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TITLE: Attendance		
MANUAL: BOARD OF TRUSTEES	SECTION: N/A	APPROVED BY: BOARD OF TRUSTEES

POLICY:

One of the expected accountabilities for the North Shore Health Network Board of Trustee members is their attendance and participation at Board and Committee meetings to ensure the quality of governance. Attendance by Board members at meetings shall be in excess of 70% of all meetings in any one year term.

PURPOSE:

When several Trustees are absent or when a Trustee is frequently absent, the work of the board and the organization can be severely compromised. Decisions take longer or cannot be made at all; tasks cannot be assigned; decisions get challenged at subsequent meetings by those who were not present when the decision was made; senior management is left uncertain about the extent of board support for their plans and actions; meetings are cancelled for lack of quorum, leaving the more dedicated members frustrated and resentful.

The overall message conveyed by failure to address absenteeism is that the work of the board cannot be very important and that your participation is unnecessary.

SUPPORTIVE DATA:

Board members need to know that the work of the board requires participation from all members. This message is communicated through clear by-laws and/or policies on attendance; attention to board recruitment, orientation, training and evaluation practices; careful planning of meeting agendas; and follow-up on absenteeism.

ROLES AND RESPONSIBILITIES:

This policy applies to all voting Board members.

PROCEDURE:

1. A written Record of Attendance will be kept for all meetings of the Board and its committees.
2. In the event a Trustee fails to attend three consecutive meetings of the Board, or if attendance at all meetings fall below 70% in any one year term, the Board Chair will first meet with the Trustee to determine if a legitimate and acceptable reason supports the absenteeism and the Trustee would be permitted to continue as a member. Alternatively, the Trustee's term in office may be terminated by an 80% vote of the Board present with due notice.
3. If a termination occurs, the Board may appoint a replacement to fill the vacancy until an election can be held at the next annual general meeting of the North Shore Health Network Corporation. The person appointed will hold office for the balance of the unexpired term of office. Appointment to a vacancy should occur within two calendar months.

REFERENCES:

- North Shore Health Network. (2018). *By-Laws: Administrative & Professional Staff*. Article 18-Regular Meetings of the Board and Notice, page 13.



The electronic version of this document, located on the NSHN Policy Professional site is the most current version. Any paper version of this document should be checked against the electronic version to ensure date integrity.

TITLE: Code of Conduct		
MANUAL: BOARD OF TRUSTEES	SECTION: N/A	APPROVED BY: BOARD OF TRUSTEES

PURPOSE:

The North Shore Health Network (NSHN) is committed to ensuring that in all aspects of its affairs it maintains the highest standards of public trust, integrity and decorum.

DEFINITIONS:

Confidentiality: Known or conveyed only to a limited number of people *<a confidential disclosure>*.

Containing information whose unauthorized disclosure could be prejudicial to the Corporate interest.

Marked by or indicative of intimacy, mutual trust, or willingness to confide especially between parties one of whom is in a position of superiority *<the confidential relationship of doctor and patient>*.

Corporation: signifies the 'North Shore Health Network / Réseau Santé Rive Nord' healthcare organization that under the law has the rights and duties for a specific purpose.

Fiduciary (adj.): involving trust, especially with regard to the relationship between a trustee and a beneficiary "such as the trust between a customer and a professional."

Fiduciary duty: a legal **duty** to act solely in another party's interests. Parties owing this **duty** are called **fiduciaries**. The individuals to whom they owe a **duty** are called principals. **Fiduciaries** may not profit from their relationship with their principals unless they have the principals' express informed consent.

[Fiduciary Duty | Wex Legal Dictionary / Encyclopedia | LII / Legal ...](https://www.law.cornell.edu/wex/fiduciary_duty)

https://www.law.cornell.edu/wex/fiduciary_duty

ROLES AND RESPONSIBILITIES:

This *Code of Conduct* applies to all Trustees, including Ex-officio Trustees, and non- board members. Trustees are also required to comply with the NSHN's policy on Ethics and Standards of Business Conduct, which applies to employees and professional staff.

