth in the Ontario Not-for-Profit Corporations Act (ONCA) (*sections 36 (1) and (2)*). The Board may, by policy or general resolution, delegate certain responsibilities to its Officers but retains ultimate responsibility and accountability for the responsibilities so delegated.

2.2 Role of the Chair

The Perley Health By-Laws (7.(a)) state: *“The Chair shall preside at all meetings of Members, the Board and the Executive Committee. In the Chair’s absence, meetings of the Board will be chaired by the Vice Chair or in the absence of the Vice Chair, by another Director named to do so by the Chair. Otherwise the meeting will be chaired by a Director chosen by the meeting attendees.”*

A Director is elected as the Chair at the first meeting of the Board following an Annual Meeting for a term of one year and may be re-elected twice for a maximum of three consecutive one-year terms.

The role of the Chair is to ensure the integrity of the Board's processes.

- a) 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.

- b) The Chair sets the agendas for meetings of the Board with input from the members of the Board and with the assistance of the CEO and ensures that its meetings are focused on matters of Board responsibility.
- c) The Chair is responsible for promoting the development of a Board work plan, complementary to the strategic priorities and operational plan of the organization, and for ensuring that the Board's work and power are evenly distributed among Board members.
- d) The Chair plans the conduct and timing of Board meetings in conjunction with the CEO and chairs meetings of the Board and the Executive Committee.
- e) The Chair ensures that the Board is properly informed about the operations of Perley, has the information and opportunity necessary to come to decisions on matters within its purview, and that decision-making is transparent.
- f) The Chair, without undermining the CEO's accountability to the full Board, is the Board's primary liaison with the CEO, 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.
- g) The Chair strives to ensure that the Board works effectively as a team, and that areas of overlap of responsibilities between the Board, management and staff are managed constructively.
- h) The Chair is responsible to ensure that conflict of interest issues and other conflicts or disputes are addressed sensitively and resolved constructively.
- i) The Chair is responsible to ensure that assessments of the Board and of individual Directors are conducted and that Board members who fail to meet expectations are gracefully retired.
- j) The Chair, with the support and cooperation of the Board, is responsible for ensuring adequate communications and accountability to key stakeholders and the public.
- k) The Chair is the principal public and media spokesperson for the Board. The Chair may delegate this to another Board member based on his/her knowledge and/or experience. For routine public communications the Chair normally defers to the CEO.
- l) The Chair may delegate any specific duty or duties to any Director, including the Vice Chair, who shall be responsible to the Chair in the performance of those duties.

2.3 Role of Other Officers

Vice Chair

The Vice Chair performs those duties assigned to him/her by the Chair and when carrying out those duties acts in the name of, and with the authority of, the Chair and is responsible to the Chair for the performance of those duties.

The Vice Chair is authorized to chair the Board, and to represent the organization, in the Chair's absence. The Vice Chair may accede to the position of Chair, as that position becomes vacant – but not automatically.

Treasurer

The Treasurer is responsible for the duties prescribed in the By-Laws and for monitoring the financial activities of the Corporation. Specifically, the Treasurer:

- a) Ensures that complete and accurate records are kept of all of the Corporation's financial matters in accordance with generally accepted accounting principles;
- b) Acts as a signing authority for the Corporation as approved in the By-Laws or by resolution of the Board;
- c) Ensures that the Board, monthly or as otherwise required, is provided with a report of all major financial transactions and of the financial position of the Corporation;
- d) Recommends a competent auditor to be appointed annually;
- e) Collaborates with the auditor and CEO in review and presentation of annual audited financial statements; and
- f) Normally chairs the Audit and Risk Management Committee of the Board.

Secretary

The Secretary, normally the CEO, ensures that all secretarial functions are performed for the Board and Executive Committee, and that records are kept of all proceedings and transactions. The Secretary is the custodian of the corporate seal and of all official books, papers, records, documents and correspondence of the Corporation. The Secretary:

- a) Oversees the keeping of records of meetings, policies, membership and any other records required by law;
- b) Ensures that minutes are taken at all meetings of Members of the Corporation and all regular and special meetings of the Board of Directors;
- c) Ensures that copies of minutes and agendas are circulated to Board members prior to each meeting; and

- d) Maintains, or ensures the maintenance of, the files and records of the Corporation to be passed on to future Officers and ensure the security and confidentiality of all such files and records.

Chief Executive Officer (CEO)

The Chief Executive Officer (CEO) has responsibility for the overall management of the Corporation. He/she acts as the Administrator of the Corporation and conducts the day-to-day operations of the Corporation in accordance with government standards, the By-Laws of the Corporation and the directives and policies established and approved by The Board. The CEO reports to the Board and attends all meetings of the Board. The CEO also reports to the Executive Committee and to Members of the Corporation.

The Executive Authority for the Corporation is outlined in Part III, including, in Chapter 1 of Part III, the responsibilities of the CEO.

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Process for Identifying Candidates for Board Chair and Other Officers of the Board

Background

The By-Laws of the Corporation require that the Board appoint Officers including, but not limited to, the Chair, the Vice Chair, the Treasurer, the Secretary and the Chief Executive Officer. They further direct that these appointments take place at the first Board meeting following the Annual Meeting of the Corporation. The Chair and Vice Chair are limited to a maximum of three consecutive one-year terms. There is no limit on the number of times the other Officers may be re-appointed. With the exception of the CEO, Officers must be Directors.

Chair

In January or February of each year, the Governance Committee determines whether it will be necessary to select a new Chair and, if so, recommends such action to the Board for approval. The process to identify and select a new Chair is delegated to the Governance Recruitment Team (GRT) [see Pt II, Ch 5, para 5.3] with the mandate to develop a list of potential nominees. In carrying out their mandate, the GRT should consider:

- The major issues/priorities for the coming two years and the key skill sets required by the Chair (as identified in the Annex to this Appendix); and
- Directors' interest in serving as Chair as well as their views as to who might be best placed to lead the organization.

Based on the findings of the GRT, the Governance Committee oversees a fair, open and transparent process of selection during a Board meeting prior to the Annual Meeting of the Corporation.

The Chair-elect is appointed Chair by the Board at the first meeting of the Board following the Annual Meeting of the Corporation.

Vice Chair

The Vice Chair should preferably have several years' experience on the Perley Health Board of Directors, and possess the qualities to fulfill the role as described in the Annex.

If it is determined that a new Vice Chair will be required, the Governance Recruitment Team (GRT) will develop a list of potential nominees based on information gleaned as part of the annual Director interview process.

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Based on the findings of the GRT, the Chair of the Governance Committee oversees a fair, transparent and open process of selection during a Board meeting prior to the Annual Meeting of the Corporation, and the Board appoints the Vice Chair-elect at its first meeting after the Annual Meeting.

Treasurer

Given the role of the Treasurer in providing oversight and guidance to the Chief Financial Officer (CFO) on behalf of the Board, the Board has preferred that the Treasurer have some professional accounting qualification/certification. The Treasurer has also traditionally chaired the Audit and Risk Management Committee.

In the spring of each year as part of the overall review of Board functioning, the Chair of the Governance Committee interviews each Director. As part of this process, those Directors who have the appropriate accounting background are asked about their willingness to serve as Treasurer.

The Chair of the Governance Committee oversees a fair, transparent and open process of selection of a Treasurer at a Board meeting prior to the Annual Meeting of the Corporation, and the Board appoints the Treasurer-elect at its first meeting after the Annual Meeting.

Secretary

The current practice is for the CEO to act as the Secretary. There is no selection process and CEO is appointed annually as Secretary at the first meeting of the Board following the Annual Meeting of the Corporation.

ANNEX

Criteria for Board Chair or Vice Chair

Criteria	Desirable Characteristics
Demonstrated Leadership	<ul style="list-style-type: none"> • Has chaired a committee. • Is respected by the Board as a leader. • Is steady, disciplined, positive, energetic – able to think on their feet. • Has the ability to lead and get closure on issues. • Has the ability to reconcile. • Has the confidence of the Board in order to negotiate a solution.
Experience	<ul style="list-style-type: none"> • Has served on the Board long enough to have a well-rounded understanding of Perley Health. • Ideally, has served on more than one committee.
Knowledge	<ul style="list-style-type: none"> • Demonstrates a sound understanding of the issues facing Perley Health. • Specifically, understands the financial challenges faced.
Collaborative Personality	<ul style="list-style-type: none"> • Respected by, and gets along well with, Board members. • Demonstrated ability to work with management and be respected by them. • Is diplomatic and adept at building consensus. • Has the ability to listen - allowing an open and democratic discussion.

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	<ul style="list-style-type: none"> • Has the ability to delegate and use the skills of the Board and management.
Decisiveness	<ul style="list-style-type: none"> • Can make decisions.
Organization	<ul style="list-style-type: none"> • Is well organized. • Can set the pace – keep the Board focused.
Strategic thinker	<ul style="list-style-type: none"> • Can see the big picture and doesn't get bogged down in the detail. • Has a good political sense. • Understands the strategic context and perspectives of VAC/MOLTC.
Presence	<ul style="list-style-type: none"> • Speaks well and would be a good representative of Perley Health.
Negotiating Skills	<ul style="list-style-type: none"> • Has the ability to negotiate for Perley Health at the senior levels of Government. • Strong skills in negotiation, communications and statesmanship. • Can undertake external stakeholder relations effectively – needs to be good at dealing with people – pleasant but firm.

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Chapter 3

BOARD COMMITTEES

This chapter outlines the composition and function of the Board's various Standing Committees, and it defines the relationship between these advisory Committees and management. The Terms of Reference for each of the Standing Committees are appended to this chapter.

3.1 General

The By-Laws require that the Board of Directors establish an Executive Committee, and provides that the Board of Directors may at any time establish other Standing Committees to assist the Board in carrying out its functions. The Board may also appoint any Special Committee when necessary for a specific task or project.

Written Terms of Reference for each Standing or Special Committee specify the Committee's major functions, composition and reporting requirements. Except as the Board of Directors may from time to time otherwise direct, the authority of Committees is limited to providing recommendations for Board action. Terms of Reference for all the Committees are set out in Appendix A of this chapter.

Committees meet in accordance with their Terms of Reference at a time and place determined in advance. Committee Chairs ensure that key messages from Committee meetings are available to be appended to the agenda of the next regular meeting of the Board of Directors and that approved minutes are published promptly on the *Board Members Only* area of the website.

3.2 Authority of Committees

Committees 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 CEO to allocate resources in support of Committee activities.

3.3 Composition

At the first meeting of the Board of Directors following the Annual Meeting of the Corporation, the Board of Directors decides which Committees are to be active for the following year and appoints Chairs and assigns Directors for each of the active Committees for a term of one year. The Board may at any other time of the year appoint additional or alternate members to Committees for the purposes of filling vacancies or to meet requirements. The Board may also appoint persons other than Directors to be members of Committees for the purpose of adding subject matter expertise.

Any Director or Honorary Director is eligible to chair any Standing or Special Committee or any advisory or working group. In practice, however, the Board has concluded that to allow for the ongoing development and advancement of serving Directors, Honorary Directors will normally not fill Committee Chair positions.

Committee members are assigned on the basis of:

- Their personal preference;
- Their interest in developing relevant skills and experience for that Committee's work; and
- Developing a broader personal appreciation of particular functions of the Board.

The Board Chair and the CEO are *ex-officio* members of all Committees. In addition, any Director may attend any Committee meeting.

3.4 Adjunct Advisors

Pursuant to the By-Laws, the Board may appoint Adjunct Advisors who volunteer to serve in an advisory capacity on a Committee of the Board. Adjunct Advisors participate in the work of the Committee to which they are appointed. They may be former Directors of the Corporation or such other qualified persons as the Board considers advisable. Adjunct Advisors, as appointees of the Board, are subject to the confidentiality provisions applicable to Directors, and are entitled to indemnification by the Corporation as provided in the By-Laws.

Adjunct Advisors are members of the specific Committee to which they are appointed, not members of the Board at large. Where an Adjunct Advisor's expertise offers particular value to the Board, the Board may, on the recommendation of the Committee, decide to involve the Adjunct Advisor in Board business or activities, including Board meetings.

Adjunct Advisors are appointed for a two-year term, renewable on the recommendation of a sponsoring Committee and approval of the Board.

The Terms of Reference for Adjunct Advisors are attached as Appendix B to this chapter.

3.5 Function

A Committee's function is to bring the experience, expertise and judgment of a group of interested and informed persons to bear on a specific area of Perley Health's responsibility. Its job is to assist the Board by considering matters referred to it in greater depth than would be possible by the whole Board. Committees identify and isolate the key issues requiring Board consideration or corporate attention, propose alternative actions, present the implications and make recommendations to the Board for decision.

The Board will not review a matter in the same detail as the Committee, but, if it is not satisfied that all pertinent information was considered, it must refer the matter back to the Committee for further study. The Board will consider the recommendations of the

Committee and adopt or amend them or make such other disposition as it considers appropriate.

3.6 Meetings

Committees meet in accordance with their Terms of Reference, with the dates and location of Committee meetings communicated in advance. Typically, they are held at the call of the Committee Chair or at times regularly scheduled by resolution of the Committee or the Board.

Committee meetings are generally less formal than Board meetings but Committees may establish more formal procedural rules if it appears necessary. Their proceedings are subject to the same requirements for record keeping as Board meetings. The written record or minutes of a Committee's meeting is approved by the members of the Committee and published on the *Board Members Only* section of the website so that they are accessible to all Directors and Adjunct Advisors.

Before the Board meeting in September, the Chair of each Standing Committee informs the Executive Committee of the objectives that will be the focus of the Standing Committee's work for that year so that the Executive Committee may include these in the Board Work Plan for the year, as appropriate.

3.7 Relationship to Staff

The Board, its Committees, and staff work cooperatively to carry out the objectives of the Corporation. The Board and the Committees rely upon the ability, training, expertise and experience of staff to plan for and provide services or programs within Perley Health's mandate. Committee and Board meetings are the generally recognized avenues for Board and staff to think and plan together.

The CEO assigns staff members to work cooperatively with Committees to assist them in carrying out their objectives.

3.8 Committee Terms of Reference

A Board resolution defining Terms of Reference for mandate and procedures is required for all Committees (Standing and Special). The Governance Committee annually reviews existing Committee Terms of Reference and Committee memberships to ensure that the needs of the Board are met. The process for determining Committee structures, Chairs and membership is set out in Appendix C. Terms of Reference for Committees may be amended by the Board by resolution from time to time as required.

Special Committees should be stood down by Board motion when the task is completed, where the Committee is no longer relevant, or as a result of a sunset clause in the original motion establishing the Committee. All Committees should review their Terms of Reference at least annually.

The Terms of Reference for each Committee outline specific responsibilities. To varying degrees, Committees share accountabilities that require collaboration and coordination among Committees. Normally, one Committee will be the self-evident lead or "go-to"

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Committee for coordinating a particular area of expertise or an overlapping issue. These collaborative accountabilities include such areas as:

- Work planning;
- Policy development;
- Environmental watch;
- Performance evaluation;
- Fiduciary oversight;
- Oversight of resource utilization;
- Risk management; and
- Advocacy and community engagement.

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Terms of Reference for Board Committees

The Terms of Reference for the Standing Committees and Special Committees of the Board of Perley Health are provided in this appendix in the following order:

STANDING COMMITTEES

- 1. Executive Committee**
- 2. Governance Committee**
- 3. Quality of Life and Safety Committee**
- 4. Audit and Risk Management Committee**
- 5. Strategic Planning Committee**

SPECIAL COMMITTEES

- 6. Special Committee on Seniors' Village Expansion**
 - 7. Special Committee on Centre of Excellence**
-

Terms of Reference

Executive Committee

Purpose

The By-Laws require the establishment of an Executive Committee chaired by the Chair of the Board and comprising a minimum of five Directors or Honorary Directors including those Officers who are Directors.

The Executive Committee is an advisory committee to the Board of Directors, to provide leadership, counsel and corporate memory.

Composition and Meetings

The Executive Committee shall consist of the Officers of the Board, the Chairs of the Committees, and the immediate past Chair of the Board, if he/she remains on the Board. The Executive Committee meets at least quarterly or at the call of the Chair of the Board, and the Chair of the Board or his/her designate chairs the Committee's meetings.

