

**Dryden Regional Health Centre
Corporate By-Law**

(Sections 1 – 19)

-1. DEFINITIONS AND INTERPRETATIONS

1.1 DEFINITIONS

In this By-law and all other by-laws of the Corporation, unless the context otherwise requires,

- (1) "Act" means the *Public Hospitals Act*, (Ontario), and, where the context requires, includes the regulations made thereunder;
- (2) "Admitting Privileges" means the privilege granted to members of the medical staff related to the admission of in-patients, registration of out-patients, and the diagnosis, assessment and treatment of in-patients and out-patients in the Hospital;
- (3) "Board" means the Board of Directors of the Dryden Regional Health Centre;
- (4) "Chair" means the Director elected by the Board to serve as Chair of the Board or a member of the Board or Professional Staff appointed to serve as Chair of a specific committee.
- (5) "Chair of the Medical Advisory Committee" means the Chief of Staff or a member of the Medical Advisory Committee appointed by the Board as Chair of the Medical Advisory Committee;
- (6) "Chief Executive Officer" means in addition to 'administrator' as defined in the *Public Hospitals Act* that person who has for the time being the direct and actual superintendence and charge of the Hospital;
- (7) "Chief Financial Officer" means the senior employee, responsible to the Chief Executive Officer for the treasury and controllership functions in the Hospital or their designate;
- (8) "Chief Nursing Executive" means the senior employee responsible to the Chief Executive Officer for the nursing functions in the Hospital. Also known as the Chief Nursing Officer;
- (9) "Chief of Staff" means the Chief of Medical and Dental Staff; and Extended Class Nursing Staff appointed to the Hospital or their designate;
- (10) "Chief of a Service" means a member of the Medical Staff appointed by the Board to be responsible for the professional standards and the quality of medical care rendered by the members of that Service at the Hospital or their designate;

- (11) "College" means as the case may be, the College of Physicians and Surgeons of Ontario, the Royal College of Dental Surgeons of Ontario and/or the College of Nurses of Ontario;
- (12) "Collegial" means to work amicably with colleagues and staff in the Hospital, ensuring patient care is not compromised by refraining from conducting oneself in and arrogant, abrasive, aggressive and/or otherwise inappropriate manner;
- (12) "Conflict of Commitment" means situations in which external or personal relationships, activities or commitments are so demanding or are organized in such a manner or are otherwise such that they may interfere, adversely affect or have the appearance of adversely affecting a person's commitment to his/her Hospital duties or responsibilities.
- (13) "Conflict of Interest" includes, without limitation, the following three areas that may give rise to a conflict of interest for the Directors of the Board, namely:
- (a) Pecuniary or financial interest – A Director is said to have a pecuniary or financial interest in a decision when the Director (or his/her associates) stands to gain by that decision, either in the form of money or other special consideration; or
 - (b) Undue influence – A Director's participation or influence in Board decisions that selectively and disproportionately benefits particular agencies, companies, organizations, municipal or professional groups or patients from a particular demographic, geographic, political, socio-economic or cultural group is a violation of the Director's entrusted responsibility to the Corporation's stakeholders at large.
 - (c) Averse interest – A Director is said to have an adverse interest to the Corporation when he/she is party to a claim, application or proceeding against the Corporation;
- (14) "Corporation" means the Dryden Regional Health Centre with the Head Office at 58 Goodall Street, Dryden, Ontario, P8N 2Z6.
- (15) "CPSO" means the College of Physicians and Surgeons of Ontario;
- (16) "Dental Staff" means those Dentists appointed by the Board to attend or perform dental services for Patients in the Hospital;
- (17) "Dentist" means a dental practitioner in good standing with the Royal College of Dental Surgeons of Ontario;
- (18) "Director" means a member of the Board of Directors;
- (19) "*Ex officio*" means membership "by virtue of the office" and includes all rights, responsibilities and power to vote unless otherwise specified;
- (20) "Extended Class Nursing Staff" means those registered Nurses in the Extended Class who are:

- (i) nurses that are employed by the Hospital and are authorized to diagnose, prescribe for or treat outpatients in the Hospital;
 - (ii) nurses who are not employed by the Hospital and to whom the Board has granted privileges to diagnose, prescribe or treat outpatients of the Hospital
- (21) "Foundation" means the Dryden Area Health Services Foundation
- (22) "Health Human Resources Plan" means the description of the process to identify current and future medical human resources and approaches to recruit and select appropriate people to address any gaps;
- (23) "Hospital" means the Dryden Regional Health Centre;
- (24) "Impact Analysis" means a study to determine the impact upon the resources of the Corporation of the proposed appointment of an applicant for appointment to the Professional Staff or an application by a Professional Staff member for additional privileges; "
- (25) "Locum Tenens" or "locum tenens" means physicians who provide coverage for a member of the Medical Staff during an absence.
- (26) "Medical Advisory Committee" means the Medical Advisory Committee established by the Board as required by the *Public Hospitals Act*.
- (27) "Medical Staff" means those Physicians who are appointed by the Board and who are granted privileges to practice medicine in the Hospital;
- (28) "Medical Staff Association" means the association that is comprised of the privileged medical staff at the Hospital;
- (29) "Member" means member of the Dryden Regional Health Centre Corporation;
- (30) "Nurse" means a holder of a current certificate of competence issued in Ontario as a registered nurse.
- (30) "Patient" includes any inpatient or out-patient except where the context otherwise requires;
- (31) "Physician" means a medical practitioner in good standing with the CPSO;
- (32) "Policies" means the Board, administrative, medical, professional and departmental policies of the Hospital;
- (33) "Primary Organization" means an organization where a Professional Staff member has received privileges, other than Regional Staff Privileges;
- (34) "Professional Staff" means those Physicians, Dentists and Extended Class Nurses who are appointed by the Board and who are granted specific privileges to practise Medicine, dentistry, respectively, or, with respect to

extended class nursing, the right to order diagnostic services for out-patients in the Hospital.

- (35) "Registered Nurse in the Extended Class" means a member of the College of Nurses of Ontario who is a registered nurse and who holds an extended certificate of registration under the Nursing Act, 1991;
- (36) "Service" means an organizational unit of the Professional Staff to which members with a similar field of practice have been assigned;
- (37) "Supervisor" means a physician, dentist, or registered nurse in the extended class, as the case may be, who is assigned the responsibility to oversee the work of another physician, dentist, or registered nurse in the extended class respectively, unless otherwise provided for in this By-Law.
- (38) "*Trustee Act*" means the *Trustee Act*, R.S.O., c.T. 23

1.2 **INTERPRETATION**

- (1) Words importing the singular number only shall include the plural and vice versa; words importing one gender shall include all genders; references to persons shall include companies, corporations, partnerships and any number or aggregate of person.
- (2) Despite any other provisions of this By-Law, any person entitled to vote at a meeting may at any time require that the vote be recorded. The request for a recorded vote does not require a motion and is not debatable or amendable.
- (3) Any reference to any statute means the legislation bearing that name including that statute as amended or any successor thereto and all regulations made thereunder.
- (4) Any Director, Professional Staff member, employee or non-Board member of committees, as the context requires and as permitted by the By-Laws, the Rules and regulation (if any) and Policies of the Corporation, may participate in a meeting of the Board or of a committee of the Board, by means of telephone conference, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a person participating in such a meeting by such means is deemed for the purposes of the *Act* and this By-Law to be present at the meeting.
- (5) The Board, after consulting with the Professional Staff and considering the recommendation of the Medical Advisory Committee, may make Rules and Regulations as it deems necessary, including rules and regulations for Patient care and safety and the conduct of members of the Medical Staff, Dental Staff, and Extended Class Nursing Staff.
- (6) The Board, after considering the recommendation of the Medical Advisory

Committee, may adopt Policies applicable to the Medical Staff, Dental Staff, and Extended Class Nursing Staff, including Policies that are consistent with Rules and Regulations, if any and also support the implementation of Rules and Regulations.

- (7) Any of the Chief Executive Officer, Chief of Staff, or a Chief of Service shall be responsible for the duties assigned to him or her under this By-Law, and he or she may delegate these duties to others.
- (8) Non-voting members of the Board and of any Hospital Committee shall not count towards quorum;
- (9) Any questions of procedure at or for any meetings of the Corporation, of the Board, of the Medical Staff, or of any Committee, which may have not been provided for in this By-Law, by the *Act*, or Regulations thereunder shall be determined by the Chair of the Board or the Committee as the case may be, in accordance with the rules of procedure adopted by resolution of the Board. During the period of time prior to the Board's adoption of rules of procedure, a simple majority vote in support of the Chair's ruling will enable a ruling to stand.
- (10) Minutes shall be kept for all meetings of the Members of the Corporation, the Board or any committee. Minutes of meetings of the Members shall be approved by the Members. Minutes of the meetings of the Board shall be approved by the Board.
- (11) Business arising at any meeting of the Corporation, the Board or any Committee established pursuant to this By-Law, shall be decided by a majority of votes unless otherwise required by statute, provided that:
 1. Unless otherwise specified, each Member, each Director and each Committee member shall be entitled to one (1) vote at any meeting of the Corporation, Board or Committee respectively;
 2. In accordance with the *Act*, no Member shall be entitled to vote by proxy at a meeting of the Corporation, all Members must attend annual and/or special meetings of the Corporation in person or via telephone or electronic means in order to be eligible to vote;
 3. Votes shall be taken in the usual way, by show of hands, among all Members, Directors and Committee members present and, in the event of a tie, the motion is lost, except that at a meeting of the Members, the Chair is entitled to cast a vote in the event of a tie;
 4. After a show of hands has been taken on any question, the Chair of the meeting may require, or any person entitled to vote on the question may demand a poll thereon. A poll so required or demanded shall be taken in such manner as the Chair of the meeting shall direct. A demand for a poll may be withdrawn at any time prior to the taking of the poll. Upon a poll, each individual present in person and entitled to vote at such meeting shall have one (1) vote and the result of the poll shall be the decision of the Members, the Board or the Committee, as the case may be;

5. Whenever a vote by show of hands shall have been taken on a question, unless a poll is required or demanded, a declaration by the Chair of the meeting that a resolution, vote or motion has been carried and an entry to that effect in the minutes shall be admissible in evidence as *prima facie* proof of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution, vote or motion;

1.3 REPEAL AND RESTATEMENT

This By-Law repeals and restates in its entirety the by-laws of the Corporation previously enacted.

-2. CORPORATION

2.1 MEMBERS OF THE CORPORATION

2.1.1 *Members*

- (1) The Members of the Corporation shall be restricted to the persons serving as Directors of the Corporation from time to time. Such persons shall be ex officio Members of the Corporation during their tenure as Directors.
- (2) No fees shall be payable by the members.