TRUSTEE'S DUTIES

All Trustees of the NSHN are positioned in a fiduciary relationship to the corporation. As fiduciaries, Trustees must act honestly, in good faith, and in the best interests of the Corporation.

Trustees will be held to strict standards of honesty, integrity and loyalty. A Trustee shall not put personal interests ahead of the best interests of the Corporation.

Trustees must avoid situations where their personal interests will conflict with their duties to the Corporation. Trustees must also avoid situations where their duties to the Corporation may conflict with duties owed elsewhere.

In addition, all Trustees must respect the confidentiality of information about the Corporation.

BEST INTERESTS OF THE CORPORATION

Trustees must act solely in the best interests of the Corporation. All Trustees, including ex-officio directors, are held to the same duties and standard of trust. Trustees who are nominees of a particular group must act in the best interests of the Corporation, even if this conflicts with the interests of the nominating party.

CONFIDENTIALITY

It is recognized that the role of Trustee may include representing the Corporation in the community. However, such representations must be respectful of and consistent with the Trustee's duty of confidentiality. In addition, the Chair is the only official spokesperson for the Board. Every Trustee, officer and employee of the Corporation shall respect the confidentiality of information about the Corporation whether that information is received in a meeting of the Board or of a committee or is otherwise provided to or obtained by the Trustee.

A Trustee is in breach of his or her duties with respect to confidentiality when information is used or disclosed for other than the purposes of the Corporation.

BOARD SPOKESPERSON

The Board has adopted a policy with respect to designating a spokesperson on behalf of the Board. Only the Chair or designate may speak on behalf of the Board. The CEO, or the Chief of Staff or designates may speak on behalf of the Corporation.

No Trustee shall speak or make representations on behalf of the Board unless authorized by the Chair or the Board. When so authorized, the Board member's representations must be consistent with accepted positions and policies of the Board.

MEDIA CONTACT AND PUBLIC DISCUSSION

News media contact and responses and public discussion of the Corporation's affairs should only be made through the Board's authorized spokespersons. Any Trustee who is questioned by news reporters or other media representatives should refer such individuals to the appropriate representatives of the Corporation.

RESPECTFUL CONDUCT

It is recognized that Trustees bring to the Board diverse background, skills and experience. Trustees will not always agree with one another on all issues. All debates shall take place in an atmosphere of mutual respect, courtesy and decorum.

The authority of the Chair must be respected by all Trustees.

CORPORATE OBEDIENCE ~ BOARD SOLIDARITY

Trustees acknowledge that properly authorized Board actions must be supported by all Trustees. The Board speaks with one voice. Those Trustees who have abstained or voted against a motion must always adhere to and support the decision of a majority of the Trustees.

OBTAINING ADVICE OF COUNSEL

Request to obtain outside opinions or advice regarding matters before the Board must be made through the Chair.

AMENDMENT

This policy may be amended by the Board.

REFERENCES:

Merriam-Webster.com. *On-line Dictionary* (n.d.2016, July 20).

Ontario Hospital Association. *Guide to Good Governance*. Form 8 – Sample Board Code of Conduct,.Page 39.



POLICY ID: BOT-011

TITLE: Conflict of Interest

MANUAL: BOARD OF TRUSTEES

SECTION: N/A

APPROVED BY: BOARD OF TRUSTEES

PURPOSE

All Trustees have a duty to ensure that the trust and confidence of the public in the integrity of the decision-making processes of the Board of Trustees of the North Shore Health Network (NSHN) are maintained by ensuring that they and other members of the Board are free from conflict or potential conflict in their decision-making. It is important that all Trustees understand their obligations when a conflict of interest arises.

POLICY

Trustees shall avoid situations in which they may be in a position of conflict of interest. The By-laws contain provisions with respect to conflict of interest that must be strictly adhered to.

