North East **LHIN** | **RLISS** du Nord-Est

Governance Checklist to Assist NE LHIN Health Service Provider Boards

November 2016

Ontario
North East Local Health Integration Network
Réseau local d'intégration des services de santé du Nord-Est

This toolkit has been assembled by the NE LHIN from various sources to assist our Health Service Provider (HSP) boards with their legal responsibility for the governance of their organizations. "Governance" refers to the board's activities to oversee the purpose, plans and policies of the organization. The board's role is oversight and monitoring of the organization's performance. Effective governance is key to a patient-centred health care system.

Members of NE LHIN HSP boards can monitor board performance using our self-assessment checklist available on the following pages and also available on our website at http://www.nelhin.on.ca/boardandgovernance.aspx.

By routinely monitoring board performance, this checklist should increase effective oversight related to financial and performance-related matters.

A key component of LHIN health system activity is patient-centred coordination, or integration, of health care delivery. A LHIN-HSP Governance Resource and Toolkit for Voluntary Integration Initiatives also offers support to boards in developing strategies to work with one another and the LHIN on voluntary integration initiatives. For HSPs that are designated under the French Language Services Act, the obligations under that legislation are also included. The list of designated providers in the NE LHIN is linked here.

In September 2016, the NE LHIN released the ***Northeastern Ontario Aboriginal Health Strategy and Reconciliation Action Plan*.** The NE LHIN Board of Directors supports the plan and the implementation of its objectives, including that found under Strategic Direction Knowledge and Understanding, Objective #6 which states "Recommend HSPs add Aboriginal representation on their Board of Directors to provide guidance on the needs of Aboriginal people." Aboriginal people represent 11% of the population of the NE LHIN; and, it is important that Board membership is inclusive and a reflection of the demographics it serves.

If your board would like to contact the NE LHIN to arrange for a meeting or discussion with the NE LHIN Board of Directors and/or to have a NE LHIN Board Director be part of your organization's upcoming governance meeting, please contact Micheline Beaudry, Executive Assistant to the CEO & Board Liaison, at Micheline.beaudry@lhins.on.ca, or telephone 705-673-2155.

Consult our website for additional resources, such as those listed below:

Resources:

Governance self-assessment checklist *(also provided in following pages)*

- LHIN-HSP Governance Resource and Toolkit for Voluntary Integration
- Ontario Hospital Association (OHA) Knowledge Centre – Professional Development: http://www.oha.com/KnowledgeCentre/Pages/KnowledgeCentre.aspx
- Governance Toolkit for Ontario Boards of Health: http://www.durham.ca/departments/health/pub/alPHaGovernance.pdf
- United Way Sudbury and Nipissing District – Leadership training Information: http://www.unitedwaysudbury.com/training-and-development/training-sessions
- Guide to developing board member job descriptions: www.muttart.org/sites/deefault/files/downloads/publications/developing_job_descriptions.pdf
- Governance Centre of Excellence Board Self-Assessment Tool: http://www.thegce.ca/boardselfassessment
- Board Administration Handbook for Board of Ontario Non-Profit Corporations: A Guide to Corporate Documents and Board and Member Meetings, 2014*:* http://stride.on.ca/wp-content/uploads/2014/10/Board-Administration-Handbook.pdf
- Chartered Professional Accountants Canada Governance for Not for Profit Organizations: https://www.cpacanada.ca/search-results?#q=Governance%20for%20Not%20for%20Profit%20organizations
- Enforcing board member responsibilities: www.nonprofitrisk.org/library/newsletter/summer_2012.pdf
- Designated areas under the FLS Act

Governance – NE LHIN HSP Board of Directors Checklist

It is recommended that this checklist be completed every six months by all board members or by the board's governance sub-committee.