Committee Responsibilities and Functions

In addition to the shared responsibilities listed in Para. 3.8 of this Chapter, the **specific responsibilities and functions** of the Executive Committee are to:

1. Exercise all such powers of the Board as may from time to time be delegated by the Board. In any such instance, the Committee shall inform the Board of any such action taken no later than the meeting of the Board next following the action taken.
2. Plan and manage Board business by:
 - a. Remaining current on all Board activities;
 - b. Drafting for Board approval the Board's annual work plan;
 - c. Supporting the work of Board Committees, as required;
 - d. Identifying and resolving potential conflicts and gaps in Board work; and
 - e. Providing strategic oversight for Human Resources, including recruitment, retention, and development, and addressing any Human Resources matters not mandated to other Board Committees or as requested by management.
3. Support the Board in the management of the Chief Executive Officer (CEO) regarding:
 - a. Selection or termination of the CEO, as required;
 - b. The CEO's annual targeted objectives;
 - c. The CEO's annual performance evaluation, continuing tenure, professional development and compensation; and
 - d. The CEO's relationship with the Board and management's support to the Board.

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4. As required, recommend to the Board of Directors appropriate action to be taken in relation to any critical organizational performance matters reported by the CEO or otherwise identified.
5. Support the Chair by providing advice on:
 - a. Matters dealing with particularly controversial or sensitive issues;
 - b. Managing conflicts or complaints concerning Directors;
 - c. Improving the Chair's effectiveness; and
 - d. The performance of Perley Health at the Annual Meeting of the Corporation.
6. Make recommendations to the Board with respect to any of the above matters and carry out any other duties assigned to it by the Board.

Approved by the Board of Directors on the 07th day of March, 2024.

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Terms of Reference

Governance Committee

Purpose

The Governance Committee is an advisory committee to the Board of Directors for issues relating to governance matters and to the development of the Board, its conduct, and its performance. In addition, this Committee advises the Board on matters related to the Board's Ethics Policy Framework.

Composition and Meetings

The Governance Committee shall consist of a Chair and at least one (1) other Director, and meets at least quarterly or at the call of the Chair.

Committee Responsibilities and Functions

In addition to the shared responsibilities listed in Para. 3.8 of this Chapter, the **specific responsibilities and functions** of the Governance Committee are to:

1. Oversee the establishment and practice of the highest **ethical standards** and core values across the Corporation including:
 - a. Maintaining a Corporate Ethics Policy Framework to deal with ethical issues arising within Perley Health; and
 - b. Reviewing its constituent elements as warranted.
2. Oversee the development and implementation of the optimal organizational structure and the **plans, policies, and practices** for effective and efficient governance by:
 - a. Developing and maintaining subject matter expertise in corporate governance;
 - b. Advising the Board with respect to: corporate secretarial matters including its By-Laws and other governing documents; operating philosophy; and best governance practices;
 - c. Confirming the adequacy of the Board's framework for fulfilling the governance functions of:
 - i. Fiduciary Oversight (including ethical as well as legal compliance);
 - ii. Direction Setting;
 - iii. Financial Oversight;
 - iv. Resource Stewardship;
 - v. Risk Management;
 - vi. Stakeholder relations; and
 - vii. Performance Evaluation.

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- d. Recommending necessary organizational change to the Board;
 - e. Developing Board governance policies and operating procedures; and
 - f. Developing, documenting and maintaining Board guidance for the good governance of Perley Health.
3. Oversee the **development** of an effective Board by:
- a. Developing a set of skills, experience and diversity selection criteria for Directors necessary to ensure a balanced and effective Board;
 - b. Identifying and assessing prospective candidates for vacant Board positions, and conducting reference checks for each;
 - c. Recommending suitable candidates to the Board for appointment or election to the Board;
 - d. Providing orientation, training and mentoring for new Board members;
 - e. Recommending a slate of Directors at each Annual Meeting of the Corporation such that the renewal cycle ensures the continuity of the Board;
 - f. Recommending members for each Committee, including the Chair;
 - g. Recommending an annual training and education plan for the Board; and
 - h. Coordinating the evaluation of Board, committee and member performance, and assessing the evaluation results.
4. Make recommendations to the Board with respect to any of the above matters and carry out any other duties assigned to it by the Board.
5. Annually, develop this Committee's work plan and, through the Executive Committee, identify for the Board the objectives upon which this Committee proposes to focus.

Approved by the Board of Directors on the 04th day of June, 2020.

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Terms of Reference

Quality of Life and Safety Committee

Purpose

The Quality of Life and Safety Committee is an advisory committee to the Board of Directors for issues affecting the delivery of all Residential, Community and Primary Care and Services. The Committee's focus is on care and safety issues as they affect the quality of life¹ of residents and clients, and the safety, professionalism, and job satisfaction of staff and volunteers.

Composition and Meetings

The Quality of Life and Safety Committee shall consist of a Chair and at least one (1) other Director, and the Chief Operating Officer and Medical Director, and meets at least quarterly or at the call of the Chair. The Family and Friends Council (FFC) shall be invited to select one of its members to sit on this committee as an adjunct advisor.

Committee Responsibilities and Functions

In addition to the shared responsibilities listed in Para. 3.8 of this Chapter, the **specific responsibilities and functions** of the Quality of Life and Safety Committee are to:

1. Develop and maintain the necessary expertise for overseeing the delivery of care and services for seniors by:
 - a. Monitoring legislative and regulatory requirements;
 - b. Monitoring trends and developments in client and workplace demographics, the delivery of care and safety, with a view to identifying best practices, risks and opportunities for improving the quality of life of Perley Health's residents and clients; and
 - c. Ensuring that best practices information supported by available scientific evidence is translated into materials that are distributed to staff and persons providing services within the health care organization.
2. Oversee the delivery of all Residential, Community and Primary Care and Services by:
 - a. Confirming the adequacy of management's plans, policies, systems and procedures for the delivery of all care and safety, and of programs and services, including commercial support services; and
 - b. Regularly reviewing progress on:
 - i. Implementation of management's integrated Quality Improvement Plan; and

¹ Quality of life for residents and clients includes both their physical well-being (such as their health, safety, security and comfort) as well as their enjoyment of life (including their sense of dignity, autonomy and belonging).

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- ii. Achievement of those aspects of the strategic plan relating to the delivery of care and safety, and programs and services.
3. Provide Board oversight of the quality of life of residents, clients and personnel, and the effectiveness of services to improve their quality of life, by monitoring:
 - a. Development and maintenance of a workplace culture that promotes the well-being of all residents, clients, staff and volunteers;
 - b. Critical performance indicators reflecting the quality of care, services and workplace conditions;
 - c. Resident and staff satisfaction surveys and feedback from councils concerning care, services and safety systems;
 - d. Results of externally conducted performance evaluations including:
 - i. MOLTC, Ministry of Labour and Veterans' Affairs Annual Inspection reports;
 - ii. Complaint investigations; and
 - iii. Accreditation surveys.
4. Oversee Perley Health's programs affecting safety by:
 - a. Monitoring trends and developments in the delivery of safety programs in health care;
 - b. Confirming that Perley Health has in place:
 - i. Policies and procedures governing all aspects of resident safety;
 - ii. Emergency response preparedness plans that meet regulatory requirements and routinely exercises these plans;
 - iii. A system for the reporting of unsafe conditions and events, their analysis, and follow-up; and
 - iv. A regular program of internal safety audits; and
 - c. Monitoring organizational safety performance, including but not limited to, critical incidents, inspection reports and statements of claim, with a view to identifying systemic deficiencies affecting safety at Perley Health.
5. Monitor the effectiveness of services at Perley Health in improving the quality of life of Perley Health's residents and clients.
6. Oversee the effectiveness of utilization of all Perley Health Human Resources (HR) and volunteers who interface with residents and clients by:
 - a. Monitoring the impact of staffing models on health, safety and quality of care; and
 - b. Monitoring Perley Health's key HR performance indicators as they relate to health, safety and quality of care programs and services.
7. Establish and maintain a Board level strategic focus on those operational matters that could compromise the effectiveness of Perley Health in fulfilling its mission by:
 - a. Fostering a Board perspective on care and safety issues;
 - b. Identifying systemic issues affecting the delivery of care and services (in collaboration with management), and making recommendations to the Board for their remediation; and
 - c. Assessing Board decisions from the perspective of their potential impact on quality of life or safety on residents and clients.
8. Identify representatives to support the Board in:
 - a. Maintaining a Perley Health presence in selected fora and activities involving care and services for seniors; and
 - b. Developing Board positions for advocacy work.

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9. Make recommendations to the Board with respect to any of the above matters and carry out any other duties assigned to it by the Board.
10. Annually, develop this Committee's work plan and, through the Executive Committee, identify for the Board the objectives upon which this Committee proposes to focus.

Approved by the Board of Directors on the 05th day of November, 2020.

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Terms of Reference

Audit and Risk Management Committee

Purpose

The Audit and Risk Management Committee is an advisory committee to the Board of Directors to ensure resource management necessary to fulfill Perley Health's mission and the sustainability of its financial health, through oversight of:

1. Financial stewardship, including safeguarding of assets, annual and long-term financial planning with a view to sustainability, and the annual audited financial statements and other financial reports;
2. Financial stewardship of the Corporation's human resources (HR);
3. Planning, management, maintenance and development of facilities and other assets;
4. The Corporate Risk Management Process (CRMP) process; and
5. Risk in partnering arrangements.

Composition and Meetings

The Audit and Risk Management Committee shall consist of a Chair (the Treasurer of the Corporation), a member designated by the Strategic Planning Committee, and at least one (1) other Director. The Committee meets at least quarterly or at the call of the Chair.

Committee Responsibilities and Function

In addition to the shared responsibilities listed in Para. 3.8 of this Chapter, the **specific responsibilities and functions** of the Audit and Risk Management Committee are to oversee the:

1. Corporation's financial stewardship, including investing and safeguarding of assets, annual and long-term financial planning with a view to sustainability, and the annual audited financial statements and other financial reports, including:
 - a. Monitoring compliance with legislative and regulatory requirements;
 - b. Recommending long term financial plans with particular emphasis on operating on a break-even basis/focus on financial sustainability; and
 - c. Overseeing the complete annual cycle for budgeting and resource allocation, including:
 - i. Reviewing the objectives and assumptions underlying the preparation of the annual operating budget;
 - ii. Reviewing management's budget proposal for revenue/ expenditures and capital for the ensuing fiscal year; and
 - iii. Monitoring the financial performance against budget on a quarterly basis, including reviewing reasons for variance against plan.

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- d. Developing, maintaining and overseeing the implementation of the Investment Policy Statement, including:
 - i. Overseeing policy implementation, monitoring adherence to and ensuring that investments meet the Investment Policy requirements;
 - ii. Monitoring investment fund performance on at least a quarterly basis;
 - iii. Recommending the Investment Fund Manager(s), if engaged, to the Board of Directors;
 - iv. Monitoring Investment Fund Manager performance, if a fund manager is engaged, on at least a semi-annual basis; and
 - v. Conducting a triennial review of the Investment Policy Statement.
 - e. Overseeing the external audit of financial statements, including:
 - i. Recommending to the Board the appointment of the external auditor;
 - ii. Reviewing the auditor's audit plan;
 - iii. Reviewing the audited financial statements and any management letters with the external auditor and management; and
 - iv. Recommending approval of the Corporation's audited financial statements.
 - f. Providing strategic guidance and advice on feasibility, viability and risks associated with service lines (such as long-term care, assisted living, day programs, accommodation, clinics), including:
 - i. Assessing the appropriateness and validity of any material assumptions and estimates used in the development of service plans;
 - ii. Assessing the operating and capital financial plans and budgets, including forecasts, targets or performance goals used by management in the preparation of such plans;
 - iii. Assessing financing requirements, options and proposed arrangements; and
 - iv. Assessing risks associated with all aspects of an initiative, individually and collectively within the Corporate Risk Registry.
 - g. Developing financial policies, as appropriate, including:
 - i. Overseeing new policy implementation and monitoring adherence; and
 - ii. Setting a review period for new policies.
2. Financial stewardship of the Corporation's policy and performance monitoring of the Corporation's human resources (HR), including:
- a. Reviewing the financial implications of supporting the HR plan and support recommendations to Executive Committee;
 - b. Monitoring various HR performance metrics to ensure performance against financial expectations; and
 - c. Reviewing assumptions supporting negotiations for pay and benefits and recommending any changes to the Board for approval.
3. Appropriate stewardship of the Corporation's assets by:
- a. Reviewing long term plans for the development, construction and maintenance of physical plant and facilities, and the procurement and maintenance of capital assets including Information Technology assets;
 - b. Reviewing information technology and cyber-security planning initiatives;
 - c. Monitoring facilities and asset utilization; and
 - d. Monitoring custody of all property (including intellectual property).
4. Corporation's Corporate Risk Management Process (CRMP), including:
- a. Verifying the appropriateness of policies, processes and performance indicators for risk management;
 - b. Reviewing management's determination of the principal risks, their likelihood and

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- impact and processes to mitigate risks, and the development of a Corporate Risk Registry to support discussion with the Board;
- c. Supporting the Corporation and the Board in developing and understanding Perley Health's risk appetite and determining how this affects selection of strategies and actions going forward;
 - d. Specifically reviewing the appropriateness (type, coverage, cost) of insurance coverage carried by the Corporation, including Directors and Officers insurance; and
 - e. Ensuring that there is an ongoing process in place to monitor risks and to support discussion with the Board and action, as appropriate. This includes but is not limited to:
 - i. Monitoring of information technology and cyber-security risk mitigation initiatives;
 - ii. Overseeing the identification, monitoring and mitigation of any material/significant risks associated with partnering arrangements
 - iii. Monitoring potential or actual risks within operational programs, new programming initiatives and activities and, partnering arrangements related to its mandate Such risks include charitable, legal or regulatory risk, risks associated with assets and/or funders and risks related to financial stewardship;
 - iv. Providing advice to the CEO and/or the management team with respect to the actions required to safeguard Perley Health
5. Risk in partnering arrangements, including:
- a. Overseeing the Partnering and Risk Policy, its implementation and review.
 - b. Developing recommendations for the inclusion of material/significant risks of partnering arrangements into the Corporate Risk Registry.
6. Provision of recommendations to the Board with respect to any of the above matters and carrying out any other duties assigned to it by the Board.
7. Annually, develop this Committee's work plan and, through the Executive Committee, identify for the Board the objectives upon which this Committee proposes to focus.

Revised by the Board of Directors on the 06th day of October, 2023.

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Terms of Reference

Strategic Planning Committee

Purpose

The Strategic Planning Committee is an advisory committee to the Board of Directors to assist in setting and maintaining the strategic direction of Perley Health.

Composition and Meetings

The Strategic Planning Committee shall consist of a Chair and at least one (1) other Director. In addition, to ensure that initiatives arising from the work of Management and the Committee receive a comprehensive risk and financial review, at least one member of the Audit and Risk Management Committee (ARM) will also be a member of this Committee. The Perley Health Foundation may also be invited to select one of its Directors to sit on the Committee.

The Committee meets at least quarterly or at the call of the Chair.

Committee Responsibilities and Functions

In addition to the shared responsibilities listed in Para. 3.8 of this Chapter, the **specific responsibilities and functions** of the Strategic Planning Committee are to:

1. Maintain an environmental watch identifying emerging trends, risks and opportunities in the delivery of Perley Health programs and services and the capacity of Perley Health to respond, with a view to:
 - a. maintaining a foresight function on behalf of the Board;
 - b. assessing impact on the vision and strategic direction of Perley Health;
 - c. identifying possible responses for short term and longer-term action;
 - d. acting as a source of ideas for and forum for discussion with the CEO and management team; and
 - e. providing recommendations to the Board.
2. Oversee the development of Perley Health's vision, mission statement, core values, and operating philosophy.
3. Oversee the development of a Strategic Plan to cover at least the next five-year planning period including:
 - a. Perley Health's strategic directions and key strategies (including identifying strategic partners and competitors) for fulfilling its mission over the planning period;
 - b. Confirming that key strategies and related business plans have measurable goals to fulfill those directions; and
 - c. Reviewing business proposals, partnerships and initiatives for consistency with the

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Strategic Plan after which they would go to ARM for risk review.