In addition to the by-laws, the process set out in this policy shall be followed when a conflict or potential conflict arises.

APPLICATION

This policy applies to all Board and non-board committee members and invited guests.

DESCRIPTION OF CONFLICT OF INTEREST

A conflict of interest arises in any situation where a Trustee's duty to act solely in the best interests of the corporation and to adhere to his or her fiduciary duties is compromised or impeded by any other interest, relationship or duty of the Trustee. A conflict of interest also includes circumstances in which the Trustee's duties to the corporation are in conflict with other duties owed by the Trustee such that the Trustee is not able to fully discharge the fiduciary duties owed to the corporation.

The situations in which potential conflict of interest may arise cannot be exhaustively set out. Conflicts generally arise in the following situations:

1. Interest of a Trustee "Wearing Two Hats"

When a Trustee transacts with the corporation directly or indirectly; and when a Trustee has a material direct or indirect interest in a transaction or contract with the North Shore Health Network.

2. Interest of a Relative

When NSHN conducts business with suppliers of goods or services or any other party of which a relative or member of the household of a Trustee is a principal, officer or representative.

3. Gifts

When a Trustee or a member of the Trustee's household or any other person or entity designated by the Trustee, accepts gifts, payments, services or anything else of more than a token or nominal value from a party with whom NSHN may conduct business (including a supplier of goods or services) for the purposes of (or that may be perceived to be for the purpose of) influencing an act or decision of the Board.

4. Acting for an Improper Purpose

When Trustees exercise their powers motivated by self-interest or other improper purposes. Trustees must act solely in the best interest of NSHN. Trustees who are nominees of a particular group must act in the best interest of NSHN even if this conflicts with the interests of the nominating party.

5. Appropriation of Corporate Opportunity

When a Trustee diverts to his or her own use an opportunity or advantage that belongs to NSHN.

6. Duty to Disclose Information of Value to the North Shore Health Network

When Trustees fail to disclose information that is relevant to a vital aspect of NSHN's affairs.

7. Serving on Other Corporations

A Trustee may be in a position where there is a conflict of "duty and duty". This may arise where the Trustee serves as a Trustee of two corporations that are competing or transacting with one another. It may also arise where a Trustee has an association or relationship with another entity.

A Trustee may be in possession of confidential information received in one boardroom or related to the matter that is of importance to a decision being made in the other boardroom. The Trustee cannot discharge the duty to maintain such information in confidence while at the same time discharging the duty to make disclosure. The Trustee cannot act to advance any interests other than those of the corporation.

PROCESS FOR RESOLUTION OF CONFLICTS AND ADDRESSING BREACHES OF DUTY

Disclosure of Conflicts

A Trustee who is in a position of conflict or potential conflict shall immediately disclose such conflict to the Board by notification to the Chair or any Vice-Chair of the Board. The disclosure shall be sufficient to disclose the nature and extent of the Trustee's interest. Disclosure shall be made at the earliest possible time and prior to any discussion and vote on the matter.

A Trustee, who has declared a conflict, may prior to abstaining from discussions and the vote, provide or be requested to provide explanations or clarifications if he or she possesses information that would clarify the issue for the Board of Trustees.

Abstain from Discussions

A Trustee may make a general declaration of the Trustee's relationships and interests in entities or persons that give rise to conflicts.

The Trustee shall **not** be present during the discussion or vote in respect of the matter in which he/she has a conflict and shall not attempt in any way to influence the voting

The event shall be recorded in the minutes.

Process for Resolution of Conflicts and Addressing Breaches of Duty

All Trustees shall comply with the requirements of the By-laws and this policy.

A Trustee may be referred to the process outlined below in any of the following circumstances:

1. Circumstances for Referral

Where any Trustee believes that he/she personally, or another Trustee:

- a) Has breached his or her duties to NSHN;
- b) Is in a position where there is a perceived or potential breach of duty to NSHN;
- c) Is in a situation of actual or potential conflict of interest; or,
- d) Has behaved or is likely to behave in a manner that is not consistent with the highest standards of public trust and integrity and such behaviour may have an adverse impact on NSHN.