2.1.2 *Termination or Discipline of Membership*

- (1) The interest of a member in the Corporation is not transferable and lapses and ceases to exist upon:
 - (a) the death or resignation of the Member;
 - (b) violation of any provision of the Articles, By-Law, or written Policies of the Corporation;
 - (c) conduct which may be detrimental to the Corporation;
 - (d) any other reason as determined by the Board in its sole and absolute discretion by passing a resolution to remove the Director where at least two-thirds (2/3) of the votes cast support the resolution at a special meeting of the Board;

OR

- (e) in the event that the Board determines that a member should be expelled or suspended from membership in the Corporation, the Chair, or such other officer as may be designated by the Board, shall provide fifteen (15) days' notice of suspension or termination to the Member and shall provide reasons for the proposed suspension or expulsion. The Member may make written submission to the Chair, or other such officer as may be designated by the Board, in response to the notice received, with a fifteen (15) day period. In the event that no written submissions are received by the Chair, the Chair or such other officer as may be designated by the Board, may proceed to notify the Member that the Member is suspended or expelled from membership in the Corporation. If written submissions are received in accordance with this section, the Board will consider such submissions in arriving at a final decision and shall notify the Member concerning such final decision within a further fifteen (15) days from the date of receipt of the submission(s).

2.2 ANNUAL MEETING OF THE CORPORATION

2.2.1 *Time and Place*

The annual meeting of the Corporation shall be held between the 1st day of April and the 31st day of July on a day fixed by the Board, and at the Head Office of the Corporation or at any such place in Ontario as the Board may determine.

2.2.2 *Notice*

- (1) Notice of the time and place for holding the annual meeting of the members of the Corporation shall be given by one of the following methods:
 - (a) by sending it to each member entitled to notice of the meeting by prepaid mail ten (10) days or more before the date of the meeting to the member's last address as shown on the records of the Corporation; or
 - (b) Posting on a public news / information website;
 - (c) By print and social media platforms

2.2.3 *Quorum*

A quorum for the annual meeting of the Corporation shall be eight (8) members, entitled to vote.

2.2.4 *Business*

- (1) The business transacted at the annual meeting of the Corporation shall include:
 - (a) approval of the agenda;
 - (b) minutes of the previous annual meeting;
 - (c) report of the Chair of the Board the Chief of Staff and Chief Executive Officer on the affairs of the Corporation for the previous year
 - (d) report of the Treasurer;
 - (e) report of the Chair of the Audit Committee;
 - (f) report of the Auditor;

- (g) appointment of the Auditor to hold office until the next annual meeting and authority for Directors to fix the remuneration of the auditor;
- (j) election of Directors; and
- (k) No item of other business shall be considered at the annual meeting unless notice in writing of such item of other business has been given to the Secretary prior to the giving of notice of the annual meeting (which must be given at least 10 days prior to the meeting as per section 2.2.2 above) so that such item of other business can be included in the notice of annual meeting. Such notice of other business shall be signed by at least three (3) Members.

2.3 SPECIAL MEETINGS OF THE CORPORATION

2.3.1 *Time and Place*

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

2.3.2 *Notice*

- (1) The Board or Chair may call a special meeting of the Corporation.
- (2) In accordance with the *Corporations Act*, if not less than one-tenth (1/10) of the members of the Corporation entitled to vote at a meeting proposed to be held, request the Directors, in writing, to call a special meeting of the members, for any purpose connected with the affairs of the Corporation that is not inconsistent with the *Corporations Act*, the Directors of the Corporation shall call forthwith a special meeting of the members of the Corporation for the transaction of the business stated in the requisition.
- (3) The requisition referred to in subsection 2.3.2(2) shall state the general nature of the business to be presented at the meeting and shall be signed by the requisitioners and deposited at the head office of the Corporation and may consist of several documents in like form signed by one of the requisitioners.
- (4) Notice of a special meeting shall be given in the same manner as provided in subsection 2.2.2(1) provided that the members receive at least twenty-one (21) day notice of the special meeting.
- (5) The notice of a special meeting shall specify the purpose or purposes for which it is called.
- (6) If the Directors, acting in their sole discretion, determine that the requisition:

- a. Meets the qualifications set out in 2.3.2(2) and (3), the Directors shall call and hold such meeting within twenty-one (21) days from the date of the deposit of the requisition that met the majority threshold requirement; or
- b. Does not meet the qualifications set out in 2.3.2(2) and (3), the Directors shall provide the requisitioning Members written notice of their determination within twenty-one (21) days of the date calculated pursuant to clause (a) above.

2.3.3 Quorum

A quorum for a special meeting of the Corporation shall be eight (8) members, entitled to vote.

2.4 ADJOURNED MEETINGS OF THE CORPORATION

- (1) If within one half-hour (1/2) after the time appointed for a meeting of the Corporation, a quorum is not present; the meeting shall stand adjourned until a day within two (2) weeks to be determined by the Board.
- (2) At least three (3) day notice of the re-scheduled meeting following an adjournment shall be given in the municipality in which the Corporation is located by print or social media platforms, or communicated by electronic means to all Members of the Corporation and posted on the Hospital's website.

2.5 MEETINGS OF THE CORPORATION

2.5.1 Chair

- (1) The meetings of the Corporation shall be chaired by:
 - (a) the Chair;
 - (b) the Vice-Chair if the Chair is absent; or
 - (c) a member of the Corporation elected by the members present if the Chair and Vice-Chair are both absent or unable to act.
- (2) The Chair of the meeting shall vote only in order to break a tie, except where there is a tie in the election of Directors, in which case the vote shall be decided by lot.

2.5.2 Written Resolutions

A resolution signed by all members entitled to vote on that resolution at a meeting of the Members is as valid as if it had been passed at a meeting of the Members or of a committee of the members.

2.5.3 In Camera Meetings

- (1) A meeting of the Board or a Committee of the Board, may be held In-Camera when the subject matter under consideration involves:
- (a) Human resource issues and employment matters (e.g. Labour Relations, Negotiations , terms of employment of individual employees or management, CEO and Chief of Staff evaluations and discipline issues);
 - (b) Professional Staff appointments, re-appointments and any matters relating to suspensions, revocations or alterations to privileges;
 - (c) Matters involving property; ;
 - (d) Matters involving litigation or potential litigation including privileged legal communications;
 - (e) Negotiations of material contracts
 - (f) Donor issues
 - (g) Patient issues;
 - (h) Protected information:
 - Disclosure of intimate, personal or financial information in respect of a member of the Board or Committee, an employee, prospective employee, Medical staff or patient;
 - Information that would reveal trade secrets or the commercial, financial, labour relations, scientific or technical information of an individual or company;
 - (i) Any matter that the Board determines should be the subject of an *in-camera* session.

2.5.4 Order of Business

(1) Board Agenda

The Pre-Board Committee shall have discretion to prepare for the use of Directors, an agenda containing the following:

- (a) Call to Order
- (b) Declaration of Conflict of Interest
- (c) Approval of agenda
- (d) Delegations / Presentations
- (e) Consent Agenda
 - Minutes
 - Confirmation of Minutes – Regular Board Meetings
 - Confirmation of Minutes – Standing Committees
 - Confirmation of Minutes – Ad Hoc Committees
 - Reports
 - Chief Executive Officer Report
 - Chief of Staff Report
 - Chief Nursing Executive Report
 - Ad-Hoc Reports
- (f) Items Severed from the Consent Agenda
- (g) Business Arising from the minutes

- (h) New Business
- (i) Information Items
- (j) Observer Comments
- (k) Press Break
- (l) In-Camera Session
- (m) Business Arising from the In-Camera Session
- (n) Date of next meeting
- (o) Adjournment

(2) Delegations / Presentations

- (a) No delegations/presentations shall be made to Board of Directors on matters relating to litigation or potential litigation, including those matters which are before and under the jurisdiction of any court or administrative tribunals;
- (b) No person shall make detrimental comments, or speak ill of, or malign the integrity of staff, clients, the public or the Board of Directors and its Committees;
- (c) Delegates / Presenters shall not be permitted to appear before the Board of Directors for the sole purpose of generating publicity for an event.
- (d) No delegate shall speak on a matter that is not within the jurisdiction of the Board of Directors. The Chair in consultation with the Secretary will determine if a matter is within the jurisdiction of the Board of Directors.
- (e) A delegate may address the Board of Directors for a period of time not exceeding ten minutes. The Board of Directors may extend this time period by five minutes with a majority vote of the Members present. Such question shall be decided without debate.
- (f) A delegate may only address the Board of Directors with respect to their item on the agenda.
- (g) An individual representing three or more people wishing to address the Board of Directors as a delegate shall also be limited to a maximum of ten minutes for their delegation.
- (h) Delegates have until 12:00 noon the one week prior to a meeting to notify the Chief Executive Officer of the DRHC to be a delegate or to submit a written comment for consideration for a meeting.
- (i) Except on matters of order, the Board of Directors shall not interrupt a delegate while he or she is addressing the Board of Directors.
- (j) Members may address a delegate only to ask questions and not to express opinions or enter into debate or discussion.
- (k) All registered delegates shall be heard before the Board of Directors enters into discussion or debate.
- (l) Delegates may not speak to the same issue more than twice in a twelve-month period, unless approved by the Board of Directors.

(3) Consent Agenda

- (a) The Board of Directors' Consent Agenda shall consist of the following items:
 - Minutes
 - Confirmation of Minutes – Regular Board Meetings
 - Confirmation of Minutes – Standing Committees
 - Confirmation of Minutes – Ad Hoc Committees
 - Reports

- Chief Executive Officer Report;
- Chief of Staff Report
- Chief Nursing Executive Report
- Ad-Hoc Reports
- Correspondence
 - Information for which a policy decision or approval of the Board is required
 - Recommendation from Staff
 - Information for the Board regarding a specific item

2.5.5 *Independent Director Sessions*

Sessions of Directors which exclude members of management may be held by the independent Directors. Such discussions cannot be considered as Board meetings and no formal Board action can be taken from these sessions. Independent Director sessions should:

- (a) Be limited in scope to address items such as:
 - (i) Assessing Board processes, particularly the quality of the material and information the Board is receiving from management;
 - (ii) Legal, performance, and compensation items related to the Chief Executive Officer;
 - (iii) Opportunity for the Board Chair to discuss areas of Director performance which need strengthening;
 - (iv) Building relationships of confidence and cohesion among Directors;
- (b) Have the timing and purpose of the meeting clearly articulated to those attending in the meeting notice;
- (c) Ensure the Chair of the Board meet with the Chief Executive Officer immediately following such sessions to convey concerns, advice or positive feedback arising from the session;
- (d) Have no formal minutes kept of the session, however the Chair may take notes to facilitate communication with the Chief Executive Officer.

At the indulgence of the Chair, have the Chief Executive Officer and/or Chief of Staff attend a portion of the session.

