

## Manual: Board of Directors

<b>Title:</b>	BOARD OF DIRECTORS AND GOVERNANCE STRUCTURE		<b>No.:</b> CA-120
<b>Section:</b>	General Governance	<b>Effective date:</b>	<b>2024-06-25</b>
<b>Issued by:</b>	Board of Directors	<b>Date of last revision:</b>	2022-06-21
<b>Approved by:</b>	Board of Directors Thomas Soucy, Chairperson	<b>Approved on:</b>	2024-06-25

## POLICY

### General provisions

The Board of Directors (the “Board”) is responsible for the governance of Vitalité Health Network (the “Network”) and, through the President and Chief Executive Officer (the “CEO”), ensures that the appropriate management processes are implemented to achieve good and sound governance of the organization.

This policy contains a summary of the governance structure and refers the reader to the specific policies set by the Board.

### Size of the Board of Directors

The Board is made up of seven voting members, all appointed by the Minister, as well as three non-voting members, namely the CEO, Chairperson of the Professional Advisory Committee, and Chairperson of the Medical Advisory Committee.

### Terms of Board of Directors members

1. The Board members appointed under the *Regional Health Authorities Act* serve at the Minister’s discretion for a three-year renewable term, barring exceptional circumstances decreed by the government.

### Duties of Board of Directors members and instructions to committees

1. The Duties of the Chairperson of the Board (CA-140), Vice-Chairperson (CA-150), Treasurer (CA-160), President and Chief Executive Officer (CA-180), the Duties and Obligations of Members of the Board (CA-135), and instructions for Board Committees (CA-300) are in place to guide the Board in the fulfillment of its terms of reference.

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2. The Governance and Nomination Committee ensures that the duties and instructions mentioned are subject to an annual review and proposes changes where necessary for approval by the Board of Directors.

### Key responsibilities of the Board of Directors

1. The Minister appoints the Chairperson of the Board from among the voting members of the Board.
2. The Board hires, supervises and, if necessary, dismisses a CEO, who is accountable to the Board for the Network's general management and the conduct of its internal affairs.
3. The Board, through the Chairperson of the Board as well as the Governance and Nomination Committee, must ensure that the CEO's annual performance appraisal is performed and that a CEO succession plan is in place in the event of the CEO's incapacity to act.

### Role of the Board

1. The members supervise the management of the Regional Health Authority's activities and affairs:
  - a) Planning: Supervise the development and application of strategic, financial, and operational plans, including annual objectives;
  - b) Risk management: Identify, manage, and monitor possibilities and risks to the Regional Health Authority and ensure that appropriate systems are implemented to manage these risks;
  - c) Policy: Approve, modify, and monitor compliance with all major policies governing the Regional Health Authority's activities;
  - d) Execution: Regularly evaluate the progress made toward achieving the objectives set out in strategic plans;
  - e) Finance: Approve financial reports and major financial decisions;
  - f) Reporting: Ensure that financial results are represented fairly and in compliance with generally accepted accounting principles. Ensure that the Regional Health Authority's financial performance is communicated to the government appropriately, both on a regular and as-needed basis;
  - g) Communications: Ensure that the Board maintains open and transparent communication with the staff and members of the medical staff, in accordance with the By-Laws, so that patients receive the best possible care and services. Ensure that the Regional Health Authority communicates effectively with the government, stakeholders, and the general public and provides these stakeholders with effective means of making comments and communicating with Leadership Team and the Board.
2. The Board establishes the general direction, goals and objectives of the Regional Health Authority and, in addition, is responsible for the following:
  - a) Hiring, supervising and, if necessary, dismissing the CEO;
  - b) Providing a mandate letter to the CEO;
  - c) Holding the Regional Health Authority to account.

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3. The Board is not legally bound to rely solely on the expertise of its members or managers when making decisions. It may, as needed, call on consultants for advice in making informed decisions.
4. Follows transparent procedures based on an equity, diversity and inclusion (EDI) approach to management of Board members, including management of the chairperson (AC: 2.1.2).
5. Ensures that the Network regularly engages in dialogue with internal and external partners and communities to assess the Network's mandate, vision, mission, values, as well as the Network's performance expectations and needs. (AC: 1.1.1, 1.1.2).
6. Collaborates with the Network to regularly communicate information about services, quality of care and organizational performance to patients, their loved ones, the community, staff, physicians and volunteers (AC: 1.2.5).