2. Process for Resolution

The matter shall be referred to the following process:

- a) Refer matter to the Chair or where the issue may involve the Chair, to any Vice- Chair, with notice to the Chief Executive Officer.
- b) Chair (or Vice-Chair as the case may be) may either:
 - (i) attempt to resolve the matter informally, or
 - (ii) refer the matter to either the Executive Committee or an ad-hoc committee of the Board established by the Chair. The ad-hoc committee shall report to the Board.
- c) If the matter cannot be informally resolved to the satisfaction of the Chair (or Vice-Chair as the case may be), the Trustee referring the matter and the Trustee involved, then the Chair shall refer the matter to the process in (2b) (ii) above.
- d) A decision of the board by majority resolution shall determine the matter.

It is recognized that if a conflict, or other matter referred cannot be resolved to the satisfaction of the Board (by simple majority resolution) or if a breach of duty has occurred, a Trustee may be asked to resign or may be subject to removal pursuant to the By-laws and the *Corporations Act*.

PERCEIVED CONFLICTS

It is acknowledged that not all conflicts or potential conflicts may be satisfactorily resolved by strict compliance with the by-laws. There may be cases where the perception of a conflict of interest or breach of duty (even where no conflict exists or breach has occurred) may be harmful to the corporation, notwithstanding that there has been compliance with the by-laws. In such circumstances, the process set out in the policy for addressing conflicts and breaches of duty shall be followed.

It is recognized that the perception of conflict or breach of duty may be harmful to the corporation even where no conflict exists or breach has occurred, and it may be in the best interest of the corporation that the Trustee be asked to resign.

AMENDMENT

This policy may be amended by the Board.

INFORMATION MANAGEMENT

I. External References

- North Shore Health Network. (2018). *By-Laws: Administrative*. Item 17.0 Conflict of Interest, p. 12.
- Ontario Hospital Association. (3rd edition). [Guide to Good Governance](#). Form 6.3 Sample Board Policy on Conflict of Interest, p. 122.



Réseau Santé
Rive Nord

POLICY ID: BOT-022

TITLE: Roles and Responsibilities of a Trustee

MANUAL: BOARD OF TRUSTEES

SECTION: N/A

APPROVED BY: BOARD OF TRUSTEES

POLICY:

The North Shore Health Network’s Board of Trustees’ Roles and Responsibilities align with the corporate by-laws.

PURPOSE:

To ensure that the Board has a shared understanding of its governance role at the North Shore Health Network (NSHN), the Board has adopted this Statement of the Roles and Responsibilities of the Board.

SUPPORTIVE DATA:

A Trustee’s duty is owed to the corporation. This duty is grounded in basic principles of good faith, stewardship and accountability. Requirements imposed both by common law and various statutes seek to establish the parameters of this duty without limiting the flexibility of these principles.

ROLES AND RESPONSIBILITIES:

The Board is responsible for the overall governance of the affairs of the NSHN.

Each Trustee is responsible to act honestly, in good faith and in the best interests of the NSHN and in so doing, to support the NSHN in fulfilling its mission and discharging its accountabilities.

Strategic Plan that Supports the Corporate Mission, Vision and Values

- The Board participates and guides the creation and adoption of the NSHN’s mission, vision and values.
- The Board ensures that the NSHN develops and adopts a strategic plan that is consistent with the NSHN’s mission and values, which will enable the NSHN to realize its vision.
- The Board participates in the development of and ultimately approves the strategic plan.
- The Board oversees the NSHN’s operations for consistency with the strategic plan and strategic directions.
- The Board receives regular briefings or progress reports on implementation of strategic directions and initiatives.
- The Board ensures that its decisions are consistent with the strategic plan and the NSHN’s mission, vision and values.
- The Board annually conducts a review of the strategic plan as part of a regular annual planning cycle.