4. Develop a periodic Strategic Assessment as appropriate by:
 - a. Reviewing significant changes in the operating environment, identifying new risks and opportunities;
 - b. Evaluating Perley Health's progress in fulfilling its strategic goals and objectives;
 - c. Evaluating the suitability of the current strategic directions in view of evolving circumstances; and
 - d. Recommending any necessary changes in strategic direction or strategies.
5. Conduct an annual review of the overall performance of Perley Health's Strategic Initiatives portfolio.
6. Make recommendations to the Board with respect to any of the above matters and carry out any other duties assigned to it by the Board.
7. Annually, develop this Committee's work plan and, through the Executive Committee, identify for the Board the objectives upon which this Committee proposes to focus.

Approved by the Board of Directors on the 01st day of February, 2024.

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Terms of Reference

Special Committee on Senior Living Expansion (formerly Special Committee on Seniors' Village Expansion)

Background

The first Seniors' Housing Project on the Perley Health campus occurred between 2010-2014; it involved the construction of 139 new apartments in two new buildings. Since opening, the apartments have operated with high occupancy rates, good revenue generation and, by 2016, a long waiting list. As a result, feasibility work started in 2016 to consider a project to expand Senior Living by constructing additional seniors' apartments.

In 2017 the Ontario government announced a program to create 5,000 new long-term care (LTC) beds. This led to management and the Board considering the construction of new LTC beds as well as other service and continuum of care options including additional seniors' apartments as part of a Seniors' Village Expansion Project (SVEP) (now Senior Living Expansion Project (SLEP)). In the first quarter of 2018 the Ontario government called for applications for new LTC bed licences. The result of these events was a need to engage in active project planning for the SLEP and a need for the Board of Directors to maintain oversight of the SLEP.

The first Seniors' Housing Project demonstrated the need for early Board oversight. That project also showed that the most effective means to provide oversight was by a special committee of the Board. The special committee created to oversee the first project had the required expertise to oversee the project and relieved the Board from considering project and operational detail unsuited to deliberation by the full Board.

Having regard to the above, a special committee of the Board to oversee the SLEP was created, named the Seniors' Village Expansion Committee (SVEC). In June 2020 SVEP was put on indefinite hold due to the Covid-19 pandemic. Subsequently the nomenclature under which such projects are managed was changed to "Senior Living Expansion". The name of the committee was therefore changed to "Special Committee on Senior Living Expansion" (SLEC).

Purpose

The SLEC is a special committee of the Board of Directors of Perley Health. Its function is first to advise the Board about the SLEP, and secondly, to oversee and monitor the implementation by management of Board decisions and directions related to the SLEP.

Composition and Meetings

The SLEC shall consist of a Chair and at least two (2) Directors, plus additional members as appropriate. Membership of the SLEC shall be approved by the Board of Directors and may be changed by the Board of Directors. Meetings will be at the call of the Chair.

SLEC Responsibilities and Functions

In addition to the shared responsibilities listed in Para. 3.8 of this Chapter, the specific responsibilities and functions of the SLEC are to monitor, on behalf of the Board, the SLEP with respect to overall project management, financing, contracting, construction, marketing, communications, start-up and initial operation. SLEC shall:

1. Monitor the general direction for the SLEP, in accordance with Perley Health's strategy and strategic plan including:
 - Meeting the performance objectives established by the Board;
 - Effective integration of the SLEP with Perley Health, as a component of the Village as identified in the Perley Health vision;
 - Recommending to the Board whether or not to proceed with the SLEP and any associated options.

2. Oversee the SLEP including:
 - Program planning, including project charter and business case;
 - Financing;
 - Project management;
 - Construction budget;
 - Major contract awards;
 - Resources;
 - Construction activities;
 - Communications;
 - Marketing plan;
 - Start up and initial operation.

3. Monitor Risk including:
 - Monitoring program changes with particular vigilance for changing the scope and direction of the SLEP;
 - Identifying threats to the overall success of the SLEP; and
 - Recommending appropriate action warranting the attention of the Board of Directors of Perley Health.

4. Support the Perley Health Foundation in its capital campaign fund raising activities with respect to the SLEP.

5. Provide support to management as requested by the CEO.

6. Provide the Board of Directors with progress reports.

7. Keep Perley Health Board Standing Committee Chairs abreast of SLEP development as it relates to their responsibilities and invite them to attend SLEC meetings where appropriate.

Term

As a special committee of the Board of Directors of Perley Health, the SLEC shall continue in its functions until dissolved by the Board. The requirement for this committee will be reviewed annually along with the composition of its membership. It is the expectation of the Board that the requirement for the SLEC will expire at an appropriate time following either the successful implementation of the SLEP or a decision of the Board not to proceed with the SLEP.

Resources

The CEO will provide adequate resources to support the SLEC in its work.

Approved by the Board of Directors on the 01st day of September, 2022.

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Terms of Reference

Special Committee on Centre of Excellence

Background

Phase Three (2020-2025) of the Perley Health strategic plan aims to elevate the Perley Health foundational goals of excellence in resident care and services, ensuring stability, maintaining a quality workforce, and leading and advocating for change. The plan also aligns with the history of the organization in caring for the frail elderly. The original 1897 letters patent for what is now known as the Perley Health were handwritten and then restated in a 1999 document as a matter of 'continuance' under changes in the Province of Ontario statutes. These documents referred to a mandate to: care for elderly, operate and maintain a research facility, and to promote and participate in education. Perley Health plans to remain true to its longstanding commitment to research and learning, and will deliver even greater value to the healthcare system through the development of a Centre of Excellence (CoE) in Frailty-Informed Care as part of the current strategic plan. By expanding programs and services along the continuum of care, facilitating strong collaborations with researchers, academic institutions, community agencies, industry and business, Perley Health will seize opportunities to lead and participate in innovative initiatives that will advance care, research and knowledge translation in frailty.

The **Special Committee on Centre of Excellence**, consists of Board members, members of the Perley Health leadership team (CEO, COO, Medical Director, and Director Clinical Practice), the Director, Centre of Excellence, and the Research Chair. This special committee oversees the establishment and growth of the CoE. The Research Chair oversees the development and execution of the research strategy, and the Director oversees the daily operations related to the execution of the overall CoE strategy. The Research Chair, although not an employee of Perley Health, is a key member of the special committee, and can be engaged through scheduled special committee meetings and/or as needed. The special committee has the required expertise to oversee the CoE and relieves the Board from considering details unsuited to deliberation by the full Board.

Purpose

The **Special Committee on Centre of Excellence** is a special committee of the Board of Directors of Perley Health. Its function is first to advise the Board about the CoE and secondly, to oversee and monitor the implementation and execution by management of Board decisions and directions related to the CoE.

Composition and Meetings

The **Special Committee on Centre of Excellence** shall consist of a Chair and at least (1) other Director, plus additional members as appropriate. The membership of the Special Committee on Centre of Excellence will be approved by the Board of Directors and may be changed by the Board of Directors as the need for specific expertise arises. Meetings will be at the call of the Chair.

Special Committee on Centre of Excellence Responsibilities and Functions

In addition to the shared responsibilities listed in Para. 3.8 of this Chapter, the **specific responsibilities and functions** of the **Special Committee on Centre of Excellence** is to monitor, on behalf of the Board, the CoE implementation and operations, including financial resources, marketing and communications. The **Special Committee on Centre of Excellence** shall:

1. Monitor the general direction of the CoE, in accordance with Perley Health's strategy and strategic plan including:
 - Meeting the performance objectives established by the Board; and
 - Effective integration of the CoE with Perley Health, as a component of the Perley Health Strategy.
2. Oversee the operationalization of the CoE including:
 - CoE strategic planning;
 - Financial requirements / Resources;
 - Alignment of overall activities with Perley Health strategic plan;
 - Communications and marketing;
 - The development of partnerships with academic institutions, commercial partners and research institutes and networks; and
 - Appointment of the Research Chair.
3. Monitor Risk including:
 - Identifying threats to the overall success of the CoE and identify strategies to mitigate these threats; and
 - Recommending appropriate action warranting the attention of the Board of Directors of Perley Health.
4. Support the Perley Health Foundation in its capital campaign fundraising activities with respect to the CoE.
5. Provide support to management as requested by the CEO and provide recommendations to the Board of Directors for external membership as the need arises.
6. Provide the Board of Directors with progress reports.
7. Keep Perley Health Board Standing Committee Chairs abreast of CoE development as it relates to their responsibilities and invite them to attend CoE meetings where appropriate.

Term

As a special committee of the Board of Directors of Perley Health, the **Special Committee on Centre of Excellence** shall continue in its functions until dissolved by the Board. The requirement for this committee will be reviewed annually along with the composition of its membership. It is the expectation of the Board of Perley Health that the requirement for the **Special Committee on Centre of Excellence** will expire at an appropriate time following the successful implementation of the **CoE**.

Resources

The CEO will provide adequate resources to support the Special Committee in its work.

Approved by the Board of Directors on the 04th day of June, 2020.

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Terms of Reference

Adjunct Advisors

Adjunct Advisors, like Directors, do not represent any specific group or interest but are expected to fulfill their duties for the Corporation with objectivity, impartiality, and with the best interests of the organization in mind.

Adjunct Advisors are identified in accordance with the requirements of Committees for particular skills, knowledge, expertise, etc., and are guided by Board member selection criteria. The process for engaging Adjunct Advisors is as follows:

- Directors and/or management identify potential Adjunct Advisors and provide their CV's to the Chair of the Governance Committee;
- The Governance Committee reviews the qualifications of candidate Adjunct Advisors;
- If the Governance Committee recommends that a candidate's engagement should be pursued, the Chair of the Governance Committee discusses the candidature with the Chairs of any of the Committees on which the candidate might serve as a member;
- If one or more appropriate Committees are identified, the Chair of the Governance Committee takes the recommendation of appointment to the Board for approval.

In serving, Adjunct Advisors will:

- Sign conflict of interest and confidentiality agreements;
- Comport themselves in accordance with the rules set out in Chapter 4 for Directors;
- Undertake to be familiar with the Perley Health ethics framework;
- Be offered the opportunity to participate in orientation training as for regular Board members, subject to the recommendations of the Committee Chair; and
- Have unlimited access to the Perley Health website, including the Governance section.

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Committee Structure and Membership Planning

Background

Annually in June, at the first meeting after the Annual Meeting of the Corporation, the Board confirms the Standing and Special Committees that are required to support the Board in its work and their membership for the coming year, recognizing that membership can change over the course of the year as circumstances require or as determined by the Chair of the Board. This approval also includes appointment of Chairs of Committees.

Process for Determining Committee Structure

1. In the spring, the Governance Committee reviews the Directors' assessment of the Board's performance in the past year. The Governance Committee also looks at the workload and performance of each of the Committees, Standing and Special.
2. The Chair of the Governance Committee speaks with the Chairs of each of the other Committees about the workload of his/her Committee, its performance over the past year, and any recommendations for changes in the Terms of Reference for the coming year.
3. Based on the above, the Governance Committee develops a proposed Committee Structure including Terms of Reference for the forthcoming year. The Chair of the Governance Committee discusses any proposed changes with the current Chairs.
4. The Governance Committee recommends the new Committee Structure and Terms of Reference to the Board for approval at the first annual meeting of the Board following the Annual Meeting of the Corporation.

Process for Determining Committee Chairs and Committee Membership

1. In the spring the Chair of the Governance Committee interviews each Director concerning his/her participation in the work of the Perley Health Board and Committees over the past year. This includes questions about which Committees would be of interest for the coming year and whether or not they would be willing to serve as a Chair.
2. The Governance Committee determines the proposed assignment of Directors to Committees based on their preferences and the competency needs of the Committees. Committee Chairs are also identified. For continuity and consistency, Chairs usually serve for two to four years. Chairs only serve longer than four years in exigent circumstances.
3. At the same time, the Governance Committee identifies Adjunct Advisors to serve on Committees to fill any gaps in skill sets.

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4. The Governance Committee recommends the membership (Directors and Adjunct Advisors) and Chair of each Standing and Special Committee for approval at the first annual meeting of the Board following the Annual Meeting of the Corporation.

* * * * *

Chapter 4

DIRECTORS' DUTIES, OBLIGATIONS, LIABILITIES, AND EXPECTATIONS

4.1 General

All Directors are accountable in the governance of Perley Health and must adhere to governance requirements. A failure to meet these requirements may result in certain liabilities being incurred. This Chapter outlines a Director's duties, obligations and potential liabilities while serving on the Board of Perley Health. More general expectations of Directors are also outlined. *Ex-officio* and Honorary Directors, as well as Adjunct Advisors, have the same obligations as Directors, as outlined below.

4.2 Standard of Care

All Directors, in exercising their authorities and discharging their duties, are required to:

- act honestly and in good faith, with a view to the best interests of the Corporation;
- exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances; and
- take such measures as necessary to ensure that the Corporation complies with all requirements under the law, as well as those in the Supplementary Letters Patent and the By-Laws.

4.3 Conflict of Interest

Directors must also act in an objective and impartial manner, including remaining vigilant about, and declaring, any conflict of interest. A conflict of interest arises when a Director, or a member or members of the Director's family, or his/her business partners or personal associates, may benefit financially or otherwise from their position on the Board.

Every Director who has an interest, directly or indirectly, in a contract or transaction, or in a proposed contract or transaction, with Perley Health must disclose that conflict of interest. The duty to disclose applies whether the conflict of interest is real, potential or apparent.

On appointment as a Director, and annually thereafter at the first Board meeting following the Annual Meeting of Members of the Corporation, each Director shall make a conflict of interest declaration as set out in Appendix A to this Chapter.

In addition to the annual declaration, Directors must, whenever a conflict of interest arises, forthwith disclose the nature and extent of the conflict in writing to the Chair of the Board or the Chair of one of its Committees. If a Director is uncertain about a conflict of interest, the matter should be brought to the attention of the Chair of the Board or the Chair of one of its Committees for advice and guidance.

Directors serve without remuneration, and no Director shall directly or indirectly receive any profit from his/her position as Director. However, Directors may be reimbursed reasonable expenses incurred by them in the performance of their duties.

4.3.1 Examples of Conflict of Interest

- a) Accepting any payment for their work on the Board, either directly in the form of money, such as honoraria, or indirectly in the form of benefits for personal use, such as transportation services, access to supplies or equipment, etc.
- b) Seeking, accepting or receiving any personal benefit from a supplier, vendor, or any individual or organization doing or seeking to do business with Perley Health.
- c) Being a member of the Board or staff of another organization that might have material interests that conflict with the interests of Perley Health.
- d) Any involvement in the employment of a family member, or business or personal associate, of the Director.
- e) Directors serving Perley Health at the same time as members of their family, or at the same time as business or personal associates where that might give rise to an apparent conflict of interest.

4.4 Liability and Indemnification

In exercising their duties and functions, Directors may incur liability if they fail to comply with the requirements under the law. This includes legal requirements set out in legislation, as well as under the common law.

4.4.1 Examples of Potential Liability

Statutory Liabilities. Statutory liabilities may arise from a failure to comply with requirements of the legislation under which Perley Health is incorporated (currently the Ontario Not-for-Profit Corporations Act) and/or other applicable statutes (e.g. Income Tax, Privacy Act, etc.). There are approximately 200 federal and provincial statutes in Canada that impose liability on Directors or Officers of a Corporation located in Ontario. These apply regardless of the size, business type, charitable status, etc. of the Corporation. Liability is not diminished by the voluntary nature of service as a Director on an unpaid Board of Directors.

Common Law Liabilities. Following are some of the most common personal liabilities for Board members:

- a) Signing contracts on behalf of the organization without proper authorization from the Board. The By-Laws provide specific authority for Directors and Officers to execute legal documents.

- b) Acting negligently or carelessly in the exercise of their duties and obligations and thereby causing injury. This relates to situations where a Director of the Board knew of or ought to have foreseen a problem and failed to address it.
- c) Failing to adhere to the standard of care or to disclose a conflict of interest as outlined above, thereby leading to a loss suffered by the Corporation.
- d) Misusing funds or property other than for the purposes intended by funders or donors, including improper investment of funds and remuneration of Directors other than for expenses in relation to their Director's duties.

4.4.2 Indemnification

Pursuant to the By-Laws, Directors are indemnified against costs arising from any liability if they acted honestly and in good faith and if the costs are not attributable to their own willful neglect or default. In addition, Directors are covered by Perley Health's liability insurance.

Additional safeguards to help minimize the risk of liability include arranging for the members of the Corporation, during its annual meeting, to ratify the Directors' acts of the concluding year, seeking opinions from qualified experts on matters beyond the competence of the Board, and ensuring that appropriate controls are in place.

