

**POLICY: Responsibilities of the Board and Duties of All Directors**  
**Number: 1-027**

<b>Developed by:</b> Board of Directors	<b>Review or Revision by:</b> Board of Directors
<b>Approval Date:</b> <b>Initial:</b> June 2012 <b>Revised:</b> January 26, 2016, November 2020	<b>Review or Revision Date:</b> Every Three Years
<b>Approved by:</b>  Board of Directors	<b>Signature(s):</b>  _____

**Policy Statement**

The Board shall be responsible for the governance and oversight of the management activities and affairs of the Corporation. The responsibilities and the duties of a Director shall be clearly stated and revised as necessary.

**Purpose**

To ensure that the Board has a shared understanding of its governance role.

**Responsibilities of the Board**

**A. APPROVE STRATEGIC GOALS AND OBJECTIVES**

- a) Establish, review, and approve on a regular basis the Vision, Mission and Values;
- b) Ensure that the hospital develops and adopts a strategic plan that is consistent with its Mission and Values, and which will enable the organization to realize its Vision. The Board participates in the developments of, and ultimately approves, the strategic plan;
- c) Oversee the alignment of operations with the strategic plan and strategic directions;
- d) Ensure that its decisions are consistent with the strategic plan and the Mission, Vision and Values unless there is a sound rationale to do otherwise;
- e) Conduct an annual review of the strategic plan as part of the regular annual planning cycle.

**B. ESTABLISH A FRAMEWORK FOR PERFORMANCE OVERSIGHT**

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- a) Delegate responsibility and related authority to the Chief Executive Officer (CEO) for management and operation of Corporation and require accountability to the Board;
- b) Delegate responsibility and related authority to the Chief of Staff (COS) for supervision of the practice of medicine, dentistry, midwifery and non-employed members of the Extended Class Nursing Staff (GGH By-Law 1-13) in the Hospital and require accountability to the Board.
- c) The Board is responsible for establishing a framework for monitoring and assessing performance in areas of Board responsibility, including:
  - Fulfilment of the strategic directions in a manner consistent with the Mission, Vision and Values;
  - Oversight of management performance;
  - Quality of programs and patient services;
  - Financial conditions and risk;
  - Stakeholder relations; and
  - The Board's own effectiveness.

**C. OVERSEE QUALITY**

The Board is responsible to establish policies and plans related to the quality improvement plan.

- a) Ensure that polices and improvement plans are in place related to quality of care, patient safety, and patient experience;
- b) Monitor quality performance against the Board-approved Annual Quality Improvement Plan, performance standards and indicators;
- c) Ensure that management has plans in place to address variances from performance standard indicators, and oversee implementation of remediation plans;
- d) To appoint and re-appoint Professional Staff of the Hospital and delineate the respective privileges after considering the recommendations of the Medical Advisory Committee, the Hospital's resources, and when appropriate whether there is a need for such services in the community, in accordance with legislative and By-Law requirement.

**D. OVERSEE FINANCIAL CONDITION AND RESOURCES**

The Board is responsible for stewardship of financial resources, including ensuring availability and overseeing the allocation of financial resources.

- a) Approve polices for financial planning and approve the annual operating and capital budget;

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- b) Monitor financial performance against budget;
- c) Approve investment policies and monitor compliance;
- d) Ensure the accuracy of financial information through oversight of management and approval of annual audited financial statements;
- e) Ensure management has put measures in place to ensure the integrity of internal controls;
- f) Oversee physical asset management.

**E. OVERSEE RISK MANAGEMENT**

The Board is responsible for being knowledgeable about risks inherent in the hospital's operations and ensuring that appropriate risk analysis is performed as part of Board decision-making.

- a) Oversee management's risk management program including an assessment of risks relative to their probability and potential impact;
- b) Ensure that appropriate programs and processes are in place to protect against risk.

**F. SUPERVISE LEADERSHIP**

The Board recruits and supervises the CEO and COS by:

- a) Developing and approving the CEO's and COS' job description;
- b) Undertaking a CEO and COS recruitment process and selecting the CEO and COS;
- c) Reviewing and approving the CEO's and COS' annual performance goals;
- d) Reviewing the CEO's and COS' performance and determining CEO and COS compensation;
- e) Managing performance as required;
- f) Ensuring succession planning is in place for the CEO and COS.

The Board develops, implements, and maintains a process for selecting department chiefs and other medical leadership positions as required under the hospital's By-Laws or the *Public Hospitals Act*.

**G. OVERSEE STAKEHOLDER RELATIONSHIPS**

- a) Identify the organization's stakeholders and understand accountability to stakeholders;
- b) Develop positive partnerships with stakeholders to enhance the health of its community and Region.
- c) Ensure that the organization appropriately communicates with stakeholders in a manner consistent with accountability to stakeholders and to promote engagement;

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- d) Contribute to the maintenance of strong stakeholder relationships;
- e) Performance advocacy on behalf of the hospital with stakeholders where required, in support of the Mission, Vision, Values and Strategic Directions of the organization.

**H. MANAGE THE BOARD'S OWN GOVERNANCE**

The Board is responsible for the quality of its own governance.

- a) Establish governance structures to facilitate the performance of its role and enhance individual director performance;
- b) Recruit a skilled, experienced and qualified Board;
- c) Ensure effective orientation program and ongoing training and education for Directors;
- d) Ensure an environment within the Board which encourages open and generative discussion;
- e) Assess and review its governance by periodically evaluating Board structures, including Board recruitment processes and Board composition and size, number of committees and committee terms of reference, processes for appointment of committee chairs, processes for appointment of Board officers, and other governance processes and structures.

**I. LEGAL COMPLIANCE**

The Board ensures the appropriate processes are in place to ensure compliance with all legal requirements including the *Public Hospitals Act*, the *Hospital Management Regulation* they are under, the By-Law of the Hospital and all applicable legislation.

**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.
2. In contributing to the achievement of the responsibilities of the Board as a whole, each Director shall,
  - a) Adhere to the Hospital's mission, vision and values;

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- b) Work positively, co-operatively and respectfully as a member of the team with other Directors and with the Hospital's management and staff;
- c) Respect and abide by Board decisions;
- d) Serve on a least one (1) Board Committee;
- e) Complete the necessary background preparation in order to participate effectively in meetings of the Board and its Committees;
- f) Be aware of:
  - Matters relating to the Hospital;
  - The community served and;
  - Other health care services provided in the region;
- g) Participate in the initial orientation as a new Director and in ongoing Board education;
- h) Participate in the annual evaluation of overall Board effectiveness; and
- i) Represent the Board, when requested.