2.6 FISCAL YEAR OF THE CORPORATION

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

-3. BOARD OF DIRECTORS

3.1. BOARD COMPOSITION AND TERM

- (1) The affairs of the Corporation shall be managed by a Board of Fifteen (15) Directors, who are elected by the Members entitled to vote in accordance with section 3.3 or appointed in accordance with section 3.1(3).
- (2)
 - (a) Eleven (11) Directors shall be elected by the criteria set out in subsections 3.3 and 5.3.6.2
 - (b) Expired terms shall be filled annually, at the Annual Meeting by elections by the members for three (3) year terms in accordance with the nominating process described in section 3.3. Decisions of the Board are final;
- (3) Four (4) ex officio Directors as hereinafter set forth, who shall not be entitled to vote:
 - (a) the President of Medical Staff;
 - (b) the Chief of Staff;
 - (c) The Chief Executive Officer of the Hospital; and
 - (d) The Chief Nursing Executive of the Hospital.

3.2 QUALIFICATIONS OF DIRECTORS

- (1) No member of the medical staff, dental staff, or extended class nursing staff of the Hospital shall be eligible for election or appointment to the Board except as where otherwise provided in this By-law.
- (2) No employee of the Hospital shall be eligible for election or appointment to the Board except as where otherwise provided in this By-law.
- (3) No person may be elected or appointed a Director before reaching eighteen (18) years of age.
- (4) No undischarged bankrupt shall be a Director, and if a Director becomes a bankrupt, he or she thereupon ceases to be a Director.
- (5) No person who has been found under the *Substitute Decisions Act* (1992) or under the *Mental Health Act* to be incapable of managing property.

- (6) No person who has been found to be incapable by any court in Canada or elsewhere.
- (7) A Director shall have their principal residence or carry on business within the area served by the Corporation as established by the Board from time to time;
- (8) A retiring chair, having completed nine years, may serve on the board as an ex-officio director in the capacity of past chair with non-voting privileges. This position will not affect Section 3.13.6, Quorum. This position shall expire four years after appointment.
- (9)
 - (a) The Board may from time to time appoint a former Director as a Director Emeritus who shall be entitled to attend meetings of the Board but shall not be entitled to vote at same.
 - (b) The appointment as Director Emeritus shall be limited to a total of three (3) at any one time and shall be made in consideration of an outstanding contribution to the Corporation.
 - (c) Director Emeritus shall upon request provide assistance and advice to the Board in their duties of managing the affairs of the Corporation.
 - (d) A Director Emeritus position shall expire at the completion of the third year after appointment unless the position has already been terminated.

3.3 NOMINATIONS AND ELECTION OF DIRECTORS

3.3.1 *Nominations*

- (1) Subject to section 3.1, 3.2, 5.3.6.2 and all other provisions of this By-law, nominations for election as Director at the annual meeting of the Corporation may be made only by the Nominating Committee of the Board in accordance with this By-Law and approved policy and procedure.
- (2) For greater certainty, no nominations shall be accepted by the Members of the Corporation which are not submitted and approved by the Nominating Committee in accordance with the Board approved process. The decision of the Board as to whether or not a candidate is qualified to stand for election shall be final;
- (3) No Director who is eligible for re-election at the Annual General Meeting for which nominations are being sought shall be eligible to serve on the Nominating Committee.

3.3.2 *Election and Term*

- (1) Directors shall be elected and shall retire as herein provided. The Directors referred to in 3.1(2) shall be elected for a term of three (3) years provided that each such Director shall hold office until the earlier of the date on which their office is vacated pursuant to sections 3.5, 3.6 or 3.7 or until the end of the meeting at which his or her successor is elected or appointed.
- (2) Except for the Directors described in Section 3.1(4), no person may be elected or appointed a Director for more terms than will constitute nine (9) consecutive years of service, with the exception of a Director who is nominated to continue with one additional term as set out in clause 3.3.2(3). Provided that following a break in the continuous service of at least one (1) year the same person may be re-elected or re-appointed a Director,
- (3) A Director that has completed three (3) consecutive terms may be nominated to serve one (1) additional three-year term. This shall be carried out by Board motion and requires a unanimous vote of members present at the meeting to approve the motion.

3.4 ATTENDANCE AT MEETINGS

- (1) The Board shall establish a policy for the minimum attendance by a Director at meetings of the Board of Directors (Section 3.6(1)) and Standing Committees and Special Committees of the Board.
- (2) A Director shall attend meetings of the Board of Directors and Standing Committees of the Board in accordance with Board policy.

3.5 RESIGNATION BY A DIRECTOR

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

3.6 REMOVAL OF A DIRECTOR

The office of a Director may be vacated by a simple majority resolution of the Board:

- (1) If the Director fails to meet, at any time, the qualifications set out in Section 3.2 of this By-Law
- (2) if a Director, without being granted a leave of absence by the Board, is absent for three (3) consecutive meetings of the Board, or if a Director is

absent for one quarter ($\frac{1}{4}$) or more of the meetings of the Board in any twelve (12) month period; or

- (3) if a Director fails to comply with the *Act*, the Corporation's Letters Patent, By-laws, Rules, policies and procedures adopted by the Board, including without limitation, confidentiality and conflict of interest requirements.

3.7. VACANCY

- (1) Save and except for the President of the Medical Staff, the office of a Director shall be vacated:

if the Director becomes bankrupt or suspends payment of debts generally or compounds with creditors or makes an assignment in bankruptcy or is declared insolvent;

where the Board, in its discretion, declares the Director's seat vacant because the Director is absent for three (3) consecutive meetings of the Board, or because the Director is absent for one-third ($\frac{1}{3}$) or more of the meetings of the Board in any twelve (12) month period;

if the Director is found to be a mentally incompetent person or becomes of unsound mind;

if the Director, by notice in writing to the Corporation, resigns office, which resignation shall be effective at the time it is received by the Secretary of the Corporation or at the time specified in the notice, whichever is later;

if at a special meeting of the Members a resolution is passed by at least two-thirds ($\frac{2}{3}$) of the votes cast by the Members at the special meeting removing the Director before the expiration of the Director's term of office;

if a Director knowingly fails to comply with the *Act*, the Corporation's Letters Patent, by-laws, rules, regulations, policies and procedures, including without limitation, the confidentiality, conflict of interest and standard of care requirements set out in this By-Law; or

if the Director dies.

- (2) If a vacancy occurs at any time among the Directors either by a resignation, by death or removal by the Members in accordance with clause 3.7(1) above, or by any other cause, such vacancy may be filled by a qualified person elected by the Board to serve until the next annual meeting.
- (3) At the next annual meeting in addition to the election of Directors to fill the vacancies caused by the expiry of Directors' terms, the meeting shall elect an additional Director to fill the unexpired term created by any vacancy referred to above.

- (4) If there is not a quorum of Directors in office, the Director then in office shall forthwith call a general meeting of the members of the Corporation for the purpose of electing a new Board of Directors.

3.8 RESPONSIBILITIES OF THE BOARD

- (1) The Board of Directors shall be responsible for the governance and management of the affairs of the Corporation.
- (2) The Board of Directors shall be responsible, without limitation, as follows:
 - (a) Ensure that a strategic planning process is undertaken by the Board, ensuring input from employees, professional staff and appropriate stakeholders is considered with eventual approval by the Board;
 - (b) to establish and review on a regular basis the mission, or purpose, objectives and strategic plan of the Hospital in relation to the provision, within available resources, of appropriate programs and services in order to meet the needs of the community;
 - (c) to establish on an annual basis, Board goals and objectives (separate from the Corporate goals and objectives) to ensure the effective and efficient governance of the Hospital;
 - (d) to establish procedures for monitoring compliance with the requirements of the *Act*, the Hospital Management Regulation thereunder, the By-laws of the Hospital and other applicable legislation;
 - (e) to establish policies which will provide the framework for the management and operation of the Hospital;
 - (f) to establish the selection process for the engagement of a Chief Executive Officer and to hire the Chief Executive Officer in accordance with the process;
 - (g) To conduct, at least every two (2) years a formal performance evaluation of the Chief Executive Officer and to have open dialogue regarding goals, objectives and performance measures for the upcoming year(s).
 - (h) to delegate responsibility and concomitant authority to the Chief Executive Officer for the management and operation of the Hospital and require accountability to the Board;
 - (i) at any time to revoke or suspend the appointment of the Chief Executive Officer;
 - (j) to establish the selection process for the appointment of a Chief of Staff and appoint the Chief of Staff in accordance with the process;

- (k) to conduct the Chief of Staff's formal performance evaluation as required and to review and approve his or her compensation and to set his or her goals and objectives for the coming year.
- (l) to delegate responsibility and concomitant authority to the Chief of Staff for the supervision of the practice of medicine, dentistry, and extended class nursing staff in the Hospital and require accountability to the Board;
- (m) at any time to revoke or suspend the appointment of the Chief of Staff;
- (n) to appoint and re-appoint physicians to the medical staff and dentists to the dental staff and registered nurses in the extended class, who are not employed by the hospital, to the extended class nursing staff of the Hospital, and delineate the respective privileges after considering the recommendations of the Medical Advisory Committee, the Hospital's resources, and whether there is a need for such services in the community, in accordance with legislative and By-law requirements;
- (o) to ascertain through the relevant medical, dental and extended class nursing staff organizations, that each member of the medical, dental and extended class nursing staff meets his or her responsibility to the patient and to the Hospital's concomitant with the privileges and duties of the appointment and with the By-laws of the Hospital;
- (p) to ensure that the services which are provided have properly qualified staff and appropriate facilities;
- (q) to ensure mechanisms and policies are in place to provide a high quality of care for patients in the hospital and to ensure ongoing monitoring of key performance indicators (KPI) of care
- (r) to ensure research mechanisms and policies are in place with respect to education and research;
- (s) to ensure that quality assurance, risk management and utilization review methods are established for the regular evaluation of the quality of care of patients in the Hospital, and that all Hospital services are regularly evaluated in relation to generally accepted standards and require accountability on a regular basis;
- (t) to regularly review the functioning of the Hospital in relation to the objects of the Corporation as stated in the letters patent, supplementary letters patent and the By-laws, and demonstrate accountability for its responsibility to the Annual General Meeting of the Corporation;
- (u) to approve the annual budget for the Hospital;
- (v) Endeavour at all times to cause the Hospital to live within its financial means in all capital commitments/allocations and operating plans.

- (w) to establish an investment policy consistent with the provisions of this By-law, including section 20;
- (x) to recruit individuals as Directors who are knowledgeable, skilled, committed and representative of the community served;
- (y) to be committed to an effective Board orientation program and the continuing education of the members of the Board;
- (z) to ensure an environment within the Board which encourages open and frank discussion and respect for the expression of different viewpoints;
and
- (aa) to evaluate its own performance in relation to its responsibilities and periodically review and revise governance policies, processes and structures as appropriate.
- (bb) Respond to best practices in governance excellence including building knowledge through information, developing a clear direction, and maintaining positive relationships with external stakeholders.
- (cc) Support the Corporation's foundation in fund raising initiatives including donor cultivation activities.