4.5 Confidentiality

Directors are required to respect the confidentiality of matters not to be disclosed publicly, most notably matters that are dealt with *in camera*. Further, Directors must respect Perley Health's policies with respect to public communications whereby only the Chair or someone delegated to be the corporation's spokesperson may speak publicly on behalf of Perley Health. The duty of confidentiality continues indefinitely after a Director has left the Board.

4.6 Oath of Office

Upon joining the Board of Directors, each Director shall swear to an Oath of Office (set out in Appendix B to this Chapter) that they will adhere to the required standard of care, as well as to the conflict of interest and the confidentiality requirements explained herein.

4.7 Screening Requirements

Criminal Records and Judicial Matters Check: For an individual to act as either a member of the Board of Directors or as an Adjunct Advisor, Perley Health requires all such individuals to undergo a Level 2 Criminal Records and Judicial Matters (CRJM) check before their election to the Board.

CRJM checks do not have an expiry date, however it is incumbent upon individual Board Members or Adjuncts to advise the Board Chair (or, in the case of Adjuncts, their committee Chair or Chairs) of any occurrence or development that would render the results of the CRJM check invalid.

To this end, all Board Members and Adjunct Advisors will be required to acknowledge this obligation by signing, on an annual basis, a declaration to this effect (set out in Appendix C to this Chapter).

Declaration under Section 81 (5) of the Fixing Long-Term Care Act: In addition to the CRJM check outlined above, the Fixing Long-Term Care Act, 2021 also requires potential members to disclose offences and misconduct as outlined in the Declaration document set out as Appendix D to this Chapter.

Annual Insurance Attestation: The annual Director and Officer Insurance Renewal requires Directors to answer a number of questions. The following items are included as examples; specific wording may vary from year to year:

Whether the Organization or any of its directors or Officers or Insureds been involved in any of the following during the past year:

- a. Any anti-trust, price-fixing, or copyright, patent or trademark litigation*
- b. Any other material litigation or criminal, government or administrative proceeding*
- c. Any insolvency or bankruptcy proceedings*
- d. Any Claims involving employment law or non-employment related discrimination or sexual harassment*

The questions will be circulated to Directors by the CFO or delegate in the fall of each year.

4.8 Expectations of Board Members

In addition to being guided by the legislation, Supplementary Letters Patent, the By-Laws and the Code of Ethical Conduct, for the satisfactory fulfillment of their responsibilities Board members are expected to demonstrate the following:

Commitment: Directors must be ready, willing and able to commit significant personal time if they are to fulfill their governance duties.

Attendance: Directors are expected to regularly attend scheduled Board meetings and meetings of those Committees on which they have agreed to serve. In addition, Directors are expected to participate in selected public events conducted by or on behalf of Perley Health. From time to time they may be called upon to promote the work of Perley Health and advocate for its interests.

Preparation: Directors are expected to come to Board and Committee meetings fully prepared to deliberate agenda issues and recommend action. This requires: regular reading of the health care environmental scan materials provided by management on the evolving situation in health care in Ontario, with particular attention to issues relating to long-term care and other care services for the frail and elderly; working knowledge of Perley Health's governing documents, Strategic Plan, and policies; and reading distributed materials provided with the meeting agendas.

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Participation: Directors are expected to participate in Board and Committee deliberations by: questioning and challenging incomplete, unclear, inaccurate or erroneous information; and making informed interventions based on their personal perspective and life experience.

Loyalty: Directors are expected to maintain a spirit of collegiality and respect for the collective decisions of the Board and must subordinate any personal interests to the best interests of Perley Health. Directors must respect the principle that majority governs and even if they do not support a majority decision they are bound to maintain solidarity with the decision.

Evaluation: Directors are expected to participate in a continuous process of evaluation, assessing: the performance of Perley Health in fulfilling its mandate, vision and mission; the effectiveness of the Board of Directors; and their own contribution to the Board.

Resignation: A Director facing any of the following situations should consider either resigning from the Board or declining to put their name forward for re-election for a subsequent term as a Director: a personal breach of the Code of Ethical Conduct; an inability to support a Board decision; or an inability to continue the necessary commitment to make a significant contribution to the effective governance of Perley Health.

* * * * *

Annual Conflict of Interest Declaration (Directors)

I have reviewed my current activities, those reasonably known to me of my spouse, my immediate family members, employer and close business partners or associates as they may relate to the business of The Perley and Rideau Veterans' Health Centre (Perley Health), insofar as they could be viewed to affect my objectivity and impartiality as a Director of the Corporation.

I hereby certify that, to the best of my knowledge and judgment, I am not in a position of real, potential or apparent conflict of interest and undertake:

- 1) to inform the Chair of the Board of Directors of the Corporation (or of its Committees) in writing of any change in circumstances, or any unforeseen issues that arise in the course of the transaction of the Corporation's business, that may give rise to real, potential or apparent conflict of interest on my part;
- 2) to refrain if required by the Board of Directors of the Corporation (or its Committees), from participating in the discussion or determination of the issue that has given rise to my declaration of a conflict of interest; and
- 3) not to disclose or otherwise misuse information for the purpose of personal benefit or the benefit of my spouse, immediate family members, employer or close business partners or associates to which I may be privy as a result of my position as a Director of the Corporation.

Signature of Director

Date

Name *(please print)*

Annual Conflict of Interest Declaration (Adjunct Advisors)

I have reviewed my current activities, those reasonably known to me of my spouse, my immediate family members, employer and close business partners or associates as they may relate to the business of The Perley and Rideau Veterans' Health Centre (Perley Health), insofar as they could be viewed to affect my objectivity and impartiality as an Adjunct Advisor to a Committee of the Board of Directors.

I hereby certify that, to the best of my knowledge and judgment, I am not in a position of real, potential or apparent conflict of interest and undertake:

- 1) to inform the Chair of the Committee of which I am a member in writing of any change in circumstances or any unforeseen issues that arise in the course of the transaction of the Corporation's business to which I am privy in my role as Adjunct Advisor that may give rise to real, potential or apparent conflict of interest on my part;
- 2) to refrain if required by the Board of Directors of the Corporation (or its Committees), from participating in the discussion or determination of the issue that has given rise to my declaration of a conflict of interest; and
- 3) not to disclose or otherwise misuse information for the purpose of personal benefit or the benefit of my spouse, immediate family members, employer or close business partners or associates to which I may be privy as a result of my position as an Adjunct Advisor to a Board Committee.

Signature of Adjunct Advisor

Date

Name *(please print)*

Oath of Office (Directors)

I, (*Name - please print*) _____, a Director of The Perley and Rideau Veterans' Health Centre (Perley Health), declare that, in carrying out my duties as a Director, I will:

1. Exercise the powers of my office and fulfill my responsibilities, honestly and in good faith and in the best interests of the Corporation.
2. Exercise these responsibilities, at all times, with due diligence, care and skill in a reasonable and prudent manner.
3. Respect and support Perley Health's By-Laws, policies, Code of Conduct, and decisions of the Board and membership.
4. Keep confidential all information that I learn about clients, personnel, collective bargaining and any other matters specifically determined by Board motion to be matters of confidence, particularly those matters dealt with during *in camera* meetings of the Board.
5. Conduct myself in a spirit of collegiality and respect for the collective decisions of the Board and subordinate my personal interests to the best interests of the Corporation.
6. Immediately declare any real or apparent personal conflict of interest that may come to my attention.
7. Immediately resign my position as Director of the Corporation in the event that I, or my colleagues on the Board, have concluded that I have breached my 'Oath of Office'.

Signature of Director

Date

Oath of Office (Adjunct Advisors)

I, (*Name - please print*) _____, an Adjunct Advisor to a Committee of The Perley and Rideau Veterans' Health Centre (Perley Health) Board of Directors, declare that, in carrying out my duties as an Advisor, I will:

1. Fulfill my responsibilities honestly and in good faith and in the best interests of the Corporation.
2. Exercise these responsibilities, at all times, with due diligence, care and skill in a reasonable and prudent manner.
3. Respect and support Perley Health's By-Laws, policies, Code of Conduct, and decisions of the Committee, the Board and membership.
4. Keep confidential all information that I learn about clients, personnel, collective bargaining and any other matters specifically determined by Board or Committee motion to be matters of confidence, particularly those matters dealt with during *in camera* meetings of the Board.
5. Conduct myself in a spirit of collegiality and respect for the collective decisions of the Board and its Committees and subordinate my personal interests to the best interests of the Corporation.
6. Immediately declare any real or apparent personal conflict of interest that may come to my attention.
7. Immediately resign my position as Adjunct Advisor in the event that I, or my colleagues on the Committee on which I serve or the Board of Directors, have concluded that I have breached my 'Oath of Office'.

Signature of Adjunct Advisor

Date

Criminal Records and Judicial Matters Check
Annual Declaration
(Directors and Adjunct Advisors)

For an individual to act as either a member of the Board of Directors or as an Adjunct Advisor, Perley Health requires all such individuals to undergo a Level 2 Criminal Records and Judicial Matters (CRJM) check.

CRJM checks do not have an expiry date, however it is incumbent upon individual Board Members or Adjuncts to advise the Board Chair (or, in the case of Adjuncts, their committee Chair or Chairs) of any occurrence or development that would render the results of the CRJM check invalid.

To this end, all Board Members and Adjunct Advisors will be required to acknowledge this obligation by signing, on an annual basis, a declaration to this effect.

I acknowledge and agree that I will report any occurrence or development that would render the results of my CRJM check invalid to either the Perley Health Board Chair or my Committee Chair(s), as appropriate, within 24 hours of such an occurrence or development coming to my attention.

Name (please print)	
Signature	
Date	

DECLARATION

(Directors)

Under Section 81 (5) of the *Fixing Long-Term Care Act, 2021* (the Act)

The *Fixing Long-Term Care Homes Act, 2021* and its Regulations requires that every licensee of a long-term care home ensures that screening measures are conducted before permitting any person to be a member of the licensee's board of directors. Persons who were members of the licensee's board of directors as of April 11, 2022 and all potential members must obtain a Criminal Reference Check and also requires members to disclose the following:

- Any offence under
 - the *Fixing Long-Term Care Act, 2021*, the *Long-Term Care Homes Act, 2007*, the *Nursing Homes Act*, the *Charitable Institutions Act* or the *Homes for the Aged and Rest Homes Act*.
 - section 742.1 of the *Criminal Code* (Canada).
 - the *Cannabis Act* (Canada), the *Controlled Drugs and Substances Act* (Canada) or the *Food and Drugs Act* (Canada).
 - every charge for an offence prescribed under subsection 255 (1) with which the person has been charged since the date of the last Police Check presented to Perley Health;
 - every order of a judge or justice of the peace made against the person in respect of an offence prescribed under subsection 255 (1) since the date of the last Police Check presented to Perley Health, including a peace bond, probation order, prohibition order or warrant to arrest;
 - every conviction for an offence prescribed under subsection 255 (1) or any other outcome of a charge for such an offence since the date of the last Police Check presented to Perley Health;
- An act of misconduct as a member of
 - a health profession as defined in the *Regulated Health Professions Act, 1991*; and
 - a regulated profession as defined in the *Fair Access to Regulated Professions and Compulsory Trades Act, 2006*.
- An act of misconduct under any other scheme governing a profession, occupation or commercial activity, including a scheme a person is not required to participate in, in order to practice or engage in the profession, occupation or activity.
- Any other provincial or federal offence if the offence involved,

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- improper or incompetent treatment or care of a vulnerable person* that resulted in harm or a risk of harm of any kind to the vulnerable person, including but not limited to physical, emotional, psychological or financial harm;
- abuse or neglect of a vulnerable person* that resulted in harm or risk of harm of any kind to the vulnerable person, including but not limited to physical, emotional, psychological or financial harm;
- unlawful conduct that intentionally resulted in harm or a risk of harm of any kind to a vulnerable person, including but not limited to physical, emotional, psychological or financial harm, or
- misuse or misappropriation of a vulnerable person's money.

I attest that there are no applicable items as identified above (check box)

I hereby report the following applicable items as identified above (check box)

(Please list details of all charges, orders, convictions, commencements of proceedings, as well as findings regarding professional misconduct as identified above. Attach a separate page if necessary)

Declaration

I, (print name clearly) _____ declare that the above attestation is accurate and complete to the best of my knowledge. I furthermore do acknowledge and agree that I will promptly report any and all such items to Perley Health should such occur during my tenure as a member of the Board of Directors of Perley Health as soon as possible, but no later than 24 hours after such item(s) come to my attention.

Signed this _____ day of _____ 20____ at Ottawa, Ontario.

Signature

Witness Signature

For Information - Excerpts from the *Fixing Long-Term Care Act, 2021*

Prescribed offences and misconduct under Sections 255

(1) The following offences are prescribed for the purposes of clause 81 (4) (a) of the Act:

1. Any offence under the Act, the *Long-Term Care Homes Act, 2007*, the *Nursing Homes Act*, the *Charitable Institutions Act* or the *Homes for the Aged and Rest Homes Act*.
2. Any offence referenced at section 742.1 of the *Criminal Code* (Canada).
3. Any offence under the *Cannabis Act* (Canada), the *Controlled Drugs and Substances Act* (Canada) or the *Food and Drugs Act* (Canada).
4. Any other provincial or federal offence if the offence involved,
 - i. improper or incompetent treatment or care of a vulnerable person that resulted in harm or a risk of harm of any kind to the vulnerable person, including but not limited to physical, emotional, psychological or financial harm,
 - ii. abuse or neglect of a vulnerable person that resulted in harm or risk of harm of any kind to the vulnerable person, including but not limited to physical, emotional, psychological or financial harm,
 - iii. unlawful conduct that intentionally resulted in harm or a risk of harm of any kind to a vulnerable person, including but not limited to physical, emotional, psychological or financial harm, or
 - iv. misuse or misappropriation of a vulnerable person's money.

(2) The following acts of professional misconduct are prescribed for the purposes of clause 81 (4) (b) of the Act:

1. An act of misconduct as a member of a health profession as defined in the *Regulated Health Professions Act, 1991*.
2. An act of misconduct as a member of a regulated profession as defined in the *Fair Access to Regulated Professions and Compulsory Trades Act, 2006*.
3. An act of misconduct under any other scheme governing a profession, occupation or commercial activity, including a scheme a person is not required to participate in in order to practice or engage in the profession, occupation or activity.

(3) For the purposes of clause 81 (4) (b) of the Act, a person is found guilty of an act of professional misconduct if a finding of professional misconduct is made against the person by a regulatory authority, a professional association or a body that regulates a profession, occupation or activity.

(4) Subsection 81 (4) of the Act does not apply with respect to,

- (a) a conviction for an offence that resulted in a sentence of imprisonment if the sentence was completed more than five years before the staff member first works, or the volunteer first volunteers, at the home or more than five years before the person becomes a member of the licensee's board of directors, its board of management or committee of management or other governing structure;
- (b) a conviction for an offence that did not result in a sentence of imprisonment if the conviction occurred more than five years before the staff member first works, or the volunteer first volunteers, at the home or more than five years before the person becomes a member of the licensee's board of directors, its board of management or committee of management or other governing structure;
- (c) a finding of guilt for an act of misconduct that resulted in a suspension if the suspension ended more than five years before the staff member first works, or the volunteer first volunteers, at the home or

more than five years before the person becomes a member of the licensee's board of directors, its board of management or committee of management or other governing structure;

- (d) a finding of guilt for an act of misconduct that did not result in a suspension, if the finding of guilt occurred more than five years before the staff member first works, or the volunteer first volunteers, at the home or more than five years before the person becomes a member of the licensee's board of directors, its board of management or committee of management or other governing structure.

(5) In this section,

“professional misconduct” includes incompetence; (“faute professionnelle”)

“vulnerable person” means a vulnerable person as defined in the *Police Record Checks Reform Act, 2015*. (“personne vulnérable”)

Offences referenced in Section 742.1 of the *Criminal Code* (Canada).