### Role of members

1. Under public law, a member must exercise the degree of diligence and competence that a reasonably prudent person would exercise in similar circumstances. This standard depends on the specific characteristics that a member brings to their position with respect to the problems handled by the Board.
2. Each member must attend meetings of the Board and its committees in accordance with By-Law B.3.0.1 and Policy CA-270, "Attendance at Meetings of the Board of Directors and its Committees."
3. A member must devote the necessary time and attention to making informed decisions on matters discussed at meetings of the Board and its committees, taking into account available evidence and best practices. When a member sits on a Board committee, they must also study certain important areas of responsibility in greater details. A member must participate in the Board's deliberations and discussions in a frank and unreserved manner.
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5. A member must offer strategic advice and support to the CEO who is appointed by the Board and responsible for the Regional Health Authority's daily leadership and management. A member must understand the difference between governance and management and must not meddle or interfere in areas for which the CEO or employees are responsible.
6. A member must ensure that the Regional Health Authority is managed in compliance with the applicable laws and regulations as well as the Network's By-Laws and policies.
7. A member must participate in monitoring and evaluating the success achieved by the Regional Health Authority and CEO.

### Knowledge of members

1. A member must understand the Regional Health Authority's activities as well as its governance structure and strategic direction.
2. A member must understand health care issues and the role that the Regional Health Authority plays within the provincial health care system.

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3. A member must understand the Regional Health Authority's regulatory, legal, social, and political environment.
4. A member must participate in the orientation sessions and continuing education programs offered.
5. A member must arrive prepared for Board meetings, having read in advance all the necessary reports and documents.

### Members' position of confidence

1. A member must act honestly, in good faith, and in the best interests of the Regional Health Authority and the Province of New Brunswick and show high ethical standards.
2. A member must show judgment, openness to others' opinions, and the ability to interact constructively and appropriately with colleagues and staff. A member must be confident enough to make difficult decisions for the good of the province and be willing to make such decisions.
3. When a member contributes their knowledge or expertise to Board deliberations, the Regional Health Authority's fundamental interests must take precedence at all times. A member must not act in the specific interests of a zone or group within the Regional Health Authority.
4. A member must not act for the purposes of personal profit and must disclose to the Board any personal interest in the matters at hand.
5. A member must maintain compliance with the confidentiality requirements set by the Board.
6. When the Board has made a decision, the member must support it.

### Board of Directors committees

Board of Directors committees are mechanisms allowing a more in-depth examination of the primary areas for which the Board of Directors is responsible. Their role is to support the Board in the execution of its responsibilities. The Board committees include the: 1) Executive Committee; 2) Finance and Audit Committee; 3) Governance and Nomination Committee; 4) Care Quality and Patient Safety Committee; and 5) Strategic Research and Training Committee.

For transparency purposes and to keep all Board of Directors members informed about the work being carried out by the committees, meeting documents, including agendas, are made available to all Board of Directors members at the same time they are made available to the committee members.

### Meetings and meeting agendas of Board of Directors committees

1. Board committees meet a few weeks before regular Board of Directors meetings.
2. Each committee submits an activity report to the Board after each of its meetings.
3. The Chairperson of each committee prepares, in consultation with the designated vice-president or senior manager, the agenda for each meeting of the committee.
4. The agenda and related documents are distributed at least seven days before the meeting.
5. The Board members may suggest items for inclusion on the agenda before it is distributed

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to the members. Work must then take place with the Chairperson of the Board or committee to conduct an overall evaluation of the suggested topic and determine its relevance in relation to the mission, terms of reference and strategic priorities, and establish whether it is an information item or decision item. If the topic is accepted, there must be sufficient time to prepare the documentation before the meeting documents are distributed.

6. Barring exceptional circumstances that arise between the distribution of the documents and the time the committee is to meet, no topics can be added to the agenda during the meeting unless all the committee members agree.
7. The Board can use a consent agenda (grouped motions) for meetings of its committees. A consent agenda is a practice that consists of grouping all routine items, pure formalities and information that are uncontroversial and that do not require deliberation for adoption together, without discussion. All the items included in a consent agenda are adopted with a single vote. If a member feels that an item on the consent agenda merits examination and discussion before a decision is made, the member can advise the Board. That point will then be withdrawn from the consent agenda for discussion at a later time during the meeting.

The *Code Morin* serves as the deliberative assembly guide. Issues raised at meetings of committees are decided by majority vote of the voting members present.

### Special committees

Special committees are committees that are established for a specific period of time to perform specific tasks and that are disbanded once their terms of reference have been fulfilled.