3.9 DUTIES AND RESPONSIBILITIES OF EVERY DIRECTOR

- (1) Every Director shall,
 - (a) be loyal to the Corporation;
 - (b) exercise the powers and discharge the duties of the office honestly, in good faith and in the best interest of the Corporation; and
 - (c) exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances;
 - (d) adhere to the principles set out in section 5.3.6.2 of this By-Law.
- (2) In contributing to the achievement of the responsibilities of the Board as a whole, each Director shall,
 - (ii) adhere to the Hospital's mission, vision or purpose statement and values;
 - (iii) work positively, co-operatively and respectfully as a member of the team with other Directors and with the Hospital's management and staff;
 - (iv) respect and abide by Board decisions;
 - (v) serve on at least one (1) standing committee;

- (vi) complete the necessary background preparation in order to participate effectively in meetings of the Board and its committees;
- (vii) keep informed about,
 - (i) matters relating to the Corporation;
 - (ii) the community served;
 - (iii) other health care services provided in the region; and
 - (iv) Health preservation programs
- (viii) participate in the initial orientation as a new Director and in ongoing Board education;
- (ix) participate in the annual evaluation of overall Board effectiveness; and
- (x) represent the Board, when requested.

3.10 CONFLICT OF INTEREST (Also see Definitions, section 13)

- (1) Every Director who is in any way directly or indirectly interested in a proposed contract or contract, a proposed financial transaction or a financial transaction with the Hospital shall declare his or her interest at a meeting of the Directors.
- (2) In the case of a proposed contract or proposed financial transaction, the declaration required by this section shall be made:
 - (a) at the meeting of the Directors at which the question of entering into the contract or financial transaction is first taken into consideration or;
 - (b) if the Director is not at the date of that meeting interested in the proposed contract or proposed financial transaction, at the next meeting of the Directors held after he or she becomes so interested and,
 - (c) in a case where the Director becomes interested in a contract or financial transaction after it is made, the declaration shall be made at the first meeting of the Directors held after he or she becomes so interested.
 - (d) After making such a declaration, no interested Director shall vote or be present at the vote or during discussion, or otherwise attempt to influence the voting, on a material contract, transaction, matter or decision, nor shall the Director be counted in any required quorum with respect to the vote. The abstention of the conflicted Director from the discussion and voting shall be recorded in the minutes of each relevant meeting. The conflicted Director is not restricted from

answering questions about or explaining the Director's involvement in the matter that is the subject of the declaration.

- (3) For the purposes of this section, a general notice given to the Directors by a Director to the effect that he or she is a shareholder of or otherwise interested in any other company, or is a member of a specified firm and is to be regarded as interested in any contract or financial transaction made with such other company or firm, shall be deemed to be a sufficient declaration of interest in relation to a contract or financial transaction so made, but no such notice is effective unless it is given at a meeting of the Directors or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Directors after it is given.
- (4) If a Director has made a declaration of his or her interest in a proposed contract or a contract, a proposed financial transaction or a financial transaction in compliance with this section and has not voted in respect of the contract or financial transaction, the Director is not accountable to the Hospital or to any of its members or creditors for any profit realized from the contract or financial transaction, and the contract or financial transaction is not voidable by reason only of the Director holding that office or of the fiduciary relationship established thereby;
- (5) Despite anything in this section, a Director is not accountable to the Hospital or to any of its members or creditors for any profit realized from such contract or financial transaction and the contract or financial transaction is not by reason only of the Director's interest therein voidable if it is confirmed by a majority of the votes cast at a general meeting of the members duly called for that purpose and if the Director's interest in the contract or financial transaction is declared in the notice calling the meeting.
- (6) If a Director believes that any other Director is in a Conflict of Interest position with respect to any material contract, transaction, matter or decision, the Director shall have such concern recorded in the minutes, and the Director with the alleged Conflict of Interest shall have the right to address the Board with respect to the allegation and shall then absent themselves from the room. Thereafter, at the request of the Director who recorded the initial concern, the Board shall vote on whether the Director alleged to have a Conflict of Interest is, in the opinion of the Board, in a Conflict of Interest. If the Board finds the person in a Conflict of Interest, that interested Director shall absent themselves during any subsequent discussion or voting process relating to or pertaining to the matter in conflict. The question of whether a Director has a Conflict of Interest shall be determined by a simple majority of the Board and shall be final.
- (7) If the Board finds that the Director is not in conflict, the Board will then proceed with the discussion and/or vote on the matter and the votes of each Director shall be recorded.
- (8) Where the number of Directors who, by reason of the provisions of the provisions

of this section are prohibited from participating in a meeting is such that at the meeting the remaining Directors are not of sufficient number to constitute a quorum, then, notwithstanding any other provision in this By-Law, the remaining number of Directors shall be deemed to constitute a quorum, provided such number is not less than three (3).

- (9) Where in the circumstances mentioned in the preceding paragraph, the remaining number of Directors who are not prohibited from participating in the meeting is less than three (3), the Chief Executive Officer may apply to the Superior Court of Justice on an expert basis for an Order authorizing the Board to give consideration to, discuss, and vote on the matter out of which the interest arises or other such relief as the Court may consider appropriate.
- (10) Directors and their families shall not enter into any proposed contract or contract, or proposed financial transaction or financial transaction with the Hospital, except:
 - (a) On a competitive bid basis or other basis in writing, and
 - (b) where the director has declared any interest therein, and where he or she has absented himself or herself from the meeting and where he or she has refrained from voting thereon.

3.11 CONFIDENTIALITY AND PUBLIC RELATIONS

- (1) Every Director, Officer, member of the medical staff, dental staff and extended class nursing staff and employee of the Corporation shall respect the confidentiality of matters brought before the Board or before any committee, subcommittee or task force, or any matter dealt with in the course of the employee's employment or of the medical staff, dental staff, or extended class nursing staff member's activities in the Hospital.
- (2) The Chair of the Board is responsible for all Board communications. The Chair may delegate authority to one or more Directors, Officers or employees of the Corporation to make statements to the news media or public about matters that the Chair determines appropriate for disclosure to the media.
- (3) Persons who do not comply with the confidentiality covenants may face appropriate disciplinary measures, including removal from the Board and/or the termination of a person's privileges or employment.

3.12 PROTECTION OF OFFICERS AND DIRECTORS

3.12.1 *Director's Liability*

Any Director or officer of the Corporation shall not be liable for any act, receipt, neglect or default of any other Director, officer or employee or for any loss, damage or expense happening to the Corporation through any deficiency of title to any property acquired by the Corporation or for any deficiency of any security upon which any moneys of the Corporation shall be invested or for any loss or damage arising from bankruptcy, insolvency or tortious act of any person including any person with whom any moneys, securities or effects shall be deposited or for any loss, conversion, or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune which may happen in the execution of the duties of such Director's or officer's respective office unless such occurrence is as a result of such Director's or officer's own willful neglect or default.

3.12.2 *Indemnities to Directors and Others*

Every Director or Officer of the Corporation and every member of a committee, and his or her heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Hospital, from and against:

- (a) all costs, charges and expenses whatsoever which such Director, Officer or committee member sustains or incurs in or about any action, suit or proceeding for damages or otherwise which is brought, commenced or prosecuted against him or her, for or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him or her, in or about the execution or intended execution in good faith of the duties of his or her office;
- (b) all other costs, charges and expenses that he or she sustains or incurs in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by his or her own wilful neglect or default;
- (c) The indemnity provided for in the preceding paragraph shall not apply to any liability which a Director or Officer of the Hospital may sustain or incur as the result of any act or omission as a member of the Medical Staff of the Hospital; and
- (d) The Board will cause to be purchased such insurance, as it considers advisable and necessary to ensure that Directors, Officers, members of Committees and other persons acting on behalf of the Corporation will be indemnified and saved harmless in accordance with this By-Law. This except if the Director, Officer members of Committee and other persons acting on behalf of the Corporation fails to act honestly and in good faith with a view to the best interests of the Corporation; the premiums for such insurance coverage shall be paid from the funds of the Corporation;

3.13 MEETINGS OF THE BOARD

3.13.1 *Attendees*

- (1) Members of the Hospital and the public may attend meetings of the Board of Directors of the Hospital, subject to Board policy on closed sessions of meetings of the Board.
- (2) Members of the Hospital, members of the public and invited guests who attend Board meetings shall not interfere with the orderly conduct of the meeting. The Chair of the Board shall control all meetings of the Board and may expel any person for improper conduct at a meeting of the Board.
- (3) A Director may participate in a meeting of the Board or of a Committee of the Board by means such as telephone, electronic or other communication facilities as to permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously and the Director participating in such a meeting by such means shall be deemed to be present at the meeting. Any such consent shall be effective with respect to all meetings of the Board and of Committees of the Board in which the Director holds office.

The Chair of the meeting shall, whenever not satisfied that the proceedings of the meeting may proceed with adequate security and confidentiality, unless a majority of the persons present at such meeting otherwise require, adjourn the meeting to an alternate date, time and place.

3.13.2 *Call and Notice*

- (1) The Board or Chair shall have the power to call, at any time, an annual or general meeting of the Members of the Corporation.

3.13.2.1 *Regular Meetings of the Board*

- (1) There shall be at least 9 regular meetings of the Board per annum.
- (2) At the beginning of each Board year a list of the dates for all regularly scheduled Board meetings shall be prepared, and the list of the meetings shall be given to the Directors and the members of the Hospital and shall be made available to the public.
- (3) The Board shall meet at the Head Office of the Corporation on the fourth Wednesday of the month at 5:30 o'clock in the evening, or such other place, time and day as the Board may from time to time determine.
- (4) The Secretary shall provide to each Director not less than seven (7) days' written notice of a regularly scheduled Board meeting. The notice may be delivered, mailed, e-mailed or faxed.

- (5) The Secretary shall give notice of the meeting to the Directors if the meeting is to be held at another time or day or at a place other than the Head Office. If such notice is to be given, it shall be delivered, e-mailed, faxed or telephoned to each Director at least twenty-four (24) hours in advance of the meeting or shall be mailed to each Director at least five (5) days in advance of the meeting. Notification of time and place of the meeting shall be made available to the members of the Hospital and the public.
- (6) A meeting of the Board may be held without notice, immediately following the Annual General Meeting of the Corporation.
- (7) The declaration of the Secretary or Chair that notice has been given pursuant to the By-Law, shall be sufficient and conclusive evidence of the giving of such notice.
- (8) No error or omission in giving notice of a meeting of Directors shall invalidate such meeting or invalidate or make void any proceedings taken or had at such meeting and any Director may at any time waive notice of any such meeting and may ratify and approve any or all proceedings taken or had thereat.
- (9) Every Board meeting shall have an agenda that will ensure that the business items are organized into agenda item categories that are appropriate for:
 - i. the public to be in attendance
 - ii. only the Board and its invited guests to be in attendance (In Camera – see section 2.5.3); and
 - iii. only the members of the Board to be in attendance (In Camera – see section 2.5.3).
- (10) Guests may attend the open portion of the Board meetings in accordance with this By-Law and the Board approved policy on guest attendance.
- (11) Minutes shall be kept for all meetings of the Board.
- (12) If within one-half ($\frac{1}{2}$) hour after the time appointed for a meeting of the Members of the Corporation, a quorum is not present, the meeting shall stand adjourned until a day to be determined by the Board.