- an offence punishable by a minimum term of imprisonment;
- an offence, prosecuted by way of indictment, for which the maximum term of imprisonment is 14 years or life;
- a terrorism offence, or a criminal organization offence, prosecuted by way of indictment, for which the maximum term of imprisonment is 10 years or more;
- an offence, prosecuted by way of indictment, for which the maximum term of imprisonment is 10 years, that
 - (i) resulted in bodily harm,
 - (ii) involved the import, export, trafficking or production of drugs, or
 - (iii) involved the use of a weapon; and
- an offence, prosecuted by way of indictment, under any of the following provisions:
 - (i) section 144 (prison breach),
 - (ii) section 264 (criminal harassment),
 - (iii) section 271 (sexual assault),
 - (iv) section 279 (kidnapping),
 - (v) section 279.02 (trafficking in persons — material benefit),
 - (vi) section 281 (abduction of person under fourteen),
 - (vii) section 333.1 (motor vehicle theft),
 - (viii) paragraph 334(a) (theft over \$5000),
 - (ix) paragraph 348(1)(e) (breaking and entering a place other than a dwelling-house),
 - (x) section 349 (being unlawfully in a dwelling-house), and
 - (xi) section 435 (arson for fraudulent purpose).

DECLARATION (Adjunct Advisors)

Under Section 81 (5) of the *Fixing Long-Term Care Act, 2021 (the Act)*

The *Fixing Long-Term Care Homes Act, 2021* and its Regulations requires the licensee of a long-term care home to ensure screening measures are conducted before permitting any person to be a member of the licensee's board of directors, its board of management or committee of management or other governing structure. Those who were members as of April 11, 2022 and all potential members must obtain a Criminal Reference Check and must also disclose the following:

- Any offence under
 - the *Fixing Long-Term Care Act, 2021*, the *Long-Term Care Homes Act, 2007*, the *Nursing Homes Act*, the *Charitable Institutions Act* or the *Homes for the Aged and Rest Homes Act*.
 - section 742.1 of the *Criminal Code (Canada)*.
 - the *Cannabis Act (Canada)*, the *Controlled Drugs and Substances Act (Canada)* or the *Food and Drugs Act (Canada)*.
 - every charge for an offence prescribed under subsection 255 (1) with which the person has been charged since the date of the last Police Check presented to Perley Health;
 - every order of a judge or justice of the peace made against the person in respect of an offence prescribed under subsection 255 (1) since the date of the last Police Check presented to Perley Health, including a peace bond, probation order, prohibition order or warrant to arrest;
 - every conviction for an offence prescribed under subsection 255 (1) or any other outcome of a charge for such an offence since the date of the last Police Check presented to Perley Health;
- An act of misconduct as a member of
 - a health profession as defined in the *Regulated Health Professions Act, 1991*; and
 - a regulated profession as defined in the *Fair Access to Regulated Professions and Compulsory Trades Act, 2006*.
- An act of misconduct under any other scheme governing a profession, occupation or commercial activity, including a scheme a person is not required to participate in, in order to practice or engage in the profession, occupation or activity.
- Any other provincial or federal offence if the offence involved,

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- improper or incompetent treatment or care of a vulnerable person* that resulted in harm or a risk of harm of any kind to the vulnerable person, including but not limited to physical, emotional, psychological or financial harm;
- abuse or neglect of a vulnerable person* that resulted in harm or risk of harm of any kind to the vulnerable person, including but not limited to physical, emotional, psychological or financial harm;
- unlawful conduct that intentionally resulted in harm or a risk of harm of any kind to a vulnerable person, including but not limited to physical, emotional, psychological or financial harm, or
- misuse or misappropriation of a vulnerable person's money.

I attest that there are no applicable items as identified above (check box)

I hereby report the following applicable items as identified above (check box)

(Please list details of all charges, orders, convictions, commencements of proceedings, as well as findings regarding professional misconduct as identified above. Attach a separate page if necessary)

Declaration

I, (print name clearly) _____ declare that the above attestation is accurate and complete to the best of my knowledge. I furthermore do acknowledge and agree that I will promptly report any an all such items to Perley Health should such occur during my tenure as an Adjunct Advisor to a committee of the Board of Directors of Perley Health as soon as possible, but no later than 24 hours after such item(s) come to my attention.

Signed this _____ day of _____ 20_____ at Ottawa, Ontario.

Signature

Witness Signature

For Information - Excerpts from the *Fixing Long-Term Care Act, 2021*

Prescribed offences and misconduct under Sections 255

- (1) The following offences are prescribed for the purposes of clause 81 (4) (a) of the Act:
1. Any offence under the Act, the *Long-Term Care Homes Act, 2007*, the *Nursing Homes Act*, the *Charitable Institutions Act* or the *Homes for the Aged and Rest Homes Act*.
 2. Any offence referenced at section 742.1 of the *Criminal Code* (Canada).
 3. Any offence under the *Cannabis Act* (Canada), the *Controlled Drugs and Substances Act* (Canada) or the *Food and Drugs Act* (Canada).
 4. Any other provincial or federal offence if the offence involved,
 - i. improper or incompetent treatment or care of a vulnerable person that resulted in harm or a risk of harm of any kind to the vulnerable person, including but not limited to physical, emotional, psychological or financial harm,
 - ii. abuse or neglect of a vulnerable person that resulted in harm or risk of harm of any kind to the vulnerable person, including but not limited to physical, emotional, psychological or financial harm,
 - iii. unlawful conduct that intentionally resulted in harm or a risk of harm of any kind to a vulnerable person, including but not limited to physical, emotional, psychological or financial harm, or
 - iv. misuse or misappropriation of a vulnerable person's money.
- (2) The following acts of professional misconduct are prescribed for the purposes of clause 81 (4) (b) of the Act:
1. An act of misconduct as a member of a health profession as defined in the *Regulated Health Professions Act, 1991*.
 2. An act of misconduct as a member of a regulated profession as defined in the *Fair Access to Regulated Professions and Compulsory Trades Act, 2006*.
 3. An act of misconduct under any other scheme governing a profession, occupation or commercial activity, including a scheme a person is not required to participate in in order to practice or engage in the profession, occupation or activity.
- (3) For the purposes of clause 81 (4) (b) of the Act, a person is found guilty of an act of professional misconduct if a finding of professional misconduct is made against the person by a regulatory authority, a professional association or a body that regulates a profession, occupation or activity.
- (4) Subsection 81 (4) of the Act does not apply with respect to,
- (a) a conviction for an offence that resulted in a sentence of imprisonment if the sentence was completed more than five years before the staff member first works, or the volunteer first volunteers, at the home or more than five years before the person becomes a member of the licensee's board of directors, its board of management or committee of management or other governing structure;
 - (b) a conviction for an offence that did not result in a sentence of imprisonment if the conviction occurred more than five years before the staff member first works, or the volunteer first volunteers, at the home or more than five years before the person becomes a member of the licensee's board of directors, its board of management or committee of management or other governing structure;
 - (c) a finding of guilt for an act of misconduct that resulted in a suspension if the suspension ended more than five years before the staff member first works, or the volunteer first volunteers, at the home or more than five years before the person becomes a member of the licensee's board of directors, its board of management or committee of management or other governing structure;

(d) a finding of guilt for an act of misconduct that did not result in a suspension, if the finding of guilt occurred more than five years before the staff member first works, or the volunteer first volunteers, at the home or more than five years before the person becomes a member of the licensee's board of directors, its board of management or committee of management or other governing structure.

(5) In this section,

“professional misconduct” includes incompetence; (“faute professionnelle”)

“vulnerable person” means a vulnerable person as defined in the *Police Record Checks Reform Act, 2015*. (“personne vulnérable”)

Offences referenced in Section 742.1 of the *Criminal Code* (Canada).

- an offence punishable by a minimum term of imprisonment;
- an offence, prosecuted by way of indictment, for which the maximum term of imprisonment is 14 years or life;
- a terrorism offence, or a criminal organization offence, prosecuted by way of indictment, for which the maximum term of imprisonment is 10 years or more;
- an offence, prosecuted by way of indictment, for which the maximum term of imprisonment is 10 years, that
 - (i) resulted in bodily harm,
 - (ii) involved the import, export, trafficking or production of drugs, or
 - (iii) involved the use of a weapon; and
- an offence, prosecuted by way of indictment, under any of the following provisions:
 - (i) section 144 (prison breach),
 - (ii) section 264 (criminal harassment),
 - (iii) section 271 (sexual assault),
 - (iv) section 279 (kidnapping),
 - (v) section 279.02 (trafficking in persons — material benefit),
 - (vi) section 281 (abduction of person under fourteen),
 - (vii) section 333.1 (motor vehicle theft),
 - (viii) paragraph 334(a) (theft over \$5000),
 - (ix) paragraph 348(1)(e) (breaking and entering a place other than a dwelling-house),
 - (x) section 349 (being unlawfully in a dwelling-house), and
 - (xi) section 435 (arson for fraudulent purpose).

Chapter 5

RECRUITMENT, DEVELOPMENT AND RECOGNITION OF DIRECTORS

This chapter provides guidance for securing, retaining and developing a competent and effective Board membership.

5.1 General

Crucial to the good governance of Perley Health is having a competent, committed, and diverse group of volunteers prepared to give of their time and abilities to sit on the Board of Directors. This document sets out guidance for the recruitment, selection, training and development of Directors.

5.2 Responsibilities

The By-Laws provide that the management of the activities and affairs of the Corporation shall be supervised by the Board.

It is imperative that the Board as a group has the qualifications, skills and diversity to govern the Corporation effectively.

It is the responsibility of the Governance Committee of the Board of Directors to recruit and recommend to the Board suitable members of the Corporation to act as Directors of the Corporation so that the Corporation is governed by the appropriate number of Directors at all times (9-18), who together have the appropriate skills and abilities. The number of Directors is reviewed from time to time by the Board and adjusted to meet current circumstances.

5.3 Recruitment Process

Perley Health has established a structured recruitment process which is outlined in detail in Appendix A to this Chapter. Recruitment activities are assigned to a sub-set of the Governance Committee, the Governance Recruitment Team (GRT) comprised of the Chair of the Governance Committee, the Board Chair and one other Director.

The recruitment cycle commences in the early Fall with the establishment of the GRT and culminates with the election of new Directors at the Annual Meeting of the Corporation in June of the following year.

5.4 Selection Criteria

To function effectively, the Board of Directors must be populated with individuals of strong moral character, free from any conflict of interest and motivated to give freely of their time and energy in a dedicated and collaborative fashion. To this end, Perley Health has identified a number of desirable characteristics for Board members as described in Appendix A.

In addition to these general attributes, to effectively perform its oversight functions, Perley Health also requires at least some Directors who possess certain specific skills and/or experiences and, to this end, employs an Excel-based program – the Skills Matrix Tool (SMT) – to both establish requirements and to identify any existing or anticipated gaps. The SMT is graphically depicted at Appendix B to this Chapter.

5.5 Appointment of Directors

In accordance with the By-Laws of the Corporation, the Board may appoint a member of the Corporation to serve as a Director but that appointment is valid only until the next Annual Meeting of the Members of the Corporation. At that time the appointed Director must stand for election to the Board by the members of the Corporation.

5.6 Terms

Directors are elected at an Annual Meeting for a term not to exceed three years. A Director may stand for election for more than one term; however, no Director may serve more than ten consecutive years with the exception of the Chair. The Chair may continue to serve for the remainder of his/her term, even if it takes them beyond ten years of service as a Director.

The Secretary of the Board keeps a list of all members and all Directors of the Corporation, their election dates and their term expiry dates.

5.7 Vacancy of the Chair Position

In the event of a vacancy in the position of Chair, the Board may elect a qualified Director to serve as Chair until the first meeting of the Board following the next Annual Meeting.

5.8 Development

To maximize the decision-making capability of Directors and to minimize risk for Perley Health, Directors follow a continuous program of education and development. The following sets out the basic information that Directors need and describes how this need can be met.

5.8.1 Information Needs

To carry out their responsibilities in a meaningful way Directors should have a familiarity with the fundamentals of the following:

- The delivery of Long-Term Care in Ontario, including:

- The Continuum of Care
 - The role of the Ministry of Long-Term Care (MOLTC)
 - The role of Veterans' Affairs Canada
 - The role of Ontario Health East
 - The role of other organizations related to the delivery of long-term health care.
- Corporate Governance in not-for-profit organizations
 - The Perley and Rideau Veterans' Health Centre (Perley Health) including its:
 - History, Mission Statement, and Strategic Plan
 - Governance Framework
 - Management Structure and Team
 - Delivery of Care and Services
 - Financial Management
 - Human Resource Stewardship
 - Foundation
 - Stakeholders.

5.8.2 Board Development

Development for Directors at Perley Health consists of Mentoring, Orientation, and Continuing Education.

Mentoring

Mentoring at Perley Health consists of pairing more experienced Directors with new Directors. The Governance Committee coordinates the pairings, which should have the mutual consent of both parties.

In order to identify who would be the most appropriate mentor for a new Director, the Chair of the Governance Committee consults with any of the following, as appropriate:

- the new Director him/herself;
- the person who suggested the new Director;
- the Chair of the Committee on which the new Director is likely to serve; and
- any other person who might have an interest.

Mentors are expected to:

- take care to make the new Director feel welcome;
- explain the organization and its culture to the new Director;
- introduce the new Director to other Board members as the occasions to do so arise; and
- be available to the new Director to answer questions.

Orientation

Perley Health and Board Orientation:

Board Orientation is the mutual responsibility of the Chair of the Board, the Chair of the Governance Committee and the Chief Executive Officer (CEO), as is its content. It

should occur within the first six months of a new Director's tenure. The program should cover key information about Perley Health itself and key governance issues for Perley Health, and should include reference to:

- The By-Laws of the Corporation;
- The Ethics Framework of Perley Health; and
- Key relationships.

The content of the Orientation program will be fairly consistent from session to session, but will be updated as appropriate.

Committee Orientation:

It is the responsibility of each Board Committee to conduct an Orientation session for its members before commencing its work for the year. The session should include an overview of:

- The Terms of Reference for the Committee; and
- The Committee's achievements for the past year and its proposed work for the next year.

Continuing Education

Personal Reading. Each Director is encouraged to pursue personal reading on the issues facing long-term health care in Ontario and the consequent challenges facing Perley Health.

Perley Health's website is a useful source of information. Under the *Board Governance* menu there is a sub-menu (accessible only by Directors, Adjunct Advisors, the CEO and persons designated by the CEO) that contains information relevant to the carrying out of a Director's duties. This area of the website includes all the supporting documentation for Board and Committee meetings, including:

- Agendas and relevant supporting documentation; and
- Minutes or records of decisions.

In addition, the website includes other relevant materials such as:

- Links to relevant websites such as the Ontario Long-Term Care Association, AdvantAge Ontario, the Ministry of Long-Term Care (MOLTC), Veterans Affairs Canada, etc.; and
- A data base of readings on issues relevant to a Director's duties. Anyone who has access to this portion of the website should be able to recommend additions to it and should be able to download from it.

Individual Directors may circulate to colleagues any articles, books, or websites that they think would be relevant and of interest on issues of importance to Perley Health.

Board Briefings. Short Continuing Education sessions may be conducted prior to Board meetings. In September of each year the Executive Committee selects subjects for these sessions and their timing and assigns the responsibility for them to the appropriate Committees of the Board. The topics should focus on, but are not be limited

to, subjects that are relevant to the principal functions of the Board: fiduciary oversight; direction setting; financial oversight; resource stewardship; performance evaluation; risk management; and stakeholder relations. They should also include the subjects identified as information needs in section 5.6.1.

Board Workshops. There should be two day-long Continuing Education workshops conducted for Directors, one in the September to December timeframe and one in the January to May timeframe. In September of each year the Executive Committee selects the topics to be covered at the workshops, focusing on subjects related to the principal functions of the Board or to current issues of concern for the Corporation. The Executive Committee assigns the responsibility for the planning, organization and management of each workshop to a Board Committee. That Committee produces a plan for the workshop and may seek the support of the Executive Director and, resources permitting, may engage external expertise to assist in the presentation of the workshop.

External Continuing Education. From time to time there will be opportunities for continuing education from external sources that will be identified. The Executive Committee may decide to take advantage of these opportunities and ask a Director to attend. If a Director attends such an opportunity, that Director is obliged to return to the Board with a report on what transpired and a recommendation on future attendance.

5.8.3 Evaluation

Each Orientation Session, Continuing Education Board Briefing and each Board Workshop should include an evaluation form to be completed by attendees for review by the sponsoring Committee and by the Governance Committee.

Best Practices. Each Director and the Chief Executive Officer should forward to the Governance Committee any information on best practices that comes to their attention, for review by the Governance Committee for adoption by the Board.

5.9 Director Development

Notwithstanding the impressive education, skills and experience that individuals who come to Perley Health as Directors may possess, there is not only the requirement for acquiring knowledge from training but there is also the need and benefit derived from building positive, collective, individual, and progressive experience as a Director at Perley Health.