### Board of Directors meetings and meeting agendas

1. The Board meets at least four times per fiscal year; this number includes the annual general meeting.
2. The Board may also hold special meetings at the request of the Chairperson or, in their absence, the Vice-Chairperson or at the written request of three Board members (indicating the topics to be addressed).
3. The Chairperson of the Board, in consultation with the CEO as Board Secretary, drafts the agenda for each Board meeting.
4. In the case of regular and in camera Board meetings, the agenda and related documents are distributed at least seven days before the meeting. Board of Directors members may propose adding items to the agenda before it is distributed to the members. Work must then take place with the Chairperson of the Board to conduct an overall evaluation of the suggested topic in relation to the mission, terms of reference and strategic priorities, determine its relevance, and establish whether it is an information item or decision item. If the topic is accepted, sufficient time is required to prepare the related documentation before the meeting documents are distributed.
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The *Code Morin* serves as the deliberative assembly guide. Issues raised at meetings of the Board and its committees are decided by majority vote of the voting members present.

### Public meetings of the Board of Directors

1. The Board meetings are open to the public.
2. The Board may hold a meeting or portion of a meeting in camera if it deems that the meeting or portion of meeting could:
  - a) Include specific information on an identifiable individual;
  - b) Include information on risk management or patient care issues;
  - c) Undermine security measures instituted by the Network;
  - d) Compromise the Network's efficacy in fulfilling its duties and responsibilities.
3. The minutes of public meetings may indicate that part of a meeting took place in camera for the reasons outlined at item 2 with no further information being provided.

### Meetings of the Board of Directors without the presence of the Leadership Team

1. The practices creating opportunities to build relationships, confidence, and cohesion among the Board members play an essential role in allowing the Board to develop an understanding of its role. One of these practices consists of holding regular meetings without the Leadership Team being present, normally at a predetermined time in the Board's regular meeting schedule, and another without the CEO being present.
2. Such meetings can be used to comment on the Board's processes, including the quality and nature of the information supplied to the Board, or to address topics that some Board members may find more difficult to address with Leadership Team present. They may also provide an opportunity for the members to discuss items where the members' performance could be improved.
3. When any concern is raised about the Leadership Team or CEO, the Chairperson of the Board must communicate this to the CEO promptly and directly.

### Relations between the Board of Directors and the Leadership Team

1. The Board members may share their concerns or questions about the Leadership Team's performance with the Chairperson of the Board or the CEO.
2. The Board members must respect the organizational management structure and must avoid in any way infringing upon the management of staff.

Orientation of new Board of Directors members and continuing education

1. The Governance and Nomination Committee and the CEO share responsibility for ensuring that an orientation program is in place for new Board members and that the Board members receive continuing education where necessary.
2. New Board members will be provided with an orientation and training program that includes written information on the Board members' responsibilities and obligations and on the Network's activities and operations, minutes of recent Board meetings, and opportunities to meet and hold discussions with the Network's Leadership Team.
3. The orientation program for each new member will be tailored to the member's needs and specific areas of interest.
4. Each Board meeting will include an educational component that must focus on the changes occurring within the Network's environment and on important issues.

Evaluation of the Board of Directors' operations

The Governance and Nomination Committee is responsible for ensuring that an annual process takes place evaluating the operations of the Board, its committees, and its members and includes the possibility of identifying means of improving their performance.

External advisors to the Board of Directors members and committees


A Board committee or member may occasionally need the services of a consultant or advisor to help in fulfilling assigned areas of responsibility. A Board committee or member who wishes to hire an external advisor at the Network's expense must obtain prior authorization from the Chairperson of the Board, normally in consultation with the CEO, who will look after contracting the services in question.

Revision of the Board of Directors terms of reference

The Board must review its terms of reference annually and submit these to the Governance and Nomination Committee for verification to ensure that the terms of reference comply with the legislation, regulations, and good governance principles that apply to public organizations.

**REFERENCE**

The criteria of the Accreditation Canada Governance standard (2022 edition) for the surveys are referenced in the document as follows: “(AC: 1.1.1).”

<b>Terms of Reference Reading and Understanding Record</b>	
	2024-06-25
Signature	Date
Return a signed copy to the committee chairperson following the first committee meeting in accordance with the annual schedule.	

<b>Supersedes:</b>	<b>Zone 1:</b> _____	<b>Zone 5:</b> _____
	<b>Zone 4:</b> _____	<b>Zone 6:</b> _____