3.13.2.2 Special Meetings of the Board

- (1) The Chair may call special meetings of the Board.
- (2) The Secretary shall call a special meeting of a Board if three (3) Directors so request in writing.
- (3) (a) Notice of a special meeting of the Board shall specify the purpose of the meeting, may be delivered, e-mailed, faxed or telephoned to each Director and shall be given at least twenty-four (24) hours in advance of the meeting.

- (b) If a special meeting of the Board is called that is not a closed session of the Board, as soon as the meeting is called, notification of time and place of the meeting also shall be made available to the members of the Hospital and to the public.

3.13.3 Meetings

Board meetings shall be chaired by:

- (a) the Chair;
- (b) the Vice-Chair if the Chair is absent or unable to act; or
- (c) a Director elected by the Directors present if the Chair and Vice-Chair are both absent or unable to act.

Such a Chairperson should not take the Chair until after a wait of fifteen minutes from the time appointed for the holding of the meeting or until the person having the right to preside, refuses to preside or to continue presiding.

The Chairperson, once properly in the Chair, is not obligated to retire from the Chair in favour of a person having a greater right to preside.

3.13.3.1 Motions

- (1) Every person entitled to vote, other than the Chair of the meeting has the right to propose motions or amendments that are in order.
- (2) The Chair cannot propose a motion if there are more than three persons present entitled to vote. If he or she wishes to propose a motion, he or she should retire from the chair and a new Chair should be elected, or he or she may ask a voter to move the motion.

3.13.3.2 Voting

- (1) Each member entitled to vote and in attendance at a meeting shall have the right to exercise one vote.
- (2) Business arising at any meeting of the Board shall be decided by a majority of votes, provided that:
 - (a) votes shall be taken by a show of hands in which case,
 - (i) the Chair shall not have a vote, and
 - (ii) if there is an equality of votes, the Chair shall vote in order to break the tie; or

- (b) despite 3.13.4(1)(a), votes shall be taken by written ballot if so demanded by any voting Director present in which case,
 - (i) the Chair shall have a vote; and
 - (ii) if there is an equality of votes, the motion is lost.
- (3) Votes at all meetings of Members shall be cast by those members in attendance at the meeting and not by proxy.
- (4) A declaration by the Chair that a resolution, vote or motion has been carried and an entry to that effect in the minutes shall be admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution, vote or motion
- (5) Notwithstanding any provision in this By-law, a Director may request that his or her vote on a motion or resolution be recorded in the minutes, and if such request is made, the Director's vote shall be recorded in the minutes.

3.13.3.3 Minutes

Minutes shall be recorded for all meetings of the Board.

3.13.3.4 Quorum

A quorum for any meeting of the Board shall be a majority of the Directors, entitled to vote.

3.14 DIRECTOR'S REMUNERATION

The Directors shall serve as such without remuneration and no Director shall directly or indirectly receive any profit from his or her position as such provided that a Director may be reimbursed reasonable expenses incurred by the Director in the performance of his or her duties.

-4. OFFICERS

4.1 THE OFFICERS OF THE CORPORATION

4.1.1 *Election of Officers*

- (1) Immediately following the annual meeting each year, the Directors shall elect the following Officers from amongst the voting members of the Board.
 - a. the Chair;
 - b. the Vice-Chair; and
 - c. the Treasurer
- (2) The Chief Executive Officer shall be, ex officio, the Secretary of the Corporation and Secretary of the Board (non-voting).
- (3) Ex officio Directors shall be ineligible for election as Chair or Vice-Chair of the Board.
- (4) If the Nomination Committee puts forward two or more Directors for a position, there will be an election by secret ballot to resolve the contested position. The Board Secretary shall perform the duties of Chief Returning Officer.
- (4) If requested, an opportunity may be afforded to each candidate to explain his/her interest in assuming the contested position.
- (5) Every member of the Board is entitled to vote in an election, whether or not that member is also seeking to be elected to a position on the Board.
- (6) The Chief Returning Officer will create a paper ballot setting out in alphabetical order the names of the Board members who are contesting a position and will distribute one ballot to each member present at the Board meeting.
- (7) The Chief Returning Officer will collect the completed election ballots and tally the results to determine which Board member had been elected to the contested position.
- (8) Where there are more than two nominees and no nominee receives the majority required for election, the name of the nominee receiving the least number of votes shall be dropped and the Board shall proceed to vote until either:
 - (i) a nominee receives the majority required for election; or
 - (ii) it becomes apparent that no nominee can be elected by reason of a tie;
- (9) In the event a tie vote occurs, this will be announced and there will be one more vote. If the vote is still tied, the tie will be broken by lot as described below.
 - (i) Two pieces of paper shall be placed in a container, one marked with "Officer" and the other blank.

- (ii) A coin toss shall decide who shall draw first.
 - (iii) If a candidate draws the blank paper, they shall place it back into the container and the next candidate shall draw
 - (iv) The first candidate to draw the paper marked "Officer" shall win the contest.
- (10) The Chief Returning Officer will advise the Board of the results of an election, and then ask the board to pass a motion to approve the destruction of the ballots.
 - (11) The Chief Financial Officer may be appointed Treasurer but shall not be a Director and shall not be entitled to a vote at Board meetings.
 - (12) No Director may serve as Chair, Vice-Chair or Treasurer, for more than two (2) consecutive years in one office, provided however that following a break in the continuous service of at least one year the same person may be re-elected or re-appointed to any office.
 - (13) A Director elected to fill a vacant Chair, Vice Chair or Treasurer (excluding appointment of the CFO) office shall be entitled to complete the uncompleted term of office of his/her predecessor and thereafter may be elected for two (2) consecutive years;
 - (14) A Director elected as Chair or Vice Chair may have his/her term extended by one (1) further year in 'exceptional circumstances'. The determination of what constitutes 'exceptional circumstances' shall be made by the Governance Committee. Any such extension shall be approved by a unanimous vote of the Board.
 - (15) The Officers of the Corporation shall be responsible for the duties set forth in the By-laws and they are not necessarily required to perform such duties personally, but they may delegate to others the performance of any or all such duties.
 - (16) Any Officer of the Corporation shall cease to hold office upon resolution of the Board.
 - (17) Unless otherwise provided in this By-law, the officers of the Corporation shall hold office for one (1) year from the date of appointment or election or until their successors are elected or appointed in their stead and shall be eligible for reappointment. Officers shall be subject to removal by resolution of the Board at any time.

4.2 DUTIES OF EVERY OFFICER

- (1) Every Officer shall,
 - (a) be loyal to the Corporation;
 - (b) exercise the powers and discharge the duties of the office honestly, in good faith and in the best interest of the Corporation; and

- (c) exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

4.3 DUTIES OF THE OFFICERS

4.3.1 Duties of the Chair

The Chair shall:

- (a) When present, preside at meetings of the Board
- (b) be knowledgeable of corporate governance practices, stay abreast of developments in corporate governance practices and lead adoption of 'best practices' where appropriate to maintain a leadership level of governance practices at the Corporation
- (c) report to each annual meeting of members of the Corporation concerning the management and operations of the Hospital;
- (c) In consultation with the Chief Executive Officer, develop the agenda for Board meetings;
- (d) Ensure appropriate notice of Board and Committee meetings is given to the Directors
- (e) report regularly and promptly to the Board issues that are relevant to their governance responsibilities;
- (f) ensure that the review of the Chief Executive Officer's performance and compensation is done in accordance with Board approved policy;
- (g) represent and speak on behalf of the Hospital;
- (h) be an *ex-officio* member on all committees of the Board with the exception of the Medical Advisory Committee;
- (i) where possible ensure that appropriate Board and Committee information and supporting materials are provided to Board and Committee members at least three (3) business days prior to their meetings;
- (j) ensure that the actions of the Board are in accordance with the Hospital's goals and priorities and the Board's own goals;
- (k) be responsible for addressing issues associated with under performance of individual Directors including, if applicable, their removal from the Board; and

- (l) Represent or appoint a delegate to represent the Hospital at public or official functions;
- (m) Serves as the Board's central point of official communication with the Chief Executive Officer;
- (n) Stays up-to-date about the organization and determines when an issue needs to be brought to the attention of the full Board or a Committee;
- (o) Intervenes, when necessary in instances involving conflict of interest, confidentiality and other Board policies;
- (p) perform such other duties as may from time to time be determined by the Board.
- (q) Assure that the meeting is duly constituted;
- (r) Give all Directors a reasonable opportunity to speak to any issue;
- (s) Act fairly, in good faith and without malice.

4.3.2 Duties of the Vice-Chair

- (1) The Vice-Chair shall have all the powers and perform all the duties of the Chair in the absence or disability of the Chair and perform any other duties assigned by the Chair or the Board.
- (2) Preside at meetings of the Governance/Quality Committee.
- (3) In the ordinary course, a Director shall serve as Vice-Chair before becoming Board Chair.

4.3.3. Duties of the Treasurer

- (1) The Treasurer shall:
 - (a) be appointed by, and report to, the Board of Directors;
 - (b) Chair the Resource Management and Audit Committee;
 - (c) oversee the management of the finances of the Hospital, and ensure that appropriate reporting mechanisms and control systems as established by the Board are in place, and monitor such mechanisms and systems for compliance;
 - (d) ensure that systems for control for the care and custody of the funds and other financial assets of the Hospital and for making payments for all

approved expenses incurred by the Hospital are in place, are functional and adequate and monitor for compliance with such systems;

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

4.3.4 Duties of the Secretary

The Secretary shall:

be appointed by, and shall report to, the Board of Directors.