5.9.1 Director Experience Development

Typically, Directors spend the first two years assigned to a Committee on which they can best apply their education, skills and experience that formed the basis for their election to the Board. This could be followed by a further two years on a different Committee. At some point, a Director should consider being a candidate for Chair of one of the Board's Committees.

5.9.2 Director Team Building

Team-building activities for Directors are important in order to build the knowledge base and trust in one another that Directors should possess to make informed, inspired, and competent decisions as a Board. Team building activities can take a variety of forms. The Board looks for opportunities for members to take part in social activities and encourages the attendance at, for example, such events as the annual Remembrance Day ceremony at Perley Health.

5.10 Director Recognition

Members of the Board of Directors believe that it is a privilege to serve on the Perley Health Board and have a stated desire for a minimalist approach to recognition. The following process is endorsed by the Board.

At the end of their terms of service, Directors, having executed their functions in a manner befitting a responsible Director of Perley Health, will be recognized for their years of voluntary service and for their contributions made. The Chair of the Board, on behalf of all Directors, will express the Board's appreciation and thanks. Where appropriate, this thank you may be followed by an informal gathering and toast to the individual(s). This recognition will be given to retiring Directors at the last regular Board meeting marking the end of their terms of service.

5.10.1 Recognition of Past Board Chairs

Past Board Chairs will be recognized for their volunteer service and contributions in a picture gallery maintained in a public space within the facility.

5.11 Honorary Directors

The By-Laws provide for the appointment of Honorary Directors in recognition of long and special services to the Corporation. Honorary Directors of the Board may attend and participate in Board meetings, including in camera meetings, without the power to vote. To be eligible, Honorary Directors will have completed 10 years of service, have given freely of their time and energy and have indicated an interest and ability to continue to serve.

Any serving Director of the Board may recommend a person to be considered for appointment as an Honorary Director. Recommendations will be made in writing to the Governance Committee which will determine whether the candidate meets the criteria and if they are willing to accept the appointment. If the recommendation is accepted, the Chair of the Governance Committee requests the Chair of the Board to place the matter on the agenda of a future Board meeting.

Honorary Directors are expected to continue to uphold the Corporation's mission, vision and core values; observe the Code of Ethical Conduct and conflict of interest and confidentiality expectations of the Corporation; and attend Board and/or Committee meetings as required.

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In practice, the Board has concluded that, to allow for the ongoing development and advancement of serving Directors, Honorary Directors will normally not fill Committee Chair positions and will serve only a single one-year term.
This policy shall apply to all Honorary Directors, active or inactive, and regardless of date of appointment effective June 5th, 2025.

* * * * *

Recruitment Process

Area	Action	Timing
Responsibility for Recruiting	<ul style="list-style-type: none"> • Overall responsibility belongs to Governance Committee. • Detailed recruitment effort to be led by the Governance Recruitment Team (GRT) comprised of the Chair of the Governance Committee, the Chair of the Board, and one other Director. 	
Board Strength and Gap Analysis	<ul style="list-style-type: none"> • In the late Fall, the Executive Assistant sends a copy of the Skills Matrix Tool (an Excel program) to all Board members, requesting an update of their individual skills and experience and an indication of their intention to continue to serve as a Board member. A graphic depiction of the Skills Matrix Tool is shown as Appendix B to Part II, Chapter 5 of the Governance Guide. • Once responses to the Skills Matrix Tool questionnaire are received, the GRT reviews responses to determine expected recruiting requirements (skills and numbers) over the next year and the two years following. 	November/ December
Advertising for Candidates	<ul style="list-style-type: none"> • If deemed appropriate, the GRT takes steps to advertise for potential candidates to self-identify from within the broader community using resources such as: <ul style="list-style-type: none"> ○ The Perley Health website, ○ Volunteer Ottawa, ○ 55+ magazine, ○ Professional organizations, ○ Community newspapers, ○ Friends and Family Committee. 	November/ December/ January
Director Interviews	<ul style="list-style-type: none"> • Following the circulation of a self-evaluation questionnaire (for individual use only), the Chair of the Governance Committee 	January/February

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	<p>and the Board Chair carry out annual interviews with all Directors. During these interviews, there is discussion about how the Board is performing, any issues of concern and how individual Board members assess their own skills and contributions to the Board. Directors are also asked to confirm their intentions regarding how long they intend to serve on the Board. Board members and Committee Chairs are also asked to provide any recommendations they may have regarding potential candidates to fill known or anticipated Board vacancies or needs for Adjunct Advisors.</p>	
<p>Candidate Solicitation</p>	<ul style="list-style-type: none"> • Based on the gap analysis process and a review of all information gleaned from advertising and interviews, the GRT then develops a potential candidate list by: <ul style="list-style-type: none"> ○ Evaluating any inputs received from candidates who have self-identified as a result of advertising within the local community; ○ Considering the skills and experience of any Adjunct Advisors who may have been recommended for a Board appointment by Committee Chairs as part of the interview process; and ○ Considering the potential suitability of any individuals recommended by current Board members and members of senior management. 	<p>January/February /March</p>
<p>Initial Contact</p>	<ul style="list-style-type: none"> • Depending on the circumstances each year, when an appropriate number of potential candidates have been identified, initial contact will be made by e-mail or telephone, followed by more a more detailed message or letter from the Chair of the Governance Committee to: <ul style="list-style-type: none"> ○ Provide general information on the Board as well as an outline of Directors’ responsibilities, time commitments, Perley Health’s values etc.; ○ Indicate expected vacancies as well as information on any specific skill set and/or experience the Board is looking for (e.g. legal, accounting, healthcare, military etc.); ○ For new applicants, highlight the existence of Adjunct Advisor positions and the opportunity for candidates to indicate their willingness to accept one of these positions should they not be immediately appointed to the Board; 	<p>February/March/ April</p>

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	<ul style="list-style-type: none"> ○ Seek a written application from candidates plus a copy of their résumé or biography and a completed Self-Assessment Questionnaire (noting the need for absolute accuracy in any biographical material provided). 	
<p>Selection Criteria</p>	<ul style="list-style-type: none"> ● In selecting candidates, the following criteria should be considered: <ul style="list-style-type: none"> ○ The Board of Directors should be competent, diverse and inclusive representing differences in such areas as skill sets, educational backgrounds, experiences, ethnicities, races, genders, and linguistic groups. ○ No one profession or group should dominate the Board; rather there should be a balance that includes representation from the community, retired military, and the public and private sectors. ○ The Board of Directors should be populated with individuals of strong moral character, free from any conflict of interest and motivated to give freely of their time and energy in a dedicated and collaborative fashion. ○ Ideally, individual Directors should possess the following qualifications and characteristics: <ul style="list-style-type: none"> ▪ Work experience at the CEO/CFO/Executive Director level or equivalent from the private or non-profit sector, or at a comparable level if from the public sector; ▪ Familiarity with working in a Board setting; ▪ An interest in the health care industry, particularly long-term care; and ▪ A general understanding of the expectations for Directors at Perley Health. ● In addition to the general criteria outlined above, to effectively perform its oversight functions, Perley Health also requires at least some Directors to possess specific skills and/or experiences. These skills/experiences are outlined in the Skills Matrix Tool and are updated annually. 	
<p>Review Process</p>	<ul style="list-style-type: none"> ● When an appropriate number of applications have been received from potential candidates, depending on the number of vacancies and number of candidates identified, the GRT will: 	<p>February/March/ April</p>

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	<ul style="list-style-type: none"> ○ Carefully consider the attributes and skills of all applicants in the context of the Board’s requirements and as compared to other potential applicants for the same vacancy, if any; ○ For individuals who, based on their submitted credentials, appear to be strong candidates but who are not personally known by Board members, request references who can be contacted to attest to their previous work and volunteer experience; ○ Review all materials provided by prospective candidates and contact references, as required; ○ Create a list of preferred candidates for Board positions either vacant or becoming vacant; ○ Carry out interviews with potential Board members to assess fit, motivation, experience and alignment with key criteria for vacancy (if possible, interviews to be carried out by Chair of Governance plus one other member of GRT). <ul style="list-style-type: none"> ● The Chair of the Governance Committee, on behalf of the GRT, will submit its recommendations for appointment to the Board to the Governance Committee once all interviews have been completed (or on separate occasions, if more appropriate). The GRT will also provide the Governance Committee with a copy of all documents requested and received from those candidates it is recommending for appointment to the Board as well as any other candidates who were considered during the review process. The Chair of Governance shall also indicate whether any applicant(s) not recommended to fill an immediate Board vacancy might be a suitable candidate to fill an Adjunct Advisor role. ● The Chair of Governance shall advise candidates, as soon as possible after the interview process, whether or not their names will be presented to the Board for consideration to fill a Board vacancy or potentially as an Adjunct Advisor, should this be applicable. 	
<p>Formal Enlistment</p>	<ul style="list-style-type: none"> ● The Governance Committee recommendations for Board appointments will be submitted to the Board of Directors for approval. If approved, new Directors’ names will be proposed at the Annual Meeting for election by the Members of the Corporation. 	<p>March/April/May</p>

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<p>Follow-Up Actions</p>	<ul style="list-style-type: none"> The Executive Assistant will take steps to ensure that individuals whose names are to be proposed for election to the Board have signed a Conflict of Interest declaration and completed all additional security checks and associated attestations required of Directors and Adjunct Advisors. Prospective Directors must also join the Corporation before their nominations are proposed at the Corporation’s Annual Meeting 	
<p>Adjunct Advisors</p>	<ul style="list-style-type: none"> The Chair of the Governance Committee will also liaise with other committee Chairs to determine whether applicants not recommended for immediate appointment to the Board might meet their needs as Adjunct Advisors. Nominations of individuals as Adjunct Advisors to Committees will be forwarded to the Board for approval on an ‘as required’ basis. 	<p>April/May</p>
<p>Process Review</p>	<ul style="list-style-type: none"> When the annual recruiting process is essentially complete, the GRT will review the efficacy of the process as well as the completeness of the Skills Matrix Tool and propose any changes deemed appropriate to the Governance Committee for review and for possible submission to the Board for approval. 	

Perley Health Board Skills Matrix (GRAPHIC REPRESENTATION)

Priority Legend	
High	3
Medium	2
Low/NA	1

This tool is designed to help boards assess the level of experience each director has in various skill areas, as well as the overall composition of the board as it relates to diversity.

Directions: In the *Skills/Experience Section*, rate each board director using a scale of High (3) to Low/Not Applicable (1) to reflect the level of experience possessed in a particular area. In the *Demographic Background Section*, enter the

Board of Directors						
	SAMPLE 1	SAMPLE 2	Name 3, etc.			
Term Expiration Date						
Enter Month Year	Jun-2027	Jun-2025				
Skills & Experience						
Board Experience	3	2				
Financial	1	3				
Healthcare Sector Experience	3	1				
(LTC) Industry Knowledge	2	1				
Clinical	3	1				
Health Research	3	2				
Legal/Regulatory	1	3				
Public Policy	1	2				
Government Relations	1	2				
PR/Communications/Marketing	3	2				
Relations with Culturally Diverse Communities	2	2				
Risk Management	2	1				
Information Security	1	1				
Business/Technology	3	3				
Infrastructure and Project Mgmt	1	2				
Military/Veterans	1	3				
Relations with Seniors Communities	2	3				
Front-Line Perspective	3	2				
Demographic Background						
Gender						
Male	X					
Female		X				
Age						
25-40						
41-55						
56-70	X	X				
Over 70						

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Board of Directors						
SAMPLE 1	SAMPLE 2	Name 3, etc.				
Ethnicity						
South Asian (e.g. East Indian, Pakistani, Sri Lankan, etc.)						
Chinese		X				
Black						
Filipino						
Latin American						
Arab						
Southeast Asian (e.g. Vietnamese, Cambodian, Thai, etc.)						
West Asian (e.g. Iranian, Afghani, etc.)						
Korean						
Japanese						
White/Caucasian	X					
Indigenous						
Personal Characteristics (Top 3)						
Analytical	X					
Committed to Continuous Improvement						
Consensus Builder		X				
Creative						
Demonstrated Continuous Learning						
Effective Communicator						
Empathy						
Entrepreneurialism						
Integrity	X					
Leader/Motivator						
Respects/Relates well to people of diverse backgrounds	X	X				
Sound Judgement						
Strategist		X				

Perley and Rideau Veterans' Health Centre

Board Skills Matrix Analysis

Using this Matrix Analysis tab, a board may be able to identify existing capabilities as well as areas where board development or additional qualifications are needed. It imports data inputted in Tab 1 ("Matrix") and ultimately relates that information to determine recruitment priorities for the board.

Directions: Rate the level of importance for each skill and experience and demographic area as it pertains to your board. Then, see how that compares to your current board representation. Finally, determine recruitment priorities based on this comparison. Ratings to be used for level of importance and priority are a scale of High(3) to Low/Not Applicable (1).

Priority Legend	
High	3
Medium	2
Low/NA	1

	Level of Importance	Current Board Representation	Recruitment Priority
Skills & Experience		SAMPLE AVG	
Board Experience		● 2.5	
Financial		● 2.0	
Healthcare Sector Experience		● 2.0	
(LTC) Industry Knowledge		● 1.5	
Clinical		● 2.0	
Health Research		● 2.5	
Legal/Regulatory		● 2.0	
Public Policy		● 1.5	
Government Relations		● 1.5	
PR/Communications/Marketing		● 2.5	
Relations with Culturally Diverse Communities		● 2.0	
Risk Management		● 1.5	
Information Security		● 1.0	
Business/Technology		● 3.0	
Infrastructure and Project Mgmt		● 3.0	
Military/Veterans		● 1.5	
Relations with Seniors Communities		● 2.0	
Front-Line Perspective		● 2.5	
Demographic Background			
Gender			
Male		1	
Female		1	
Age			
25-40			
41-55			
56-70		2	
Over 70			
Ethnicity			
South Asian (e.g. East Indian, Pakistani, Sri Lankan, etc.)			
Chinese		1	
Black			
Filipino			
Latin American			

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Arab			
Southeast Asian (e.g. Vietnamese, Cambodian, Thai, etc.)			
West Asian (e.g. Iranian, Afghani, etc.)			
Korean			
Japanese			
White/Caucasian		1	
Indigenous			
Personal Characteristics (Top 5)			
Analytical		1	
Committed to Continuous Improvement			
Consensus Builder		1	
Creative			
Demonstrated Continuous Learning			
Effective Communicator			
Empathy			
Entrepreneurialism			
Integrity		1	
Leader/Motivator			
Respects/Relates well to people of diverse backgrounds		2	
Sound Judgement			
Strategist		1	

Chapter 6

PLANNING CYCLE AND BOARD ANNUAL WORK PLANS

6.1 General

Chapter 1 outlined the Board's scope of responsibilities. This chapter outlines the framework within which the Board conducts its responsibilities on behalf of Perley Health.

Effective planning is essential for a common understanding by both the Board and management of their respective responsibilities in relation to the work to be accomplished over the course of the year.

6.2 Perley Health Planning Cycle

The overall direction for Perley Health is set out in a tentative blueprint called the Strategic Plan, which has been established by the Board of Directors with the assistance of management and in consultation with key stakeholders of Perley Health. The Strategic Plan identifies the key areas and general goals for the coming years, taking into account the projected financial and other resource implications. When appropriate, the Strategic Plan is revised or replaced on the basis of a scan of internal and external factors that may bear on the resources and direction of the organization.

The point of departure for the annual planning cycle for the upcoming operating fiscal year of the organization begins with an annual strategic assessment during which the objectives set for the previous year are updated. At this time key directions for the coming year are identified as well as the activities that are necessary for the organization to achieve its desired outcomes.

Management then commences the operational planning for the next year as well as the budgets. The Annual Operating Plan created by management will contain estimates of service demand for the year, objectives for improvement in key areas of corporate activity, expected results and targets for each objective, the time period during which those results will be sought and criteria for measuring the achievement of those results.

The Annual Operating Plan sets the parameters for the financial plan and Budget, both of which management prepares for the entire set of programs operating at Perley Health and presents to the Board in January.

6.3 Monitoring Results

Targets set in the Annual Operating Plan and Budget are monitored each quarter of the fiscal year. In the third quarter, a thorough analysis of performance is begun and projections of the expected year-end results are produced. Preliminary planning for the

coming year's operating goals takes place at the end of the third quarter, and is completed late in the fourth quarter with refinements based on actual prior year results concluding in the first quarter of the next fiscal year.

