

Governance – Director Role Description	<i>Policy No.</i> G-E-43
Approval Date: 09/2018 Authorizing Committee: Governance and Nominating	

A. Purpose and Scope

The Hospital 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 directors. The Board will hold Directors accountable for fulfilling the expectations outlined in this role description.

B. Policy

A Director must be a person with ability, experience, judgment and integrity consistent with the needs of the organization. A Director must ensure he or she is in compliance with all governmental requirements including those set by the Corporation’s regulators. A Director’s duty is to protect the assets of the Corporation, honour the rights of the employees, stakeholders and support the Corporation in fulfilling its mission and discharging its accountability.

Application

This policy applies to all elected and *ex officio* Directors. A Director who wishes to serve on the Board must confirm in writing that he or she will abide by this policy.

Position Description - Director

Standard of Care

Every Director, in discharging his or her duties, must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The determination of whether a Director failed to meet the minimum standard of care will depend on the facts of each individual situation.

The following is a non-exhaustive list of actions that should be taken by Directors in discharging their duties.

- Directors are not to delegate decisions or powers to management that should remain with the Directors.
- Directors are to attend all Directors’ meetings. (Directors who do not attend meetings are deemed to have consented to the resolutions passed at those meetings).

- Directors are to prepare adequately for each Board and Committee meeting which they attend. This includes reading the material, analyzing the information, and conducting independent research if necessary to better understand the material.
- Directors are to make reasonable enquiries about information provided to them by management to ensure that the information provided is correct.
- Directors are to stay informed of the business and regulatory environment in general and in particular the events occurring in the sector in which the organization operates;
- Directors are to read critical documents issued by the Corporation to stakeholders;
- Directors should utilize the Corporation's products and services.
- Directors must comply with the Corporation's conflict of interest (*G-C-22 Conflict of Interest*) and code of conduct (*G-C-21 Code of Conduct*).
- Directors are to educate themselves on their governance duties and sound governance practices.
- Directors are to respect the role and terms of reference of board committees.
- Directors shall develop and maintain sound relations and work co-operatively and respectfully with the Board Chair, members of the Board and senior management.
- Directors with special skill and knowledge are expected to apply that skill and knowledge to matters that come before the board.

Fiduciary Responsibilities and Duty of Care

The Director, in discharging his or her duties, must act:

- Honestly and in good faith
- With a view to the best interests of the Corporation
- With the care, diligence and skill of a reasonably prudent person
- On behalf of and for the benefit of the Corporation
- To support the Corporation in fulfilling its mission and discharging its accountabilities

Every director, in exercising his or her powers and discharging his or her duties to the corporation, shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Every director shall comply with the *Not-for-Profit Corporations Act* (Ontario) and regulations thereunder and the corporation's articles, by-laws and Board policies. A director complies with the *Public Hospitals Act*, the *Corporations Act*, and other applicable laws and regulations

The Director has a fiduciary duty to the Corporation. This duty recognizes that Directors are in a position of trust over the actions of the organization and can engage in activities that can harm the Corporation. The Director is responsible to act for another's benefit, rather than for himself/herself. A Director does not represent the specific interests of any constituency or group. Directors will be prohibited from:

- Engaging in activities that put their personal interests in conflict with the best interests of the Corporation.
- Engaging in activities that would provide the Director, or others, with a direct benefit that

should have been earned by the Corporation.

- Failing to act in a situation where action would be in the best interests of the Corporation.
- Taking an opportunity for personal profit that the Corporation either could have obtained for itself or that it was actively seeking.

Authority

As an individual Director, the individual has no specific authority, but only has authority as a part of the Board of Directors. A Director cannot unilaterally operate, give direction to management, or authorize transactions unless specific authority has been delegated by the Board and is properly transacted. A Director respects the responsibilities delegated to the Board by the CEO and Chief of Staff, avoiding interference with their duties but insisting upon accountability to the Board and reporting mechanisms for assessing organizational performance.

When a motion has been decided by proper decision making protocol of the Board, every Director is expected to support the decision. If the Director is strongly opposed to the decision of the Board and cannot agree to support the decision, the individual can pursue options through legal means or resign from the Board.

Professional Development and Education

Directors should be knowledgeable about the operations of the Corporation, the health care needs of the community served and the health care environment generally.

Every Director of the organization is required to invest time to pursue ongoing learning to better equip themselves in conducting their duties and making effective decisions. A director will participate in a board orientation session, orientation to committees, board retreats and board education sessions.

Community Representation and Support

A Director shall represent the Board and the Corporation in the community when asked to do so by the Board Chair or as approved. Board members are expected to provide financial support to the Corporation's Foundation and shall support the Corporation and the Foundation through attendance at Corporate and Foundation sponsored events.

Director Evaluation

Each Director agrees to participate in an annual evaluation on their performance as a Director. Results of the evaluation will be communicated by the Chair of the Board. Where the evaluation results identify that the Board member is not operating at a satisfactory level, a development program will be initiated or the Director may be terminated from the Board.

Director Representation

If a Director is elected to municipal office they must resign their seat on the Board unless chosen as the one (1) municipal representative on the Board by Council as per JBH Administrative By-Law Section (7.2.2.)

C. Definitions and Terms

N/A

D. Related Information

Public Hospital's Act

Corporations Act

Not-for-Profit Corporations Act

JBH Administrative By-laws

G-A-03 Diversity Statement

G-A-04 Principles of Governance

G-C-21 Code of Conduct

G-C-22 Conflict of Interest

G-C-24 Statement of Board Roles and Responsibilities

G-C-25 Attendance Policy

G-D-29 Director and Community Representative Recruitment, Nomination and Election Policy

G-D-30 Board, Director and Committee Evaluations

G-D-32 Professional Board Development Policy

E. References

N/A