

**GRAND RIVER  
HOSPITAL****BOARD MANUAL**

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Approved By:	Board	Number:	3-C-15
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Last Review Date:	February 25, 2020	Last Revision Date:	February 25, 2020
<b>SUBJECT:</b>	<b>Terms of Reference – Resources Committee</b>		

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**Role**

To oversee the effective development and use of the Hospital's financial, human, capital and information resources in accordance with the Hospital's vision, mission, values and strategic objectives. The Resources Committee conveys its findings and recommendations to the Board of Directors for consideration and, where required, decision by the Board.

**Membership**

- A minimum of three voting directors (voting), the Board appointed Treasurer is the Chair of the Committee (voting)
- Community members, to a maximum of two (voting)
- Board Chair (ex-officio member, voting)
- CEO (ex-officio member, non-voting)

Resources (non-member): annually appointed at the discretion of the CEO

**Responsibilities****1. Strategic Matters**

- a. Review the appropriateness of long-term resource allocation plans (i.e. capital redevelopment projects, annual operating plan) in the context of the hospital's multi-year strategic plan and make recommendations to the Board.
- b. Monitor the financial impacts of the master planning process on the hospital's resources and make recommendations to the Board.
- c. Review the human resources strategic plan in the context of the corporation's strategic directions and make recommendations to the Board.
- d. Review the information technology strategic plan in the context of the corporation's strategic directions and make recommendations to the Board.
- e. Monitor policies and directions related to financial, human, capital and information resources as they pertain to the hospital's strategic directions.

- f. Review and recommend to the Board, any proposed major changes related to financial, human, capital, and information resources as indicated by the hospital's performance, Ontario Health strategies, legislative changes or trends in acute health care.

## **2. Governance Processes**

- a. Annually, review the terms of reference for the Resources Committee and Pension Committee and submit any proposed changes to the Governance and Community Engagement Committee.
- b. Develop and recommend an annual work plan for the Resources Committee and Pension Committee.
- c. Contribute, as appropriate, to the development and updating of the Board Manual.
- d. Annually review the Committee's performance evaluation and implement appropriate action for improvement.

## **3. Budget Planning and Oversight**

- a. Ensure there are appropriate processes in place for the development of the annual Integrated Plan including operating and capital budgets. Review and recommend to the Board the financial assumptions used to develop the operating and capital budgets.
- b. Review the operating and capital budgets, ensure they are consistent with the corporation's vision, mission and strategic objectives and the Board's financial policy, and make recommendations concerning their approval to the Board.
- c. Review the hospital's actual operating results and capital spending (including redevelopment projects and equipment purchases) against budgets and predetermined performance indicators/metrics.
- d. Review management's plans to address significant variances between actual performance and budgets and monitor the implementation of those plans.

## **4. Asset Management and Financial Transactions**

- a. Ensure there are processes in place to manage the assets of the hospital.
- b. Review and make recommendations to the Board regarding the corporation's banking arrangements, lines of credit, long term debt, and investments.

## **5. Human Resources**

- a. Review reports and metrics on human resources matters/issues and ensure that there are processes in place for the implementation of any necessary improvements.

- b. Review governance policies relevant to the retention development and maintenance of a workforce that can achieve the mission of the hospital and recommend changes to the Board for approval. The Executive Committee of the Board will address those governance policies specific to the planning, recruitment, evaluation and compensation of the Chief of Staff (COS) and Chief Executive Officer (CEO) and succession planning for the Executive Staff.
- c. Develop in consultation with the CEO and recommend to the Board a mandate and approval process for collective bargaining. Monitor management's progress in both group (i.e. Ontario Hospital Association) and own hospital bargaining.
- d. Monitor and evaluate matters relating to the compensation and benefits structure of the Hospital, including providing guidance to management on significant issues affecting compensation philosophy or policy

## **6. Information Technology**

- a. Review reports and metrics on information technology matters/issues and ensure that there are processes in place for any necessary improvements.
- b. Review governance policies and strategies pertaining to information technology and recommend changes to the Board.

## **7. Pension Plan Responsibilities**

- a. Recommend policies and directions to the Board to ensure that pension benefits for eligible employees of Grand River Hospital Corporation are provided as approved by the Board.
- b. Monitor the activities of the Pension Committee with respect to its delegated pension plan administration and pension fund responsibilities and cause the Pension Committee to create an annual report on pension governance for the Board.
- c. Recommend to the Board the appointment of external providers to the Resources Committee for pension related matters such as Investment Oversight Manager, Actuary, Legal Counsel and Trustee and Custodian.
- d. Discuss strategic alternatives for the pension plan with the actuary and make recommendations on plan design changes and/or plan amendments for approval by the Board.
- e. Determine the timing and review of actuarial reports for presentation to the Board for approval.
- f. With consultation from the actuary, recommend to the Board:
  - Actuarial methods and assumptions;

- An annual funding policy for the hospital; and
- Calculation and required reporting of the pension expense.

## **8. Risk Management**

- a. Receive reports on, make recommendations to the Board concerning the corporation's risk identification and risk management processes for resource risks, and assess the adequacy of management's plans to address identified risks.
- b. No less than semi-annually, receive from management a report on the status of the risk mitigation plans identified through the Enterprise Risk Management Assessment (ERMA) plan; those risks identified within the resource risks identified within the enterprise risk management framework.
- c. Review and make recommendations to the Board concerning the adequacy of financial resources.
- d. Review and make recommendations to the Board concerning insurance coverage.

## **9. Board Education**

- a. Provide orientation and continuing education for the effective functioning of the Committee and its members.
- b. Recommend education for board members related to finance, human resources and information technology.

## **Procedures**

1. The Board will appoint members to serve on the Committee for a one-year term. The Board may reappoint any members of the Committee for additional one-year terms.
2. The Treasurer is the Chair of the Resources Committee.
3. A majority of voting members will constitute a quorum.
4. Committee Chair is a voting member and shall be included in the determination of a quorum, but shall only vote to break a tie, or when a vote is by written ballot.

The Board Chair, or a Vice Chair delegate, is an ex-officio, voting member of all board committees and when present shall be included in the determination of a quorum.

5. The Committee will meet four times per year or more frequently at the call of the Committee Chair.
6. Committee meetings are not public meetings.

7. A director may attend any committee meeting but only committee members may vote. The Committee Chair may invite staff and other persons to attend committee meetings.

### **Reporting and Accountability to the Board**

Following each committee meeting, the Committee will report to the Board on the activities, findings and any recommendations for the Board. This will be accomplished by:

- A written or verbal report at the next scheduled board meeting;
- A motion and supporting documents as applicable for each matter requiring a decision by the Board; and
- Making the meeting package and approved minutes available to all Directors on the board portal.

***Sub-Committee:*** Pension Committee

### **References:**

- 3-A-10: Corporate By-law No. 2016-1
- Section 3-B
- 4-B-4 Rules of Procedure at Board Meetings