Standard	HSP's Associated Documents	Board Compliance? Y/N	If No, assign Lead, describe Action Plan and assign Due Date:
Board Role and Composition			
The organization has a mission statement that has been approved by the Board. All Board members are aware of the mission statement.	□ Policy/Procedure Board uses to approve Mission Statement □ Date the Mission Statement was last approved		
The organization has a current Strategic Plan that has been approved by the Board. The Strategic Plan is aligned with the goals of the North East LHIN.	□ Strategic Plan		
Board members have the appropriate qualifications to meet the objectives of the board's charter, including appropriate financial literacy.	□ Board Skills Matrix Chart (see Sample in Appendix A)		
Board members are representative of the population they serve,e.g. Aboriginal, Francophone Northerners.	□ Board membership list designates and fills Aboriginal and Francophone seats		
The Board has the following committees in place and requirements for reporting to the board: • Audit Committee • Executive Committee • Finance Committee • Nominating Committee • Governance Committee	□ Committees' Charters (Terms of Reference) □ Committees' Agendas and Minutes □ Committees' Meeting Schedule		

The Board is aware of its fiduciary duties:
• Duty of Care:
  • Duty of Skill and Competence
  • Duty of Diligence
• Duty of Loyalty
• Duties towards Members
	□ Board Orientation and Training Program		

Standard	HSP's Associated Documents	Board Compliance? Y/N	If No, assign Lead, describe Action Plan and assign Due Date:
The Board has and respects any existing oath of confidentiality and/or conflict of interest guidelines	□Board Oath of Confidentiality/Conflict of Interest Guidelines		
Board Responsibilities – Annual Objectives			
The Board conducts an annual compliance review of its bylaws and policies. Bylaws and policies include but are not limited to: • procedure for notice of board meetings • procedure for election/appointment of members • terms of office details • how board members are rotated • how ineffective board members are addressed • details for quorum • executive limitations and delegation of authority • conflict of interest guidelines	□ Policy and Procedure manual (Policies posted on website) □ Policy/Procedure Board uses for bylaw compliance and review □ Date the bylaws were last reviewed □ Policy review dates		
The Board has an annual calendar of meetings.	□ Meeting Calendar (Posted on website) □ Agendas □ Minutes □ Annual General Meeting		
The Board has an annual board agenda plan that steers the board's work to accomplish its goals.	□ Board Work Plan		
The Board ensures the organization is compliant with all accountability measures outlined in its LHIN Accountability Agreement (i.e. M-SAA, L-SAA, H-SAA)*	□ Quarterly review and approval of budget and performance targets		
The organization has a process to identify its major strategic and operational risks, and a plan to minimize and mitigate these risks. The plan is reviewed annually by the Board.	□ Process for annual review □ Documentation of past annual risk review and mitigation strategies		

Standard	HSP's Associated Documents	Board Compliance? Y/N	If No, assign Lead, describe Action Plan and assign Due Date:
Board Financial Accountability and Transparency			
The Board approves the audited financial statements of the organization.	□ Signed and dated financial statements		
The Board approves the annual budget.	□ Motion from Board meeting at which annual budget was approved		
The Board has a process in place to monitor the organization's performance in relation to the annual budget.	□ Last two dates on which the Board reviewed actual revenues and expenses versus budget		
The organization makes its financial statements publicly available.	□ Description of how the organization makes its financial statements publicly available		
Board Oversight – Service Delivery			
The Board approves the organization's Client Complaints Policy and Procedures.	□ Client Complaints Policy and Procedure		
Client complaints are monitored and reported to the Board as per policy.	□ Client Complaints Policy and Procedure □ Board Minutes		
For providers designated under the French Language Services (FLS) Act, Board members are accountable for the provision of services in French within their organization and for maintaining compliance with the designation criteria.	□ By-laws include Francophone representation on the Board □ Annual report on the status of FLS within the organization is presented to the Board □ Board obligations regarding FLS are part of Board orientation package		

** LHINs are required under the Local Health Services Integration Act, 2006, to negotiate service accountability agreements with the health service providers we fund. There are three types of accountability agreements: M-SAA is Multi-Sector Service Accountability Agreements; L-SAA is Long-Term Care Service Accountability Agreements; H-SAA is Hospital Sector Service Accountability Agreements.*

Appendix A – Sample Board Skills Matrix

Source: Adapted from The Effective Not-for-Profit Board. A value-driving force. Deloitte. (2013)

	Board of Directors					
	Name	Name	Name	Name	Name	Name
Term Expiration Date						
Enter Month/Year						
Education						
Professional Designations						
Skills and Experience						
Board of Director Experience/Governance						
CEO Succession Planning						
Community Affiliation/Access						
Compensation						
Financial						
Human Resources						
Industry Knowledge						
Legal						
Strategic Planning						
Bilingualism (for FLS providers)						

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