Quality and Performance Measurement and Monitoring

- The Board is responsible for establishing a process and a schedule for monitoring and assessing performance in areas of Board responsibility including:
 - Fulfillment of the strategic directions in a manner consistent with the mission , vision and values
 - Oversight of management performance
 - Quality of patient care and services
 - Financial conditions
 - External relations
 - Board’s own effectiveness

- The Board ensures that management has identified appropriate measures of performance.
- The Board monitors the NSHN and Board performance against Board-approved, Ontario Health, Ontario Health North, Health Quality Ontario, the Ministry of Health and Ministry of Long-Term Care performance standards and indicators.
- The Board ensures that management has plans in place to address variances from performance standards indicators, and the Board oversees implementation of remediation plans.

Financial Oversight

- The Board is responsible for stewardship of financial resources including ensuring availability of, and overseeing allocation of financial resources.
- The Board approves policies for financial planning and approves the annual operating and capital budget.
- The Board monitors financial performance against budget.
- The Board approves investment policies and monitors compliance.
- The Board ensures the accuracy of financial information through oversight of management and approval of annual audited financial statements.
- The Board ensures management has put measures in place to ensure the integrity of internal controls.

Oversight of Management Including Selection, Supervision and Succession Planning for the Chief Executive Officer and Chief of Staff

- The Board recruits and supervises the Chief Executive Officer (CEO) by:
 - Developing and approving the CEO's position profile
 - Undertaking a recruitment process and selecting the CEO
 - Reviewing and approving the CEO's annual performance goals
 - Reviewing CEO's performance and determining compensation
- The Board ensures succession planning is in place for the CEO and senior management.
- The Board exercises oversight of the CEO's supervision of senior management as part of the CEO's annual review.
- The Board develops a process for selection and review of the Chief of Staff (CoS) and ensures the process is implemented and followed.
- The Board reviews CoS's performance and sets compensation.
- The Board develops, implements and maintains a process for other medical leadership positions as required under the NSHN's by-laws or the *Public Hospitals Acts*.

Risk Identification and Oversight

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

Stakeholder Communication and Accountability

- The Board identifies NSHN stakeholders and understands stakeholder accountability.
- The Board ensures the organization appropriately communicates with stakeholders in a manner consistent with accountability to stakeholders.
- The Board contributes to the maintenance of strong stakeholder relationships.
- The Board performs advocacy on behalf of the NSHN with stakeholders where required in support of the mission, vision and values and strategic directions of the NSHN.

Governance

- The Board is responsible for the quality of its own governance.
- The Board establishes governance structures to facilitate the performance of the Board's role and enhance individual Trustee performance.
- The Board is responsible for the succession planning and recruitment of a skilled, experienced and qualified Board.
- The Board ensures ongoing Board training and education.
- The Board periodically assesses and reviews its governance by evaluating Board structures including recruitment processes, composition and size, number of committees and their Terms of Reference, processes for appointment of committee chairs, processes for appointment of Board officers and other governance processes and structures.

Legal Compliance

- The Board ensures that appropriate processes are in place to ensure compliance with legal requirements.

AMENDMENT:

This policy may be amended by the Board.

REFERENCES:

- North Shore Health Network. (2018). *By-Laws: Administrative & Professional Staff*. Article 14 Responsibilities of the Board, page 11.
- Ontario Hospital Association. *Guide to Good Governance*. Third Edition. Form 3.1 – Sample Statement of the Roles and Responsibilities of the Board. Page 35.



TITLE: Trustee Position Description

MANUAL: BOARD OF TRUSTEES

SECTION: Position Descriptions and Performance Standards

APPROVED BY: BOARD OF TRUSTEES

PURPOSE

The North Shore Health Network is committed to ensuring that it achieves standards of excellence in the quality of its governance and has adopted this policy describing the duties and expectations of Trustees.

APPLICATION

This policy applies to all elected and ex-officio trustees. The policy will be provided to Trustee candidates prior to their appointments to the Board. A Trustee who wishes to serve on the Board must confirm in writing that he or she will abide by this policy.

