

ST. THOMAS-ELGIN GENERAL HOSPITAL

BOARD OF DIRECTORS

POLICY MANUAL

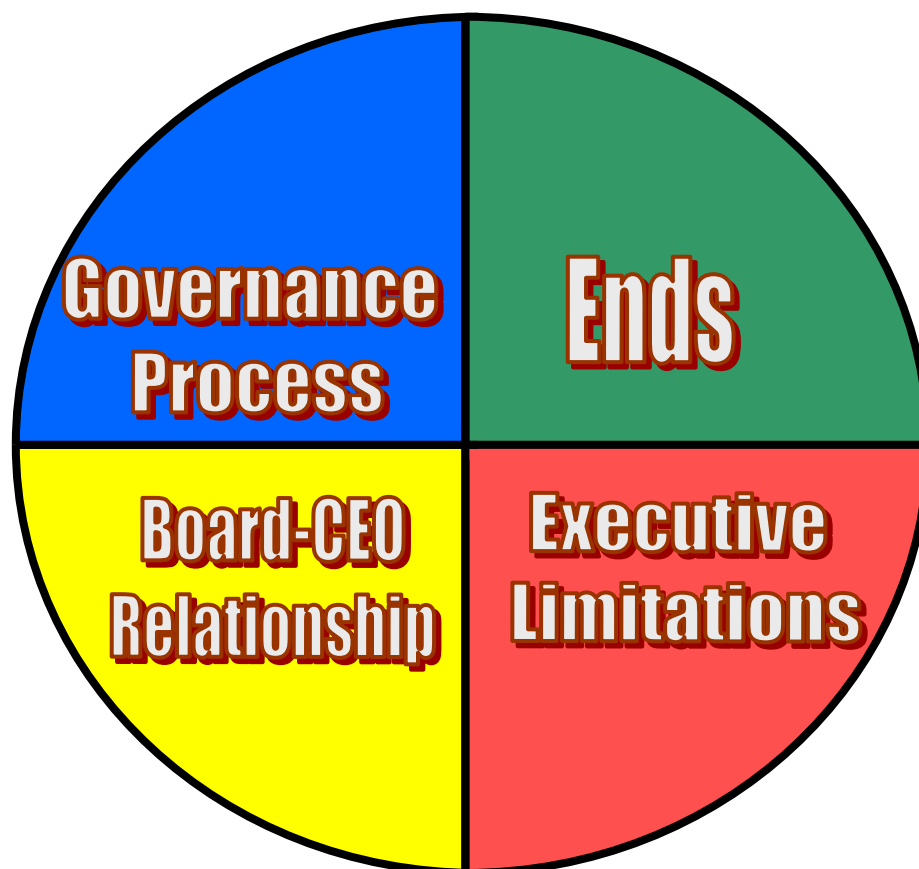
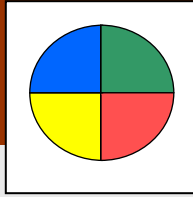


TABLE OF CONTENTS

BOARD OF DIRECTORS POLICIES



Revised June 2010

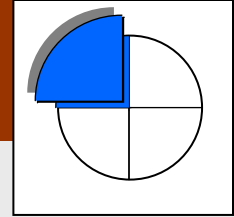
Instructions to Board:

Instructions to CEO:

GOVERNANCE PROCESS GP Global Governance Process GP-1 Governing Style GP-2 Board Vision and Values GP-3 Board Job Contributions GP-4 Chair's Role GP-5 Board Committee Principles GP-6 Board Committee Structure GP-6.1 Audit Committee Terms of Reference GP-6.2 Nominating Committee Terms of Reference GP-6.3 Board Development Committee Terms of Reference GP-6.4 Ownership Linkage Committee Terms of Reference GP-6.5 Quality, Risk and Safety Committee Terms of Reference GP-7 Board and Committee Expenses GP-8 Code of Conduct GP-9 Conflict of Interest GP-10 Investment in Governance GP-11 Board Linkage With Ownership GP-12 Board Linkage With Other Organizations GP-13 Board Planning Cycle and Agenda Control GP-14 Governance Succession Planning GP-15 Handling of Operational Complaints GP-16 Special Rules of Order GP-17 Closed and In Camera Meetings GP-18 Requests for Presentations to the Board	ENDS E Mega-End E-1 Confidence hospital care needs will be met E-2 Positive health care experience
BOARD-CEO RELATIONSHIP BC Global Board-CEO Relationship BC-1 Unity of Control BC-2 Accountability of the CEO	EXECUTIVE LIMITATIONS EL General Executive Constraint EL-1 Treatment of Employees, Volunteers and Professional Staff EL-2 Financial Planning EL-3 Financial Condition EL-4 Asset Protection EL-5 Treatment of Clients EL-6 Compensation and Benefits EL-7 Communication and Support to the Board EL-8 Emergency Loss of CEO Services EL-9 Public Image