The annual external audit of financial statements is conducted during the first quarters of the next fiscal year and presented to the Annual Meeting of the Corporation in June, providing a focal point for financial accountability and disclosure.

While Perley Health's fiscal year is the calendar year, work planning at Perley Health is also governed by the various agreements that it has with its program and service funders, each of which has its own accounting cycles. For example, the Ministry of Long-Term Care has two planning cycles, one for the Long-Term Care Service Accountability Agreement that is based on the calendar year, and another for the Multi-Sector Service Accountability Agreement, which covers the Assisted Living Program, the Guest House, and the Day Program, etc., that is based on an April to March cycle. Veterans Affairs Canada follows the federal fiscal year, but has adapted its cycle to the province's Long-Term Care calendar year cycle for the veteran residents at Perley Health.

Coordinating all these diverse activities into a coherent work cycle for the effective governance of Perley Health poses a significant work planning challenge. Thus, the Board has developed an integrated operating framework that facilitates its annual work planning cycle. This integrated approach to work planning is set out in Appendix A to this chapter.

Further policy direction and guidance for planning and managing the Board's planning work is provided in the Addendum to this Governance Guide. See Chapter 2, Strategic Planning and Management.

6.4 Board and Committee Annual Work Plans

The Board organizes the planning and monitoring activities outlined in sections 6.2 and 6.3 in annual work plans. The Board and Committee Chairs prepare their annual Work Plans, and these are tabled at the Board's September meeting.

The Board Work Plans provide predictability to Board work, most of which is dealt with on an annual basis from September to June. For the purposes of its Work Plan, the Board categorizes its activities as follows:

- Vision and Strategy
- Operational Planning
- Financial Review
- Performance Review
- External Reporting
- CEO Development & Compensation
- Board Governance
- Reports
- Board Education.

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A sample Annual Board Work Plan is set out in Appendix B, but can be adjusted from time to time as appropriate.

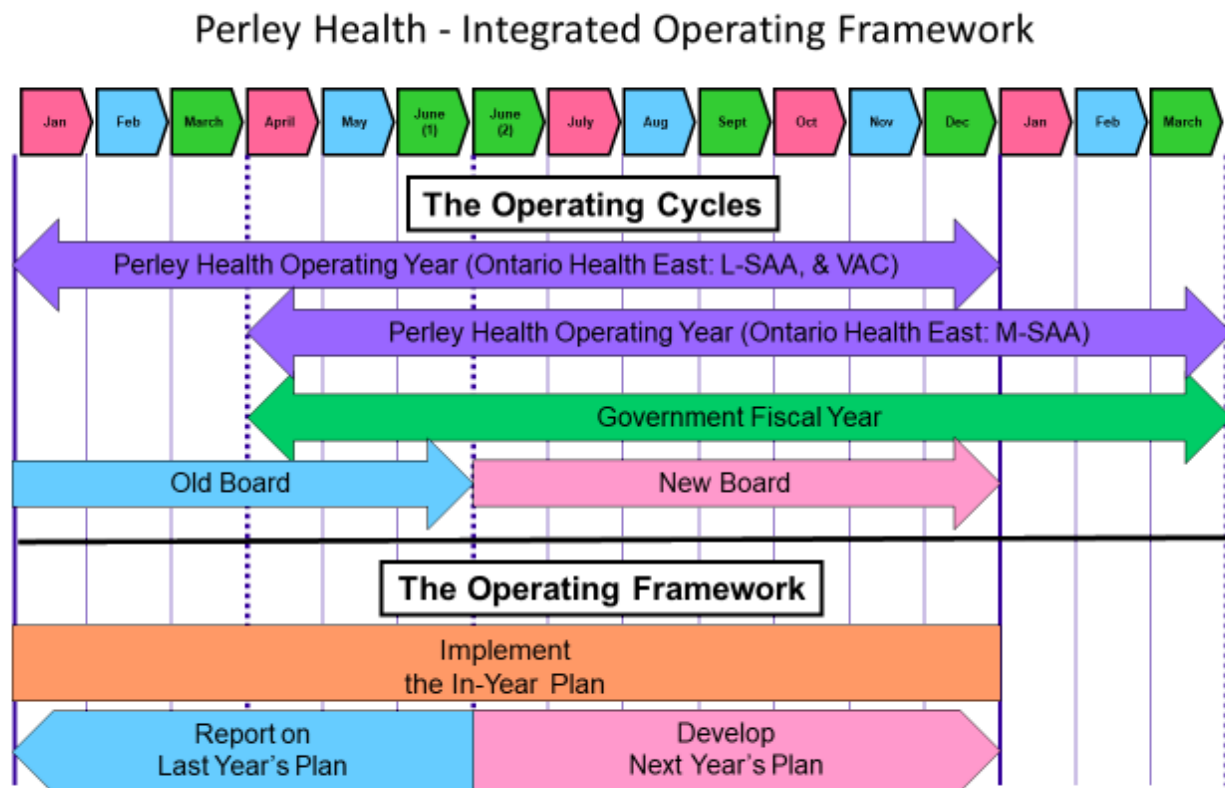
Like the Board's work, each Committee's work is largely annual and cyclical. Committee work includes:

- Orientation of new members;
- Developing its work plan;
- Carrying out the responsibilities delegated by the Board; and
- Reporting on strategically significant work done by the Committee.

* * * * *

INTEGRATED WORK PLANNING

Given the growing diversity of Perley Health’s activities and the number of different planning and reporting cycles used by Perley Health’s program and service funders, the Board has integrated these cycles into a single operating framework. The development of a standard framework that integrates the routine planning and reporting requirements for Perley Health and for the Board minimizes the risk of inconsistencies between the differing cycles, reduces coordination requirements, and provides a more coherent approach to Board and Management functions. Conceptually, the various operating cycles influencing the integrated operating framework for the Board is depicted below.



Chapter 7

BOARD MEETINGS AND RECORDS

This chapter includes guidance for the conduct of Board and Committee meetings, conflict resolution and the disposition of complaints, as well as collective and individual performance evaluation. Also defined are the procedures for maintenance of the integrity of the Board's records.

7.1 Meetings

7.1.1 Meetings of the Corporation

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

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

The agenda for the Annual Meeting of Members of the Corporation is developed by the Chair and the Executive Committee for approval by the Board. The agenda should include the Board's strategic assessment and performance evaluation of Perley Health, which have also been developed for its approval by the Chair and the Executive Committee. The state of Perley Health'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 who have been appointed by the Board but remain to be considered for election by the membership.

The Chair and CEO 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.

A quorum of voting Members of the Corporation is also required for the transaction of business of the Corporation. The By-Laws provide that a quorum is ten members present in person.

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.

7.1.2 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 plans and conducts the timing of Board meetings in conjunction with the CEO and chairs all meetings of the Board. The Chair should establish an annual list of the dates, time and place of Board meetings and provide the Board with an opportunity to comment thereon prior to implementation.

Agenda Setting

The Chair sets the agendas for Board meetings with input from Directors and with the assistance of the CEO to ensure that the matters selected are focused 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:

- a) Amend Perley Health's Strategic Plan or any of its constituent elements;
- b) Amend Perley Health's Governance Framework or any of its constituent elements;
- c) Have a material effect on the approved budget of Perley Health;
- d) Risk the long-term viability of Perley Health;
- e) Enter into a Partnership with another Corporate or Public entity.

Agendas should reflect the Board's annual continuing education plan, and allow for periodic performance reporting by management on selected topics and periodic Committee reporting by selected Committees. Agendas should also include the minutes of the previous meeting, information items and Committee meeting records.

Agendas and their supporting documentation are prepared 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. Agendas for meetings requiring a Board decision should be distributed to Directors at least five days prior to that meeting unless circumstances require otherwise.

Consent Agendas

A consent agenda is a bundle of items that is designed to be voted on, without discussion, as a package. It differentiates between routine matters not needing explanation and more complex issues needing examination. Items commonly found on consent agendas include:

- Minutes of the previous meeting;

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- Confirmation of a decision that has been discussed previously;
- The Chief Executive Officer's report;
- Committee reports;
- Informational materials;
- Updated organizational documents.

The Board also uses the consent agenda to approve items that are not necessarily routine, but can be fully explained in a briefing note and are not anticipated to require discussion. The consent agenda is intended to streamline decision-making, but should not be used to hide important issues or avoid difficult discussions. In this regard, it should not normally include such items as Auditors Reports, Financial Reports or Executive Committee decisions.

The following guidance applies to the effective use of consent agendas:

- a) **Set the meeting agenda.** The Chair and CEO identify the focus of the meeting and assign items to the consent agenda.
- b) **Distribute materials in advance.** To enable Board members to make informed decisions, all consent agenda items must be supported by documents that present the decision required and the supporting information in a clear and succinct manner, and are distributed at least five days in advance unless circumstances require otherwise.
- c) **Read materials in advance.** Board members must read materials ahead of the Board meeting so that they are prepared to ask questions about items on the consent agenda or to vote their approval.
- d) **Introduce the consent agenda at the meeting.** The consent agenda should normally be the first item on the Board meeting agenda. The Chair notes the items on the consent agenda and asks if any Board member wishes for an item to be removed from the consent agenda.
- e) **Remove any requested items from and accept the consent agenda.** A Board member who has a question, wants to discuss an item, or disagrees with a recommendation should request that the item be removed from the consent agenda. Without question or argument, the Chair should remove the item from the consent agenda and add it to the agenda for discussion.
- f) **Approve the consent agenda.** The Board votes on the consent agenda items as a whole. By a simple unanimous yes vote, the Board is approving any decisions sought or any reports being tabled.
- g) **Document acceptance of the consent agenda.** The minutes of the meeting should state that the consent agenda was approved unanimously and indicate which, if any, items were removed and addressed separately. All supporting materials should be saved with the agenda to demonstrate the information on which the Board based its decision.

Decision Making

Decisions of the Board are made at Board meetings at which a quorum (a simple majority) of the voting Board members is present. Board members who are connected to the meeting virtually are deemed to be present for voting purposes.

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 after a vote, dissenting Directors may request that their objections be recorded in the minutes. A favourable vote of a majority of the Directors present, without regard to abstentions, is required for approval.

Directors have the right to discuss questions before the Board and make their decisions in a frank and open atmosphere. The Governance Policy Framework of Perley Health 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. Once a decision is made, the Board speaks with one voice in favour of the decision taken.

Minutes are to be taken for all Board Meetings. The CEO 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, which are presented to the Board for approval at the next meeting of the Board.

Confidentiality¹

The By-Laws require that *Unless otherwise directed by a resolution of the Board, matters brought before the Board shall be treated as confidential. Directors, appointees of the Board, and employees of the Corporation shall respect the confidentiality of matters brought before the Board and the privacy of individuals, keeping in mind that unauthorized statements could adversely affect the interests of the Corporation.*

Board minutes will be maintained as confidential. Minutes and their supporting material shall be accessible to Directors, persons designated by the Chair of the Board, the CEO, and persons designated by the CEO for the purpose of carrying out their duties.

In keeping with its philosophy of transparency, the Board will normally publish a public record of decisions for all meetings. The Board may, however, refrain from publishing decisions relating to sensitive matters, such as:

- Personal matters about an identifiable individual (member, Director, resident, client or employee);
- Commercial proprietary information, including the acquisition or sale of land or other assets;
- Labour relations or employee negotiations;
- Litigation or potential litigation;

¹ See the complete Board Policy re Disclosure of Information in Part IV.

- Advice that is subject to solicitor-client privilege;
- Matters covered by privacy laws;
- Matters of personal conflict between members of the Board;
- Information unrelated to public accountability (intellectual property).

7.1.3 In Camera Meetings

Every regular Board meeting agenda should contain provision for an *in-camera* session whereby attendance is limited to Board members and other persons invited at the discretion of the Board.

While *in camera*, the Board considers and discusses confidential items such as those listed above as well as any other matters, the discussion of which in front of staff or others, could be prejudicial to the interests of the Corporation, its members or its clients.

7.1.4 Board Committee Meetings

Board Committees at Perley Health have an advisory function to the Board. They do not speak or act for the Board unless authority to do so is formally delegated, is time-limited, and is for specific purposes. Committees do not have any authority to direct staff, but the CEO is required to allocate resources to support 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 the Chair of a Committee should align with that of the role of Chair of the Board described above but may be adjusted as appropriate, having regard to the functions of the Committee.

Committee Scheduling

The Board Committee Chair:

- Plans the conduct and timing of Committee meetings in accordance with the Committee's Terms of Reference;
- Chairs all meetings of the Committee; and
- Endeavors to establish an annual list of the dates, time, and place of Committee meetings and to provide an opportunity for Committee members to comment on the schedule of meetings.

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 having regard to the availability of the staff to support the meeting.

Committee Agendas

Committee Chairs set the agenda for Committee meetings with inputs from Committee members and the CEO, taking into account the Committee Terms of Reference,

assigned tasks from the Board, and the Committee's own annual work plan. Agendas should include any written records of the previous meeting of the Committee and, if minutes were taken, the minutes of that meeting, which must be approved by the Committee. Agendas and their supporting documentation are 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 generally arrive at the advice and recommendations they will give to the Board on a consensus basis. A discussion process should occur that allows diverse views of Committee members to be expressed. 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, the Chair of the Committee should seek the inclusion of the item on a future agenda of the Board.

Where the Board has delegated a power to the Executive Committee, as referred to in paragraph 5 (k) (i) of the By-Laws, the Executive Committee shall, in taking any decision in the exercise of that power, do so by vote.

Board Committees have written records or minutes taken of their proceedings to reflect the progress of work accomplished at each meeting. The Committee Chair is responsible for the content of the minutes or written record and for ensuring that they are approved by Committee members, that they are published promptly on the *Board Members Only* area of the website, and that Key Messages from Committee meeting are circulated forthwith to Committee members and are included in the agenda package of the next Board meeting.

Confidentiality

The provisions addressed above for the accessibility to meetings of the Board and for the confidentiality of records of the Board apply similarly in relation to accessibility to Committee meetings and the confidentiality of Committee records.

Committee Support

The CEO is responsible for providing secretarial support for all Committee meetings, unless advised to the contrary by the Committee Chair. Typically, this includes the preparation and distribution of meeting agendas and the preparation of meeting minutes. Additional support may be coordinated by the Committee Chair directly with the CEO; however, requests for major project support must be coordinated through the Board Chair.

7.2 Disposition of Complaints and Disputes involving Directors

While the Perley Health Board of Directors is a collegial board that works cooperatively

together, should complaints or disputes involving Directors arise, the process for dealing with complaints or disputes is as follows:

- The Executive Committee, in a meeting duly called for the purpose, reviews any complaints that a Director has violated any provision of the Corporation's By-Laws, Governance Policies, Code of Conduct, Conflict of Interest Policy, or Oath of Office.
- The Executive Committee, at the request of the Chair of the Board, similarly reviews disputes between members of the Board that interfere with the ability of the Board to carry on its business.
- Complaints of a grave nature may be referred to an independent arbiter.
- Allegations of illegal activity shall be immediately referred to police, or other appropriate authorities, for investigation, at which time any Director against whom such allegations are made is deemed to be on a leave of absence from the Board pending completion of the investigation.
- The Committee's review of such complaints or disputes will include an opportunity for the members concerned to represent their positions. Executive Committee members who originate or are the subject of such complaints or disputes must declare their conflict and absent themselves from the review after representing their position.
- Every attempt should be made to resolve such matters expeditiously and fairly.
- The recommendations regarding resolution of such matters are brought to the Board for approval.
- The ruling of the Board is final. Should the member refuse to abide by the ruling, the Board shall determine the appropriate disciplinary action. Such action may include formal or informal censure by the Chair or the Board, suspension, or a request for the member's resignation.

7.3 Conflict Resolution

The Board Chair is responsible for managing conflicts between Board Members. An impartial Board member or third party should be selected to do so if the Board Chair is a party to the conflict.

Guidance for managing both issue-based and personality-based conflicts is set out in Appendix A to this Chapter.

7.4 Board Performance Evaluation

Good governance requires a continuous cycle of planning, setting directions, monitoring progress, evaluating performance, and adjusting plans accordingly. As part of this cycle, the Perley Health Board of Directors annually evaluates both the Board's collective and individual performance.

