

BOARD MANUAL

Approved By:	Board	Number:	3-B-10
Date Issued:	November 28, 2006	Page:	1 of 4
Last Review Date:	June 25, 2019	Last Revision Date:	June 25, 2019

SUBJECT: Statement of the Roles and Responsibilities of the Board

Purpose

To ensure that the Board has a shared understanding of its governance role, the Board has adopted this Statement of the Roles and Responsibilities of the Board.

Roles of the Board

The Board is responsible for the overall governance of the affairs of the Grand River Hospital.

Each Director is responsible to act honestly, in good faith and in the best interests of the hospital and in doing so, supports the hospital in its mission and discharging its accountabilities.

To that end, the Board performs the following roles:

<i>Strategic Direction/ Policy Formulation</i>	Determine the ends, goals and policies which provide guidance to those empowered with the responsibility to manage hospital operations
<i>Decision-Making</i>	Choose from alternatives which advance the ends and goals of the hospital and that are consistent with Board policies
<i>Oversight</i>	Monitor and assess hospital processes/ outcomes and exercise accountability for results
<i>Relationship Development</i>	Build relationships with the hospital's key stakeholders

Responsibilities of the Board

Responsibilities of the Board include:

Strategic Planning and Mission, Vision and Values

- Participate in the formulation and adoption of the hospital's mission, vision and values.
Ensure that the hospital develops and adopts a strategic plan that is consistent with its mission and values, and will enable the hospital to realize them. The Board participates in the development of and ultimately approves the strategic plan.
- Oversee hospital operations for consistency with the strategic plan and strategic directions.
- Oversee strategic integration initiatives.
- Receive regular briefings or progress reports on the implementation of strategic directions and initiative.

- Ensure that its decisions are consistent with the strategic plan and the hospital's mission, vision and values.
- Conduct an annual review of the strategic plan as part of a regular annual planning cycle.
- Work collaboratively with educational institutions as required.

Performance Measurement and Monitoring

- Establish a process and a schedule for regular 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 hospital services
 - Financial conditions
 - External relations
 - The Board's own effectiveness.
- Ensure that management has identified appropriate measures of performance.
- Monitor hospital and board performance against Board-approved performance standards and indicators.
- Ensure that management has plans in place to address variances from performance standards and indicators, and oversee implementation of remediation plans.
- Ensure that the hospital maintains its status as an accredited hospital.

Quality Oversight

- Establish policies and plans related to quality, including the Quality Improvement Plan.
- Ensure that policies and improvement plans are in place related to quality of care, patient safety, patient experience and access.
- Monitor quality performance against the board-approved Quality Improvement Plan, performance standards and indicators.
- Ensure that management has plans in place to address variances from performance standards indicators, and oversee implementation of remediation plans.

Risk Identification and Oversight

- Be knowledgeable about risks inherent in hospital operations and ensure that appropriate risk analysis is performed as part of Board decision-making.
- Oversee management's risk management program.
- Ensure that appropriate programs and processes are in place to protect against risk.
- Identify unusual risks to the organization and ensure that there are plans in place to prevent and manage such risks.

Financial Oversight

- Stewardship of financial resources including ensuring availability of, and overseeing allocation of financial resources.
- Approve policies for financial planning and approve the annual operating and capital budget.

- Monitor financial performance against budget.
- Approve investment policies and monitor compliance.
- Ensure the accuracy of financial information through oversight of management and approval of annual audited financial statements.
- Ensure management has put measures in place to ensure the integrity of internal controls.
- Oversees asset management.

Oversight of Management

- Ensure the effective management of the operations, and the human and financial resources of the hospital.
- Recruit and supervise the CEO by:
 - Developing and approving the CEO job description
 - Undertaking a CEO recruitment process and selecting the CEO
 - Reviewing and approving the CEO's annual performance goals
 - Reviewing CEO performance and determining CEO compensation.
- Exercise oversight of the CEO's supervision of senior management as part of the CEO's annual review.
- Ensure succession planning is in place for the CEO and the Chief of Staff.
- Ensure that the CEO and Chief of Staff establish an appropriate succession plan for both management and professional staff members.

Recruit and supervise the Chief of Staff by:

- Developing a process for selecting the Chief of Staff jointly with the St. Mary's General Hospital Board at WHCC and ensuring the process is implemented and followed.
- Reviewing the Chief of Staff's performance and setting the Chief of Staff's compensation jointly with the St. Mary's General Hospital Board at WHCC.
- Develop, implement and maintain a process for the selection of Department Chiefs and other medical leadership positions as required under the hospital's By-laws or the *Public Hospitals Act*

Stakeholder Communication and Accountability

- Identify hospital stakeholders and understand stakeholder accountability.
- Ensure the organization appropriately communicates with stakeholders in a manner consistent with accountability to stakeholders and to promote engagement.
- Contribute to the maintenance of strong stakeholder relationships.
- Perform advocacy on behalf of the hospital with stakeholders where required in support of the mission, vision and values and strategic directions of the hospital.
- Work collaboratively with other community agencies and institutions in meeting the health care needs of the communities served by the hospital.

Governance

- Establish governance structures to facilitate the performance of the Board's role and enhance individual Director's performance.
- Recruit a skilled, experienced and qualified board.
- Ensure ongoing board training and education.

- Annually assess and review its governance by evaluating board structures including board recruitment processes and board 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

- Ensure that appropriate processes are in place to ensure compliance with legal requirements.

The law considers a Director as a fiduciary owing a duty to the Corporation to act in its best interest. Every Director should be aware of his or her responsibilities.

Recommended Reading

Each Director receives the **Guide to Good Governance** issued by the Ontario Hospital Association, which sets out the respective responsibilities of an individual Director and the Board of Directors. The **Grand River Hospital Board Manual** contains the hospital by-law, and policies relating to the duties and expectations of a Director.

The following resources are recommended to gain an understanding of a Director's responsibilities:

1. Chapter 2: Hospital Accountability and Stakeholder Relations, Guide to Good Governance, Third Edition, Ontario Hospital Association, 2015.
2. Chapter 6: Duties and Obligations of Individual Directors, Guide to Good Governance, Third Edition, Ontario Hospital Association, 2015.

Directors should familiarize themselves with the following board policies:

1. Sections 4.6, 4.7, 4.8 and 4.9 of the hospital's By-law (Section 3-A-3 of the Board Manual) which deal with a Director's responsibility.
2. Sections 5.7, 5.8 and 5.9 of the hospital's By-law relating to liability of Directors and officers.
3. Section 3-B of the GRH Board Manual, Policies 1 to 10.
4. GRH Board Policy 3-B-14: Role Description – Duties and Expectations of a Director, GRH Board Manual, or

GRH Board Policy 3-B-25: Role Description – Community Members on Board Committees, GRH Board Manual.