ST. THOMAS-ELGIN GENERAL HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Global Governance Process

Number: GP

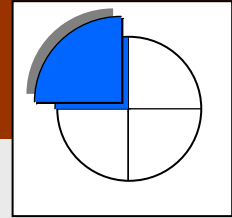
Policy Type: Governance Process

Date Approved: June 29, 2005

Date Reviewed: Sept. 23, 2009

Date Revised:

The purpose of the Board, on behalf of the residents of St. Thomas and Elgin County is to see to it that St. Thomas Elgin General Hospital achieves appropriate results for the appropriate people at an appropriate cost (as specified in Board Ends policies), and avoids unacceptable actions and situations (as prohibited in Board Executive Limitations policies).



Policy Name: Governing Style

Number: GP-1

Policy Type: Governance Process

Date Approved: June 29, 2005

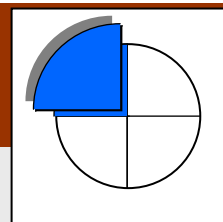
Date Reviewed: Sept. 23, 2009

Date Revised:

The Board will govern with an emphasis on outward vision, commitment to obtaining ownership input, encouragement of diversity in viewpoints, strategic leadership, clear distinction of Board and staff roles, collective decisions, and a proactive, future focus. This means the Board will not be preoccupied with the present or past, or with internal, administrative detail.

More specifically, the Board will:

1. Cultivate a sense of group responsibility. The Board, not the staff, will be responsible for excellence in governing. The Board will be an initiator of policy, not merely a reactor to staff initiatives. The Board will use the expertise of individual Governors to enhance the ability of the Board as a body to make policy, rather than to substitute their individual judgements for the group's values.
2. Direct, control and inspire the organization through the careful establishment of broad written policies reflecting the Board's values and perspectives. The Board's major policy focus will be on the intended long-term impacts outside the operating organization, not on the administrative means of attaining those effects.
3. Enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policy-making principles, respect of roles, and ensuring the continuity of governance capability. Although the Board can change its governance process policies at any time, it will adhere to them scrupulously while in force.
4. Orient new Governors to the Board's governance process and periodically discuss process improvement.
5. Not allow any member or committee of the Board to prevent the Board from fulfilling its commitments.



Policy Name: Board Vision and Values

Number: GP-2

Policy Type: Governance Process

Date Approved: June 29, 2005

Date Reviewed: Sept. 23, 2009

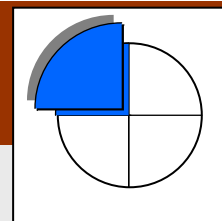
Date Revised: June 24, 2009

The board's vision to deliver an excellent patient care experience, in a safe and compassionate environment, in collaboration with our healthcare partners.

The board values:

- Compassion
- Accountability
- Respect
- Excellence
- Safety

The board commits itself to consider its vision and values as the context for the development of all policies that govern the hospital.



Policy Name: Board Job Contributions

Number: GP-3

Policy Type: Governance Process

Date Approved: June 29, 2005

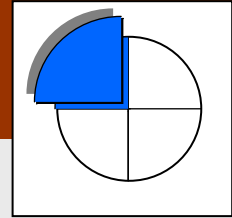
Date Reviewed: Nov. 25, 2009

Date Revised: Dec. 16, 2009

Specific job outputs of the board, as an informed agent of the ownership, are those that ensure appropriate organizational performance.

Accordingly, the Board will concentrate its efforts on the following job “products” or outputs:

1. The link between the organization and the owners.
2. Written governing policies which, at the broadest levels, address:
 - 2.1. *Ends*: what good or benefit the organization is to achieve, for which people, at what cost.
 - 2.2. *Executive Limitations*: Constraints on executive authority that establish the boundaries of prudence and ethics within which all executive activity and decisions must take place.
 - 2.3. *Governance Process*: Specification of how the Board conceives, carries out and monitors its own task.
 - 2.4. *Board-CEO Relationship*: How power is delegated and its proper use monitored; the CEO role, authority, and accountability.
3. Assurance of organizational performance through structured monitoring of the CEO as outlined in policies on Board-CEO Relationship.
4. Decisions that the Board has prohibited the CEO from making by its Executive Limitations policies.
5. The link between the hospital and political decision-makers.
 - 5.1. Sufficient capital and operating funds to achieve the Ends.
6. Actively engage in discussions with the TVHPP, health service providers and the SW LHIN, with the expectation that this will lead to identifying and acting on opportunities to voluntarily integrate services as defined by the *Local Health System Integration Act* (2006).