- (a) attend meetings of members, meetings of the Directors including closed sessions and meetings of the standing and special committees of the Board, except when excused by the Chair, and shall enter or cause to be entered in books kept for that purpose, minutes of all proceedings at such meetings and shall circulate or cause to be circulated, the minutes of all such meetings of standing or special committees, to the members of such committees, as applicable;
- (b) give or cause to be given, all notices as required by the By-law of the hospital of all meetings of the Corporation, the Board and its Committees;
- (c) attend to correspondence of the Board;
- (d) prepare all reports required under any applicable Act or Regulation of the Province of Ontario;
- (e) be the custodian of all minute books, documents and registers of the Corporation required to be kept by the provisions of the *Corporations Act* and all minutes, documents and records of the Board;
- (f) keep copies of all testamentary documents and trust instruments by which benefits are given to the use of the Hospital;
- (g) be the custodian of the seal of the Corporation; and
- (h) perform such other duties as may from time to time be determined by the Board

-5. COMMITTEES OF THE BOARD

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

The Board shall ensure that the Corporation establishes such committees and undertakes such programs as are required pursuant to the *Public Hospitals Act* and the *Excellent Care for All Act*, including a medical advisory committee, a quality committee and a fiscal advisory committee

5.1.1 *Standing Committees of the Board*

- (1) At the first meeting of the Board following the annual meeting of the Corporation the Board shall,
 - (a) establish the following standing Committees of the Board:
 - (i) the Governance Committee;
 - (ii) the Quality Committee
 - (iii) the Audit Committee;
 - (vi) the Resource Management Committee;
 - (v) the Joint Conference Committee;
 - (vi) the Nominating Committee;
 - (vii) the Fiscal Advisory Committee;
 - (viii) the Pre-Board Committee
 - (ix) the Medical Advisory Committee;
 - (x) the Nursing Advisory Committee;
 - (xi) such other committees as the Board may from time to time deem necessary.
 - (b) with the exception of the Medical Advisory Committee, the membership of which shall be as set out in clause 7.15.1(1)(a) of this By-law, the Quality Committee, the membership which is set out in section 5.3.2(1) and the Fiscal Advisory Committee, the membership which is set out in section 5.3.5 , and the Pre-Board Committee, the membership as set out in section 5.3.7 of this By-Law, appoint from among themselves the members of the standing committees of the Board.
- (2) With the exception of the Governance Committee and the Medical Advisory Committee, the membership of which shall be as set out in sections 5.3.1 and 7.15.1 respectively, the Board may appoint additional members who are not Directors to all Committees of the Board, and those persons shall be entitled to vote, but the number of non-Directors shall not exceed the number of Directors on a committee of the Board.

5.1.2 *Special Committees of the Board*

- (1) The Board may, at any meeting, appoint any special committee and appoint the chair and the members of the special committee.
- (2) The Board shall prescribe terms of reference for any special committee.
- (3) The Board may by resolution dissolve any special committee at any time.
- (4) Committees shall annually set goals/objectives that are aligned with the strategic plan and key corporate priorities. The terms of reference and performance of the special committees of the Board shall be evaluated on a yearly basis.
- (5) No committee decision is binding until approved by the Board.

5.2 PROCEDURES FOR MEETINGS OF STANDING AND SPECIAL COMMITTEES

5.2.1 *Attendees at Meetings of Standing and Special Committees*

- (1) Only members of a committee, subcommittee or task force of the Board, including the Medical Advisory Committee and the Fiscal Advisory Committee, may attend meetings of such committees, subcommittees or task forces.
- (2) Despite subsection 5.2.1(1), a committee, subcommittee or task force of the Board, including the Medical Advisory Committee and Fiscal Advisory Committee, may, by resolution, approve that individuals such as external legal counsel, presenters and Hospital staff be permitted to attend the meeting, but may be asked to leave the meeting before a vote is taken.
- (3) Despite subsection 5.2.1(j)(1), other Board members may attend meetings of standing and special committees, but do not have the right to vote.

5.2.2 *Call for Meetings of Standing and Special Committees*

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

5.2.3 Voting at Meetings of Standing and Special Committees

- (1) Business arising at any meeting of a committee, subcommittee or task force of the Board, including the Medical Advisory Committee and the Fiscal Advisory Committee, shall be decided by a majority of votes, provided that,

votes shall be taken by a show of hands in which case,

- (i) the chair shall have a vote; and
- (ii) if there is an equality of votes, the chair shall not exercise a second vote in order to break a tie.

despite clause 5.2.3(1)(a), votes shall be taken by written ballot if so demanded by any voting member present in which case,

- (i) the chair shall have a vote; and
- ii) if there is an equality of votes, the motion is lost.

5.2.4 Minutes of Meetings of Standing and Special Committees

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

5.2.5 Quorum for Meetings of Standing and Special Committees

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

5.3 MEMBERSHIP AND TERMS OF REFERENCE OF BOARD COMMITTEES

5.3.1 *Governance Committee*

5.3.1.1 *Membership*

The Board shall elect from among themselves a Governance Committee consisting of not fewer than five (5) voting Board Members and shall include:

- (1) Vice-Chair of Board of Directors, who shall be chair
- (2) Treasurer
- (3) Chair of the Board
- (4) Chief Executive Officer (who shall be non-voting)
- (5) Chief Nursing Executive (who shall be non-voting)
- (6) Chief of Medical Staff (who shall be non-voting)

5.3.1.2 *Functions*

The Governance Committee shall,

- (1) in between meetings of the Board, exercise the full powers of the Board in all matters of administrative urgency, reporting every action to the next meeting of the Board;
- (2) study and advise or make recommendations to the Board on any matter as directed by the Board;
- (3) Ensure processes are established for the regular review of the By-Laws and governance structure of the hospital;
- (4) oversee strategic planning;
- (5) Annually review the competency matrix to identify specific characteristics that should be sought in recruitment, given the Corporation's current strategic priorities and Board needs.
- (6) Annually review each Board member's participation, contribution and input at meetings and other Hospital events;
- (6) will act as the Risk Management Committee of the Board,
 - (a) To assure that professional care evaluation within the Hospital is in

compliance with the Standards for Accreditation of Canadian Health Care Facilities.

- (b) To meet at regular intervals and maintain a record of all proceedings, and to report to the Board.
- (c) To assure that Board structure and practices, including evaluation, are in place to assess risk.
- (d) To assure that appropriate communication and public affairs programs are in place.
- (e) To assure that Strategic Planning and program evaluation is ongoing.

5.3.2 Quality Committee

5.3.2.1 Membership

The Board shall elect from among themselves a Quality Committee consisting of not fewer than five (5) voting Board Members including:

- (1) Vice-Chair of Board of Directors, who shall be chair
- (2) Treasurer
- (3) Chief of Medical Staff
- (4) Chair
- (5) Chief Executive Officer
- (6) Chief Nursing Executive
- (7) A person who works in the DRHC and who is not a member of the College of Physicians and Surgeons or the College of Nurses of Ontario.

5.3.2.2 Appointment of Delegates

A member of the Quality Committee mentioned in sections 5.3.2.1 (3, 5, 6, 7) may, with the approval of the Board of Directors appoint a delegate to sit as a member of the Quality Committee in his or her stead.

5.3.2.3 Functions

The Quality Committee shall,

- (1) Monitor and report to the Board on quality issues and the overall quality of services provided in the Hospital, with reference to appropriate data;

- (2) Consider and make recommendations to the Board regarding quality improvement initiatives and policies;
- (3) To ensure that best practices information supported by available scientific evidence is translated into materials that are distributed to employees and persons providing service within the Hospital and to subsequently monitor the use of these materials by these people; and
- (4) foster and support a culture of quality improvement throughout the organization to:
 - a. Ensure expectations for performance improvement are established and metrics set which align with the strategic plan and Accreditation Canada's Standards. These shall be monitored through a balanced scorecard to inform the committee of quality performance.
 - b. Review adverse events and critical incidents to ensure that appropriate actions/changes are put in place.
 - c. Ensure the quality improvement activities are embedded in strategic and operational plans.
- (5) Oversee the preparation of the annual quality improvement plan and annually recommend the completed plan to the Board.

5.3.3 Audit Committee

5.3.3.1 Membership

- (1) The Audit Committee shall consist of Directors of the Board as follows:
 - (a) four (4) Directors none of whom is a member of management or an employee of the organization;
 - (b) one (1) Director who is a member of the Resource Management Committee;
 - (c) one volunteer member from the community with appropriate financial professional background and designation to act as an advisor to the committee and shall not have a vote; and
 - (d) despite 5.3.3.1(1)(a), the Chair of the Board.
- (2) The Chief Executive Officer may attend meetings of the Audit Committee.

5.3.3.2 Chair

The Treasurer shall be the chair of the Audit Committee.

5.3.3.3 Meetings

- (1) The Committee shall meet at least two (2) times a year and as necessary.
- (2) The external auditor and any member of the Committee may call a meeting of the Committee as he or she determines necessary.
- (3) Meetings of the Committee are to be scheduled to take place on a regular basis, with opportunities for the external auditor and senior management to meet separately with the independent members of the Committee.
- (4) The Committee shall meet with the external auditor at least once a year, at the request of the auditor and as required by the Committee or the Board.
- (5) At each meeting of the Committee at which the auditors are present, the Committee shall hold an in-camera session with management excluded. The exclusion extends to the Chief Executive Officer.

5.3.3.4 Functions

The Audit Committee shall perform the following functions:

- (1) Audit Planning and Preparation
 - (a) review, with the external auditors, the proposed scope of the current year's audit,
 - (b) review and recommend the auditor's engagement letter including the audit fee and expenses,
 - (c) assess whether appropriate assistance is being provided to the auditors by the organization's staff, and
 - (d) review control weaknesses detected in the prior year's audit, and determine whether all practical steps have been taken to overcome them;
- (2) Policies for Financial Operations and Systems of Internal Control
 - (a) enquire about changes in the financial systems and control systems during the year,

- (b) review the integrity and effectiveness of policies regarding the financial operations, systems of internal control and reporting mechanisms of the Hospital and that they are in accordance with generally accepted accounting principles and practices,
- (c) enquire into the major financial risks faced by the organization, and the appropriateness of related controls to minimize their potential impact, and
- (d) review the procedures for establishing management's remuneration and benefits, and for approving their expense reports,

(3) Annual Financial Statements

- (a) receive and review the unaudited and audited financial statements of the Corporation whether interim or year end and report to the Board prior to the Board's approval thereof;
- (b) review audited annual financial statements, in conjunction with the report of the external auditor, and obtain an explanation from management of all significant variances between comparative reporting periods;
- (c) recommend approval of the financial statements to the Board;
- (d) enquire about changes in professional standards or regulatory requirements; and
- (e) review the entire annual report for consistency with the financial statements.

(4) Audit Results

- (a) review the report of the external auditors on the annual financial statements;
- (b) review the external auditor's post-audit or management letter which may document weaknesses in the accounting system or in the internal control systems and which contain recommendations of the external auditor and management's response and subsequent follow-up to any identified weaknesses;
- (c) meet privately with the external auditors (without the presence of management) with regard to the adequacy of the internal accounting controls and similar matters, and review management responses to ascertain whether there are concerns that should be brought to the Committee's attention; and

- (d) review any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management, or situations where management seeks a second opinion on a significant accounting issue.

- (e) Auditor's Performance and Appointment
 - (i) review the factors that might impair, or be perceived to impair, the independence of the external auditors. Take, or recommend that the Board take, appropriate action to ensure the independence of the external auditor;
 - (ii) monitor and evaluate the performance of the external auditor;
 - (iii) meet privately with senior management (without the external auditors being present) to ensure that management has no concerns about the conduct of the audit; and
 - (iv) annually, recommend to the Members the appointment of a firm of chartered accountants as the Corporation's external auditors and any change of external auditors. Consider from time to time and no less frequently than every five (5) years, the engagement of a different external auditor on such terms and conditions as may meet statutory and other requirements for the audit of the Corporation.