POSITION DESCRIPTION - BOARD OF TRUSTEES

As a member of the Board, and in contributing to the collective achievement of the role of the Board, the individual Trustee is responsible for the following:

- *Fiduciary Duties*
Each Trustee is responsible to act honestly, in good faith and in the best interests of the Health Centre and in so doing, to support the Health Centre in fulfilling its mission and discharging its accountabilities.

A Trustee shall apply the level of skill and judgment that may reasonably be expected of a person with his or her knowledge and experience. Trustees with special skill and knowledge are expected to apply that skill and knowledge to matters that come before the Board.

- *Accountability*
A Trustee's fiduciary duties are owed to the corporation. The Trustee is not solely accountable to any special group or interest and shall act and make decisions that are in the best interest of the Health Centre, as a whole. A Trustee shall be knowledgeable of the stakeholders to whom the Health Centre is accountable and shall appropriately take into account the interests of such stakeholders when making decisions as a Trustee, but shall not prefer the interests of any one group if to do so would not be in the best interests of the Health Centre.
- *Education*
A Trustee shall be knowledgeable about:

- The operations of the North Shore Health Network;
- The health care needs of the communities served;
- The health care environment generally;
- The duties and expectations of a Trustee;
- The Board's governance role;
- Board's governance structure and processes;
- Board adopted governance policies; and
- The North Shore Health Network policies applicable to Board members.

A Trustee will participate in a Board orientation session, orientation to committees, Board retreats and Board education sessions. A Trustee should attend additional appropriate educational conferences in accordance with Board approved policies.

- *Board Policies and Health Centre Policies*

A Trustee shall be knowledgeable of and comply with the Board and North Shore Health Network policies that are applicable to the Board including:

- The Board's Code of Conduct;
- The Board's Conflict of Interest Policy;
- The Board's Confidentiality Policy;
- The Risk Management Policy; and
- The Ethics Decision Making Framework and Business Conduct Policy of the North Shore Health Network.

- *Teamwork*

A Trustee shall develop and maintain sound relations and work co-operatively and respectfully with the Board Chair, members of the Board and senior management.

- *Community Representation and Support*

A Trustee shall represent the Board and the North Shore Health Network in the community when asked to do so by the Board chair. Board members shall provide financial support to the North Shore Health Network's Foundation through attendance at the North Shore Health Network and Foundation sponsored events.

- *Time and Commitment*

A Trustee is expected to commit the time required to perform Board and committee duties.

The Board meets approximately nine times a year and a Trustee is expected to adhere to the Board's attendance policy that requires attending at least seventy percent (70%) of Board Meetings.

A Trustee is expected to serve on at least one standing committee.

- *Contribution to Governance*

Trustees are expected to make a contribution to the governance role of the Board through:

- Reading materials in advance of meetings and coming prepared to contribute to discussions;
- Offering constructive contributions to Board and committee discussions;
- Contributing his or her special expertise and skill;
- Respecting the views of other members of the Board;
- Voicing conflicting opinions during Board and committee meetings nevertheless respecting the decision of the majority even when the Trustee does not agree with it;
- Respecting the role of the Chair;
- Respecting the role and Terms of Reference of Board committees; and
- Participating in Board evaluations and annual performance reviews.

- *Continuous Improvement*

A Trustee shall commit to be responsible for continuous self-improvement. A Trustee shall receive and act upon the results of Board evaluations in a positive and constructive manner.

TERM AND RENEWAL

A Trustee is elected for a term of three years and may serve for a maximum of nine years. A Trustee's renewal is not automatic and shall depend on the Trustee's performance.

AMENDMENT

This policy may be amended by the Board.

REFERENCES

- North Shore Health Network. (2018). *By-Law: Administrative and Professional Staff*.
- Ontario Hospital Association. *Guide to Good Governance*. Form 9 – Sample Position Description – Board of Directors. Page 41.