The collective evaluations are intended to assess the effectiveness of the Board in the fulfillment of its principal governance responsibilities with a view to improving its Board performance. The object of the individual evaluations is not the scrutiny of any one individual but rather to assess on a non-attributable basis the performance of the Board's Directors. In so doing, the Board is demonstrating its accountability to its stakeholders.

7.4.1 Evaluation Surveys

Three evaluations are conducted, all using surveys of Directors in the winter of each year with the results and an analysis brought to the Board in the spring. None of the surveys ask for information that could identify the individual completing the survey so that individuals may provide free and frank assessments.

The primary survey is the **Annual Board Performance Survey**. It covers the Board's performance and its effectiveness, as well as the effectiveness of the Chair. Each voting Director and the Chief Executive Officer are asked to rate each statement in the survey indicating how well they believe the Board is performing in relation to that statement. The survey also seeks comment on the most significant achievement in the past year and the most important improvement the Board could make. Completed surveys are returned to the Governance Committee for compilation and analysis.

The **Annual Committee Performance Survey** is to be completed by the members of each Committee (including members of Committees who are not Directors). This Survey is specifically directed at the workings of each Committee, including the performance of its Chair. Completed Surveys are returned to the Governance Committee for compilation and analysis. The compilation and analysis is shared with the respective Chairs of the Committees prior to being provided to the Board. The compilation and analysis is also shared with all Directors who are members of the relevant Committee and to the other members of that Committee after they have been presented to the Board.

The **Individual Director/Adjunct Advisor Self-Assessment** is to be completed and retained by each Director or Adjunct Advisor for his/her own use. They are not required to share the results with anyone else unless they wish to. The purpose of the survey is to allow each Director and Adjunct Advisor to assess their own effectiveness and contribution to the Board.

Board, Committee and Self-Assessment Survey forms are set out, respectively, in Appendices B, C, and D to this Chapter. Any of these forms may be adjusted in any year to reflect particular circumstances, as appropriate.

7.4.2 Process

In general, an evaluation process as outlined below is followed each year in relation to the Annual Board Performance Survey and the Annual Committee Performance Survey.

- Completed surveys are compiled and analyzed by the Governance Committee, and the results are forwarded to the Executive Committee along with any recommended

- follow-up action before presenting the information to the Board.
- During this time, the Chair of the Board and/or the Chair of the Governance Committee will also contact each Board member and Adjunct Advisor to discuss perspectives on both collective and individual performance.
 - The Executive Committee will address and act upon any controversial performance issues arising during the process (including significant shortcomings in any individual Director's performance).

7.5 Board Member Expenses

Board members are entitled to be reimbursed for expenses incurred during activities they are required to carry out in the performance of their duties on behalf of the Corporation.

- a) The Treasurer is responsible for recommending to the Board appropriate rates of reimbursement for Board member expenses consistent with common practice for not-for-profit boards in Ottawa;
- b) All Board member expenses must be documented and authorized by the Treasurer except that the Chair shall authorize the Treasurer's expense claims and vice versa.

7.6 Board Governance Records

Board governance records consist of those documents that make up the Perley Health governance framework and that were originated by Perley Health or its predecessors including:

- a) Legal agreements to which an Officer of Perley Health is signatory;
- b) The contents of this Governance Guide and any amendments thereto;
- c) Relevant documents and records of all annual and special meetings of Members and all Board meetings.

The purpose of this section is to describe the collection, retention and accessibility of the Board governance records of Perley Health. These records are accessible to the public subject to any contrary provision of the law or the By-Laws of the Corporation. Documentation is made available either in print or electronically, as appropriate.

7.6.1 Collection and Retention of Records

The CEO of Perley Health, acting in his or her capacity as the Secretary of the Corporation, is responsible for maintaining, in hard copy, the original historical Board governance records and the additional records referred to above.

The Board governance records are also maintained in electronic format on the Perley Health website.

7.6.2 Board Confidentiality

Where a Board governance record, or any portion thereof, is required to be kept confidential in accordance with the law, the By-Laws of the Corporation, or the Disclosure of Information Policy of the Board, it is to be segregated and accessible only

to Directors, the CEO and persons designated by the CEO. This applies to both hard copy and electronic materials.

7.6.3 Board Responsibility

The Board is responsible for ensuring that all documentation is collected, retained and made accessible in accordance with applicable legislation and Perley Health's By-Laws and policies.

* * * * *

Guidance for Managing Conflict

Managing Issues-Based Conflict

The following techniques are adopted to assist in managing issue-based conflicts:

- a) Acknowledge the value and importance of divergent views in informing decision-making.
- b) Practice and encourage good listening skills, understanding and respect. Clarify the ground rules for effective communication: confidentiality of discussions, allowing others to have their say, listening to understand, group ownership of problems and solutions, focusing on issues rather than personalities or personal attacks.
- c) Assist the parties in defining the issue. Seek agreement between them on a clear definition of the issue. Name the problem!
- d) Seek agreement on the objectives, outcomes or decisions sought by placing this item on the Board agenda.
- e) Assist the disputants to identify and expand points of agreement.
- f) Assist them in identifying why this issue is important to them rather than encouraging more debate on who has the best solution or idea.
- g) Ask each to 'step into the other's shoes' and 'role play' the debate from the other's perspective.
- h) Paraphrase or summarize the discussions repeatedly until they've reached consensus on points of agreement and disagreement.
- i) Encourage both parties and other Board members to suggest new insights or compromises. Seek agreement on a compromise.
- j) Suggest a solution. Check with both parties to see if it is acceptable and will allow them to resolve the matter.
- k) Table the item to be dealt with after a 'cooling off' period either later in the meeting, at a future meeting of the Board or privately with the parties outside a Board meeting.

Managing Personality-Based Conflict

The following techniques are adopted to assist in managing conflicts based on personality, personal or political agendas, or other more deeply rooted factors too time-consuming and disruptive to deal with during Board meetings:

- a) Do not waste valuable Board time and energy in attempting to resolve such conflicts at the Board table.
- b) Meet with the parties individually outside the Board meeting to express concern about the negative effect of their conflict on Board deliberations, attempt to define the issues and seek a resolution of the conflict.
- c) Meet with the parties together to determine whether an accord can be reached between them that will allow the Board to function effectively with their continued membership. Seek to mediate their conflicts.
- d) In the event that such an accord cannot be reached then suggest that either or both parties consider resigning their positions as Directors of the Corporation.

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- e) Recommend disciplinary action to the Board in the event that resignations are not forthcoming.

* * * * *

PERLEY HEALTH ANNUAL BOARD PERFORMANCE SURVEY

The Perley Health Annual Board Effectiveness Survey is intended to be completed by all Board members and the CEO. Please rate each statement according to your perception of how well the Board attends to each of these factors.

U – Unable to assess / don't know	
1 – Strongly disagree	4 – Somewhat agree
2 – Disagree	5 – Agree
3 – Somewhat Disagree	6 – Strongly agree

Please select one score for each question. If a score of “3” or below is chosen, your comments would be appreciated.

		U	1	2	3	4	5	6
1	The documents of the Board's governance framework are clear, appropriate and continue to be relevant.							
	<i>Comments:</i>							
2	Board members receive adequate orientation, training and development to prepare them to fulfill their obligations as Directors.							
3	Board members have the collective competence and experience to discharge the Board's governance obligations and implement its strategic goals.							
4	Board members have sufficient overall knowledge of Perley Health's operations and quality of care, human resources, physical assets, financial risk and legal issues to fulfill their obligations.							
5	The processes for the selection of Board members, assignment of Committee members and appointment of corporate officers are working well.							
6	The Board's current Committee structure is appropriate.							
7	Each of the following Committees is supporting the Board's work as it should:							
	a. Executive Committee							
	b. Audit and Risk Management Committee							
	c. Quality of Life and Safety Committee							
	d. Governance Committee							
	e. Strategic Planning Committee							
	f. Special Committee on Senior Living Expansion							
	g. Special Committee on Centre of Excellence (CoE)							

		U	1	2	3	4	5	6
8	The relevance and quality of presentations to the Board are appropriate. <i>Comments:</i>							
9	The frequency and scheduling of Board meetings are sufficient to carry out the Board's functions and responsibilities, meet its strategic goals, and to provide good governance.							
10	Board members receive in a timely manner an appropriate agenda for meetings of the Board and sufficient information to review, understand and assess the issues for discussion, and to identify potential areas for concern.							
11	The current hybrid Board meeting structure is facilitating effective Board work and decision making. <i>Comments:</i>							
12	The Board follows an agreed plan for the year's work.							
13	Board meetings are collegial, constructive and effective and permit meaningful participation, discussion and open communications, and follow sound processes for decision-making.							
14	The Chair helps the Board to work well together and models behaviour that encourages respect and trust among members.							
15	The Chair ensures that Board members have sufficient opportunities and time separate from management for independent discussion.							
16	The Chair is well prepared for Board meetings and understands the issues.							
17	The Chair is effective in delegating responsibilities among Board/Committee members.							
18	The Board Chair provides Board members with timely, accurate, concise minutes and records of decision.							
19	The Chair follows through on actions and honours commitments to the Board.							

20	The Board and its Chair differentiate appropriately between the role of the Board and that of management.							

		U	1	2	3	4	5	6
21	The Board and its Chair enjoy a productive working relationship with management and the Chief Executive Officer.							
22	The Board and its Chair communicate with the Chief Executive Officer in an open manner.							
23	The Board and its Chair employ an efficient system for setting goals for the Chief Executive Officer, for evaluating his/her performance and for determining his/her remuneration.							
24	The Board is fulfilling an effective role in financial oversight, in ensuring that Perley Health has adequate financial resources for operational and capital requirements, and in ensuring the integrity of financial reporting.							
25	The Board is fulfilling an effective role in risk management.							
26	The Board is fulfilling an effective role in promoting and maintaining effective relations with funders, volunteers, collateral health care organizations and professionals, and the community.							
27	The Board is fulfilling an effective role in performance evaluation of its members and that of its Committees and their respective Chairs.							
28	Overall, the Board is fulfilling its mandate and responsibilities in setting strategic direction, priorities, policies and corporate objectives for the governance and administration of Perley Health, and is providing oversight of outcomes.							
29	I am confident that the Board would effectively manage any organizational crisis that could reasonably be anticipated.							
30	How would you rate the overall performance of the Chair?							
31	In my view, the Board's most significant achievement in the past year was:							

32	<p>In my view, the most important improvement the Board could make for more effective governance would be to:</p>
33	<p>Please share any additional comments here:</p>

PERLEY HEALTH ANNUAL COMMITTEE PERFORMANCE SURVEY

The Annual Committee Effectiveness Survey is intended to be completed by all Committee members. Please rate each statement according to your perception of how well the Committee attends to each of these factors.

Name of Committee:

U – Unable to assess / don't know	
N/A – Not applicable	
1 – Strongly disagree	4 – Somewhat agree
2 – Disagree	5 – Agree
3 – Somewhat Disagree	6 – Strongly agree

Please select one score for each question. If a score of “3” or below is chosen, your comments would be appreciated.

		U	1	2	3	4	5	6	N/A
1	The mandate of the Committee is clear, appropriate and relevant, and is explained to Committee members. <i>Comments:</i>								
2	The Committee members have the collective skill and experience to fulfill the Committee's mandate.								
3	The relevance and quality of the presentations made to the Committee are appropriate.								
4	The frequency and scheduling of Committee meetings are sufficient to carry out the Committee's functions and responsibilities.								
5	The Committee receives in a timely manner an appropriate agenda and sufficient information for Committee members to review, understand, and assess the issues for discussion.								
6	The Committee follows an agreed plan for the year's work.								
7	Committee meetings are scheduled with sufficient time to cover all agenda items and permit full participation, discussion and open communications.								

		U	1	2	3	4	5	6	N/A
8	The Committee Chair is well prepared for Committee meetings and understands the issues. <i>Comments:</i>								
9	The Committee Chair differentiates appropriately between the role of the Committee and that of management.								
10	The Committee and its Chair enjoy a good working relationship with management and with the Chief Executive Officer.								
11	The Committee Chair provides the Committee with timely, accurate, concise minutes and records of decisions.								
12	The Committee Chair follows through on actions and honours commitments to the Committee.								
13	The Committee Chair is effective in delegating responsibility among Committee members.								
14	Where a Committee has an associated Working Group (or Groups), the WG leader seeks performance feedback from WG members and then shares this information with the Committee (and, potentially, the Board). <i>Comments:</i>								
15	Committee work culminates in appropriate recommendations to the Board.								
16	The Committee Chair is an effective representative of the Committee at Board meetings.								
17	Overall, the Committee is effectively fulfilling its mandate .								
18	How would you rate the overall performance of the Chair?								
19	The Committee's principal success in the past year was:								

20	The Committee's major shortcoming in the past year was:
21	Additional Comments are welcome

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Individual Director/Adjunct Advisor* Self-Assessment ¹

Preamble

As part of Perley Health's performance management process for continuous evaluation, Directors and Adjunct Advisors are requested to assess their own contribution to the effective governance of the Health Centre. The following questionnaire is provided to assist Directors and Adjunct Advisors in objectively assessing their personal performance at least annually.

Directors and Adjunct Advisors are not required to record or submit their assessments in any form. However, this form will provide the basis of the annual interview with the Governance Chair.

*This document was originally developed for Director self-assessment. Therefore, some questions may not be applicable to Adjunct Advisors.

Knowledge and Understanding

How well am I equipped to serve as a Board Member?

1. I have a good understanding of Perley Health's mission, vision and values.
2. I have a good understanding of Perley Health's Bylaws, policies and programs as they pertain to me as a Board Member.
3. I have a good understanding of my role and duties as a Board Member.
4. I have a good understanding of the major issues impacting on long-term care and care for the elderly in Ontario.
5. I have a good sense of Perley Health's financial situation and understand the budget and financial statements.
6. I seek clarification when necessary to enhance my understanding of the issues before the Board.
7. I understand and respect the distinctions between the governance role of the Board and the roles of management and staff.

¹ This checklist has been adapted from "Governing for Results – A Director's Guide to Good Governance" by Mel D. Gill.

Participation and Contribution

To what extent am I contributing to the effective governance of Perley Health?

1. I have regularly attended meetings of the Board and assigned committees.
2. I am well prepared for meetings (i.e. I have reviewed and considered agenda material).
3. I contribute to Board and Committee discussions to the best of my ability.
4. I provide advice to the Board based on my best judgment.
5. I base my judgments on the best available information and evidence, and on what I believe to be the best overall interests of Perley Health.
6. I practice active listening and work to really understand all points of view.
7. I voice any disagreement I might have with Board decisions or direction in a constructive manner within the Board as decisions are being made.
8. I consistently respect and support Board decisions.
9. I work hard at developing and maintaining a spirit of collegiality and positive interpersonal relationships within the Board and with senior management.
10. I carry out assigned tasks in a timely and efficient manner.
11. I attend and/or assist in organizing special events on behalf of the Board, consistent with the expectations for Board Members.
12. I represent the Board and Perley Health positively to the community.
13. I contribute my time, skills and experience, consistent with expectations for Board Members and my personal capacity.

Global Assessment

How well am I doing as a Board member?

1. How much time did I actually spend on Board-related matters over the past year?
2. What have been my particular contributions during my present term? Have my efforts made a difference? Are my contributions having a positive effect on the governance of Perley Health? Have I had an impact on “mission accomplishment”?
3. What are my most pronounced strengths as a member of the Board?

4. What are my most glaring weaknesses?
5. How does my performance objectively compare to that of other members? Would I rate my performance and contributions in the lower third, middle third or upper third?
6. Which Board Members do I respect the most? What is it about their performance and contributions that I most admire?

Satisfaction

To what extent am I satisfied as a Board Member?

1. I find a good balance between my time and effort on behalf of Perley Health and the personal satisfaction I feel from serving on the Board.
2. I have found serving on the Board to be personally rewarding and fulfilling.
3. I am satisfied with my contribution to Perley Health.
4. What are the most important benefits I derive from being a member of this Board?
5. I remain committed and dedicated to the mission of Perley Health.
6. I believe I am living up to the expectations that other Board Members have of me.

Future

1. Do I have the time, energy, and commitment to continue to be a productive Member of the Board?
2. In what areas would I like to improve to become a better Member of the Board? What if any training or exposure may be required?
3. On which committee(s) would I like to serve during the next year?
4. Would I be prepared to Chair a committee?
5. Are there any reasons why I should consider resigning from the Board?
6. Do I wish to seek re-election for another term at the Annual Meeting of the Corporation?

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