- (f) Duty to Report
 - (i) prepare a report to the Board of Directors discussing the actions it has taken and the assistance the Committee has had in fulfilling its duties; and
 - (ii) prepare a report to Members describing the Audit Committee activities during the past reporting period.

5.3.4 Resource Management Committee

5.3.4.1 Membership

- (1) The Board shall elect from among themselves a Resource Committee consisting of not fewer than six (6) voting Board Members including:

- (a) Treasurer of Board of Directors, who shall be chair
 - (b) President of the Medical Staff
 - (c) Chair of the Board.
- (2) The Chief Executive Officer shall attend meetings of the Resource Management Committee.

5.3.4.2 Functions

- (1) The Resource Management Committee shall,
- (a) study and recommend to the Board for approval a detailed annual budget for capital and operating revenues and expenditures for the ensuing fiscal year;
 - (b) study the financial statements on a timely basis and report thereon to the Board accordingly;
 - (c) recommend to the Board appropriate investment policy for the management of the Corporation's funds. Monitor and report quarterly on the control and management of these investments;
 - (d) review the banking arrangements of the Corporation from time-to-time and recommend revisions to the Banking Resolution from time to time;
 - (e) annually review and recommend to the Board the types and amounts of insurance to be carried by the Corporation to ensure appropriate coverage;
 - (f) advise the Board with regard to donations, bequests and endowments;
 - (g) inform and advise the Board on financial matters as requested.
- (3) The Resource Management Committee shall receive at any one of its meetings, any written report and recommendation of the Auditor.
- (4) The Chief Executive Officer shall send a copy of the excerpt on the discussion of the audit from the Resource Management Committee minutes to the Auditor.
- (5) (a) Study and plan for the long-ranged development of Hospital services and the effect on capital requirements and priorities for expansion, renovation and replacement of plant, property and equipment, and to make recommendations accordingly to the Board;

- (b) Develop and recommend to the Board, specific programs concerning the use, expansion, renovation, maintenance and replacement of the Hospital's physical plant in order to implement approved long-range plans;
- (c) Inform the Board on any property matters as required and as directed by the Board;
- (d) Make recommendations on the purchase of all capital equipment not foreseen in the approved annual budget;
- (6) Inform the Board of any Human Resource matters as required and as directed by the Board.
- (7) Inform the Board of any Information Management and Utilization matters as required and as directed by the Board.
- (8) Receive reports from hospital committees.

5.3.5 Fiscal Advisory Committee

5.3.5.1 Membership

- (1) Pursuant to the Hospital Management Regulation, the Fiscal Advisory Committee shall consist of,
 - (a) the Chief Executive Officer;
 - (b) a member of the medical staff or dental staff elected by the medical and dental staff representing both medical and dental staff;
 - (c) the Chief Nursing Executive or another person representing nurses who are managers appointed or elected in accordance with section 15.4 of this By-law; and
 - (e) a staff nurse who is elected in accordance with section 15.2 of this By-law.
 - (f) the Vice President of Corporate Services
 - (g) the Chief Financial Officer
- (2) In addition to those persons appointed to the Fiscal Advisory Committee in subsection 5.3.4.1(1), the Chief Executive Officer may appoint other persons to the Fiscal Advisory Committee.

5.3.5.2 Chair

The Fiscal Advisory Committee shall be chaired by the Chief Executive Officer or a person designated by the Chief Executive Officer.

5.3.5.3 Functions

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

5.3.6 Joint Conference Committee

5.3.6.1 Membership

- (1) The Joint Conference Committee shall consist of,
 - (a) three (3) members of the Governance Committee of the Board who are not physicians;
 - (b) three (3) members of the Medical Advisory Committee, including,
 - (i) the President of the Medical Staff,
 - (ii) the Chief of Staff, and
 - (iii) one other member.
- (2) The Chief Executive Officer shall attend meetings of the Joint Conference Committee.
- (3) The Joint Conference Committee may invite guests to attend meetings of the Committee.

5.3.6.2 Functions

- (1) The Joint Conference Committee shall provide liaison among the Board, the Hospital management and the medical staff and shall discuss sensitive issues which are not appropriate to be dealt with by any other existing Committee of the Board, and, if possible, provide understanding on points of mutual interest to the Board, the Hospital management and the medical staff, and shall report back to the Board and to the Medical Advisory Committee.

- (2) The Joint Conference Committee shall meet at the call of the committee chair or at the request of any two (2) members.

5.3.7 Nominating Committee

5.3.7.1 Membership

- (1) The Nominating Committee shall consist of at least:
 - (a) three (3) Directors, who are not eligible for re-election at the annual general meeting for which nominations are being sought;
and
- (2) The Secretary of the Board shall attend meetings of the Nominating Committee.

5.3.7.2 Functions

- (1) To ensure the membership of the Board reflects the breadth, depth and diversity of the community served by the Hospital, the following principles, qualities and skills will guide the Nominating Committee when considering candidates for Board membership:
 - (a) the Board should be seen as capable and experienced to lead the Corporation;
 - (b) the membership of the Board shall reflect a wide range of interests and perspectives including:
 - (i) understanding and have regard for the special needs of the communities served including:
 - Demographic variation
 - Linguistic differences;
 - Cultural diversity;
 - Ethnic diversity;
 - Religious diversity;
 - Economic issues;
 - Different geographic, gender ethnic and social characteristics
 - (ii) demonstrated community involvement; and
 - (iii) understanding of the perspective of patients and their families;

- (c) the membership of the Board and its committees should consider the need for succession planning for the Board; and
- (2) The Nominating Committee should be seen as applying objective criteria in determining the appropriate candidates for election as a Director and in doing so, shall review the Corporation's vision, or purpose statement, strategic direction for the upcoming three (3) years and shall require that an appropriate application for each of the candidates be completed. Each candidate's application shall be objectively considered by the Nominating Committee prior to developing its recommendations for the membership. In doing so, the Nominating Committee shall consider whether the candidates possess the identified universal, collective and specifically identified competencies as set out below.
- (3) The Nominating Committee should ensure that all Board members have the following universal competencies:
- (a) understanding of the distinction between the strategic and policy role of the Board and the day to day operational responsibilities of management;
 - (b) capability to provide leadership for the Corporation;
 - (c) commitment to the vision, mission or purpose statement and core values of the Corporation;
 - (d) ability to work as a member of a team;
 - (e) willingness to participate in Board orientation and continuing education;
 - (f) respect for the views of others;
 - (g) objectivity;
 - (h) recognition of the time commitment and the willingness to devote the time and energy necessary to perform the role of directors (considering commitments of the candidate to other organizations);
 - (i) enthusiasm and capacity for resolving challenging issues;
 - (j) integrity and the absence of conflicts of interest;
 - (k) independence;
 - (l) an understanding of the range of obligations and constraints imposed upon directors of corporations; and
 - (m) an understanding of the unique cultural and support requirements

of individuals and special communities.

- (4) The Nominating Committee should strive to ensure that the following collective competencies as needed are present in the Board as a whole:
- (a) prior experience in governance;
 - (b) strategic planning experience;
 - (c) experience in the management and restructuring of complex organizations;
 - (d) understanding of healthcare needs, issues and trends;
 - (e) understanding of the diverse needs of the community served by the Hospital;
 - (f) understanding of and experience with Indigenous peoples served by the Hospital;
 - (g) previous experience in the health field;
 - (h) awareness of provincial healthcare trends;
 - (i) demonstrated leadership on behalf of the needs of patients and families;
 - (j) knowledge and experience in business and management;
 - (k) knowledge and experience in education;
 - (l) understanding of fiscal, financial and legal matters;
 - (m) knowledge and experience in health professional education;
 - (n) knowledge and experience in human resource management;
 - (o) knowledge and experience in communications and information technology;
 - (p) knowledge and experience in government and public relations;
and
 - (q) personality traits which are likely to improve Board performance.
- (5) Current Board members whose terms are expiring are not entitled to automatically stand for re-election but must be considered in light of the nominating criteria and in addition, the Board member's performance

during the Board member's term shall be considered, including consideration of the Board Member's:

- (a) understanding of governance and the Director's fiduciary duty to act in the best interest of the Corporation;
- (b) ethical standards and integrity;
- (c) ability to commit the necessary time for Board and Committee meetings, retreats, events, and meeting preparation;
- (d) commitment to continuing education;
- (e) communication skills, including contributions at Board and Committee meetings and on behalf of the Board where requested;
- (f) support of Board actions (regardless of how Director voted);
- (g) ability to express a dissenting opinion in a constructive manner;
- (h) ability to integrate continuing education into Board deliberations;
- (i) compliance with the governing legislation, letters patent and By-Law, including without limitation, the conflict of interest and confidentiality provisions of this By-Law;
- (j) support of the Corporation's objects, mission, vision or purpose statement and values;
- (k) overall contributions to the Corporation; and
- (l) personality traits demonstrated by the Director.

The Nominating Committee shall consider the above factors while balancing succession planning concerns including, but not limited to, the need to ensure ongoing expertise on the Board.

5.3.8 Pre-Board Committee

5.3.8.1 Membership

(1) The Pre-Board Committee shall consist of:

- The Chair of the Board
- The Vice-Chair of the Board
- The Past Chair of the Board
- The Secretary of the Board (President and CEO)

(2) The Chair of the Board shall be the Chair of the Pre-Board Committee.

5.3.8.2 Functions

- (1) To develop and generate a Board meeting agenda for regular open and in camera Board meetings;
- (2) To ensure that the strategic planning process is undertaken and carried out by the Board

-6. CHIEF EXECUTIVE OFFICER

6.1 APPOINTMENT OF THE CHIEF EXECUTIVE OFFICER

- (1) The Chief Executive Officer shall be appointed by the Board in accordance with its approved selection process.
- (2) The Board may at any time revoke or suspend the appointment of the Chief Executive Officer.

6.2 DUTIES OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer shall,

- (a) be responsible to the Board for the organization and management of the Hospital in accordance with policies established by the Board and subject to direction of the Board;
- (b) ensure appropriate systems and structures are in place for the effective management and control of the Hospital and its resources including the employment, development, control, direction and discharge of all employees of the Hospital;
- (c) ensure structures and systems for the development, review and recommendation of new programs, program expansion or changes;
- (d) ensure effective human resource strategic planning and identify resource implications;
- (e) establish an organizational structure to ensure accountability of all departments and staff for fulfilling the mission,(or purpose) objectives and strategic plan of the Hospital;
- (f) provide leadership in support of the Board's responsibility to develop and periodically review the mission or purpose statement, objectives and strategic plan of the Hospital;
- (g) develop, recommend and foster the values, culture and philosophy of the Hospital;
- (h) communicate with related health care agencies to promote co-ordination and/or planning of local health care services;
- (i) represent the Hospital externally to the community, government, media and other organizations and agencies;

- (j) be responsible for the payment by the Corporation of all salaries and amounts due from and owing by the Corporation which fall within the purview and scope of the approved annual budget or otherwise as may be established from time to time by resolution of the Board;
- (k) be responsible for the hiring, evaluation, compensation and termination of all members of the Corporation's senior executive team, including without limitation, Vice Presidents, Chief Nursing Executive and all other employees of the Corporation;
- (l) prepare and forward a detailed report to the College of Physicians and Surgeons of Ontario where,
 - (i) the application of a physician for appointment or reappointment to the medical staff of the hospital is rejected by reason of his or her incompetence, negligence or misconduct,
 - (ii) the privileges of a member of the medical staff of the hospital are restricted or cancelled by reason of his or her incompetence, negligence or misconduct, or
 - (iii) a physician voluntarily or involuntarily resigns from the medical staff of the hospital during the course of an investigation into his or her competence, negligence or conduct;
- (m) notify the Chief of Staff, the Chief of Service, and in the case of a member of the extended class nursing staff the Chief Nursing Executive, and the Board if necessary, of,
 - (i) any failure of any member of the medical, dental, or extended class nursing staff to act in accordance with statute law or regulations thereunder, or the Hospital By-law and policies and procedures;
 - (ii) any belief that a member of the medical, dental or extended class nursing staff is unable to perform the person's professional duties with respect to a patient in the Hospital,
 - (iii) any patient who does not appear to be receiving the most appropriate treatment and care or who is not being visited frequently enough by the attending member of the medical, dental or extended class nursing staff, and
 - (iv) any other matter about which they should have knowledge;
- (n) establish the selection process for the engagement of a Chief Nursing Executive and hire the Chief Nursing Executive in accordance with the process;
- (o) establish the functions and responsibilities of the Chief Nursing Executive;

- (p) annually conduct the Chief Nursing Executive's formal performance evaluation and review and approve his or her compensation, and set his or her goals for the coming year;
- (q) report to the Board as necessary regarding the occupational health and safety program, workplace safety and issues involving violence;
- (r) report to the Board as necessary in respect of the health surveillance program;
- (r) be responsible to the Board for taking such action as considered necessary to ensure compliance with the *Act*, the Regulations thereunder, the By-laws of the Hospital and all other statutory and regulatory requirements;
- (s) attend meetings of the Board;
- (t) attend meetings of all Board Committees;
- (u) despite 6.2 (1)(t), the Chief Executive Officer shall be a member of the Fiscal Advisory Committee as provided for in section 5.3.4.1(1)(a) of this By-law; and
- (v) perform such other duties as may be directed from time to time by the Board.

-7. PROGRAMS

7.1 OCCUPATIONAL HEALTH AND SAFETY PROGRAM

- (1) There shall be an Occupational Health and Safety Program for the Hospital.
- (2) The program referred to in subsection 12.1(1) shall include procedures with respect to,
 - (a) a safe and healthy work environment in the Hospital;
 - (b) the safe use of substances, equipment and medical devices in the Hospital;
 - (c) safe and healthy work practices in the Hospital;
 - (d) the prevention of accidents to persons on the premises of the Hospital;
and
 - (e) the elimination of undue risks and the minimizing of hazards inherent in the Hospital environment.
- (3) The person designated by the Chief Executive Officer to be in charge of occupational health and safety in the Hospital shall be responsible to the Chief Executive Officer for the implementation of the Occupational Health and Safety Program.
- (4) The Chief Executive Officer shall report to the Board as necessary on matters in respect of the Occupational Health and Safety Program.

7.2 HEALTH SURVEILLANCE PROGRAM

- (1) There shall be a Health Surveillance Program for the Hospital.
- (2) The program referred to in subsection 12.2(1) shall;
 - (a) be in respect of all persons carrying on activities in the Hospital; and
 - (b) include a Communicable Disease Surveillance Program.
- (3) The person designated by the Chief Executive Officer to be in charge of health surveillance in the Hospital shall be responsible to the Chief Executive Officer for the implementation of the Health Surveillance Program.
- (4) The Chief Executive Officer shall report to the Board as necessary on matters in respect of the Health Surveillance Program.

-8. ORGAN DONATION

Pursuant to the Hospital Management Regulation, the Board shall approve procedures to encourage the donation of organs and tissues including,

- (a) procedures to identify potential donors;
- (b) procedures to make potential donors and their families aware of the options of organ and tissue donations,

and shall ensure that the procedures in section 13(1) are implemented in the Hospital.

-9. NURSING STAFF

9.1 NURSING ADVISORY COMMITTEE

14.1.1 Membership

- (1) Pursuant to the Hospital Management Regulation, the Nursing Advisory Committee shall consist of:
 - (a) the Chief Nursing Executive;
 - (b) Directors of services, who are nurses (2);
- (2) In addition to those persons appointed to the Nursing Advisory Committee in subsection 14.1(1), the Chief Nursing Executive may appoint other persons to the Nursing Professional Practice Council.
- (3) Terms for those persons appointed in subsection 14.1(2) shall be for a period of Two (2) years.

9.1.2 Chair

The Nursing Advisory Committee shall be chaired by the Chief Nursing Executive.

9.1.3 Functions

- (1) The Nursing Advisory Committee provide a forum through which nursing professionals shall:
 - (a) ensure the development and approval of policies and procedures related to nursing practice;
 - (b) monitor and advance nursing standards and best practices;
 - (c) develop nurse recruitment and retention strategies; and
 - (c) review minutes from all nursing committees and teams.

- (2) Through the Chief Nursing Executive, advise the Board on:
- (a) Quality Assurance, Risk Management, Improvement plans and initiatives related to the practice of nursing;
 - (b) Clinical roles of nursing staff in the Hospital;
 - (c) Nursing Human resources plan; and
 - (d) Nursing education

-10. PARTICIPATION OF NURSES

10.1 PARTICIPATION OF NURSES ON COMMITTEES

- (1) A staff nurse appointed in accordance with this By-law or a nurse who is a manager appointed in accordance with this By-law shall be a member, with full-voting privileges, of those committees, approved by the Board to have nurse representation, that deal with one or more of the following:
 - (a) Medical Quality Assurance;
 - (b) Occupational Health and Safety;
 - (c) Human Resource Management; and
 - (d) any other matter as the Board may deem advisable.

10.2 APPOINTMENT OF STAFF NURSES

The Chief Nursing Executive shall determine the mechanism by which staff nurses are appointed to the various committees in the Hospital that require nursing participation.

10.3 APPOINTMENT OF NURSES WHO ARE MANAGERS

The Chief Nursing Executive shall determine the mechanism by which nurses who are managers are elected or appointed to the various committees in the Hospital that require nursing participation.

-11. VOLUNTARY ASSOCIATIONS

11.1 AUTHORIZATION

The Board may sponsor the formation of a voluntary association(s) as it deems advisable.

11.2 PURPOSE

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

11.3 CONTROL

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

11.4 REPRESENTATION ON BOARD

The Board may determine a mechanism to provide for representation by the voluntary association(s) on the Board.

11.5 AUDITOR

- (1) Each unincorporated voluntary association shall have its financial affairs reviewed by an auditor for purposes of assuring reasonable internal control.
- (2) The Auditor for the Hospital may be the Auditor for the voluntary association(s) under this section.

-12. RECORDS

12.1 RETENTION OF WRITTEN STATEMENTS

The Chief Executive Officer shall cause to be retained for at least twenty-five (25) years, all written statements made in respect of the destruction of medical records, notes, charts and other material relating to patient care and photographs thereof.

-13. BONDING – FIDELITY INSURANCE

- (1) Directors, Officers and employees as the Board may designate shall secure from a guarantee company a bond of fidelity of an amount approved by the Board.
- (2) The requirements of subsection 18(1) may be met by an alternative form of employee fidelity insurance such as, but not limited to, a blanket position bond, a commercial blanket bond, or comprehensive dishonesty, disappearance and destruction policy, at the discretion of the Board.
- (3) The Corporation shall pay the expenses of any fidelity bond or policy secured under this section.

-14. SIGNING OFFICERS

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

-15. INVESTMENTS

The Board may invest as trustees are permitted pursuant by the *Trustee Act* of the Province of Ontario,

- (a) all monies given in trust to the Corporation for the use of the Corporation;
- (b) all Corporation monies not required for operating expenses; and
- (c) notwithstanding the provisions of clause 20(a), the Board may, in its discretion, retain investments not authorized by the *Trustee Act*, which are given to the Corporation in specie.

-16. ENDOWMENT BENEFITS

No benefit given in trust to or to the use of the Corporation for endowment purposes shall be hypothecated, transferred or assigned to obtain credit or to receive funds except as allowed by clause 15(a).

-17. AUDITOR

- (1) The Members of the Corporation shall at each annual meeting appoint an Auditor who shall not be a member of the Board or an Officer or employee of the Corporation or a partner or employee of any such person, and who is duly licensed under the *Public Accountancy Act*, to hold office until the next annual meeting of the Corporation.
- (2) The Auditor shall have all the rights and privileges as set out in the *Corporations Act* of Ontario and shall perform the audit function as prescribed therein.
- (3) In addition to making the report at the annual meeting of the Corporation, the Auditor shall from time to time report to the Board on the audit work with any necessary recommendations.

-18. RULES OF ORDER

18.1 RULES OF ORDER

Any questions of procedure at or for any meetings of the Corporation, of the Board, of the medical staff, or of any committee, which have not been provided for in this By-law or the *Corporations Act*, by the *Act* or Regulations thereunder, or the Rules of the Hospital, shall be determined by the Chair of the Board or Committee as the case may be, in accordance with Wainberg and Nathan's Company Meetings Rules of Order.

-19. AMENDMENTS

19.1 AMENDMENTS TO BY-LAWS

- (1) The Board may pass or amend the By-laws of the Corporation from time to time.
- (2) Where,
 - (a) it is intended to pass or amend the By-laws at a meeting of the Board, written notice of such intention shall be sent by the Secretary to each Director at his or her address as shown on the records of the Corporation by ordinary mail not less than ten (10) days before the meeting.
 - (b) Where the notice of intention required by clause 19.1(2)(a) is not provided, any proposed By-laws or amendments to the By-laws may nevertheless be moved at the meeting and discussion and voting thereon adjourned to the next meeting, for which no notice of intention need be given.
- (3) Subject to Article 19.1(4), a By-law or an amendment to a By-law passed by the Board has full force and effect,
 - (a) from the time the motion was passed; or
 - (b) from such future time as may be specified in the motion.
- (4)
 - (a) A By-law or an amendment to a By-law passed by the Board shall be presented for confirmation at the next annual meeting or to a special general meeting of the members of the Corporation called for that purpose. The notice of such annual meeting or special general meeting shall refer to the By-law or amendment to be presented.
 - (b) The members at the annual meeting or at a special general meeting may confirm the By-law as presented or reject or amend it, and if rejected it thereupon ceases to have effect and if amended it takes effect as amended.
- (1) In any case of rejection, amendment, or refusal to approve a By-law or part of a By-law in force and effect in accordance with any part of this section, no act done or right acquired under any such By-law is prejudicially affected by any such rejection, amendment or refusal to approve.