Policy Name: Chair's Role

Number: GP-4

Policy Type: Governance Process

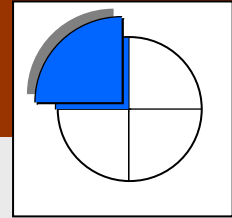
Date Approved: June 29, 2005

Date Reviewed: Nov. 25, 2009

Date Revised:

The Chair assures the integrity of the Board's process, and, secondarily, represents the Board to outside parties. The Chair is the only Board member authorized to speak for the Board (beyond simply reporting Board decisions), other than in specifically authorized instances.

1. The assigned result of the Chair's job is that the Board behaves consistently with, and fulfils its own rules and those legitimately imposed upon it from outside the organization.
 - 1.1. Meeting discussion content will include only those issues that, according to Board policy, clearly belong to the Board to decide or monitor.
 - 1.2. Information that is neither for monitoring performance nor for board decisions will be avoided or minimized and always noted as "for information only."
 - 1.3. Deliberation will be timely, fair, orderly and thorough, and also efficient and kept to the point.
 - 1.4. The procedural guide in case of dispute shall be Robert's Rules of Order.
2. The Chair has authority to make reasonable interpretations of Board policies on Governance Process and Board-CEO Relationship, with the exception of (a) employment or termination of a CEO and (b) instances where the Board specifically delegates portions of this authority to others.
 - 2.1. The Chair is empowered to chair Board meetings with all the commonly accepted power of that position (e.g. ruling, recognizing).
 - 2.2. The Chair has no authority to make decisions about policies created by the Board within *Ends* and *Executive Limitations* policy areas. Therefore, the Chair has no authority to supervise or direct the CEO.
 - 2.3. The Chair may represent the Board to outside parties in announcing Board-stated positions and in stating Chair's interpretations within the area delegated to the Chair (consistent with policies in *Governance Process* and *Board-CEO Relationship* areas).
3. The Chair may delegate this authority, but remains accountable for its use.
4. The Chair is authorized to approve the CEO's expense account.



Policy Name: Board Committee Principles

Number: GP-5

Policy Type: Governance Process

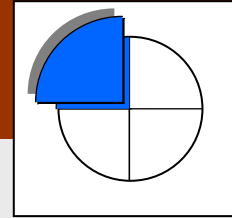
Date Approved: June 29, 2005

Date Reviewed: Jan. 27, 2010

Date Revised:

Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and so as never to interfere with delegation from Board to CEO.

1. Board committees are to help the Board do its job, never to help or advise the staff. Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board's broader focus, Board committees will not have direct dealings with current staff operations.
2. Board committees may not speak or act for the Board except when formally given such authority for specific and/or time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the CEO.
3. Board committees cannot exercise authority over staff. Because the CEO works for the full Board, he or she will not be required to obtain approval of a Board Committee before an executive action, except where the committee has been delegated specific authority to act on behalf of the Board.
4. A Board Committee that has helped the Board create a policy will not then be assigned to monitor compliance with that policy. This separation of responsibility for policy development and responsibility for monitoring policy compliance is to prevent a Committee from identifying with a part of the organization rather than the whole. The Board retains responsibility and authority to monitor organizational performance.
5. Committees will be used sparingly and ordinarily in an ad hoc capacity.
6. This policy applies to any group that is formed by Board action, whether or not it is called a committee, and whether or not it includes Governors. It does not apply to committees formed under the authority of the CEO.
7. All committee members shall abide by the same Code of Conduct as governs the Board.
8. Except as defined in written Terms of Reference, no Committee has authority to commit the funds or resources of the St. Thomas Elgin General Hospital.



Policy Name: Board Committee Structure

Number: GP-6

Policy Type: Governance Process

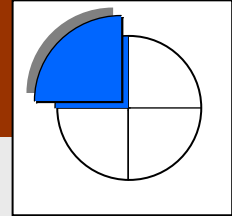
Date Approved: June 29, 2005

Date Reviewed: Jan. 27, 2010

Date Revised: June 24, 2009

A committee is a Board committee only if its existence and charge come from the Board, regardless of whether Governors sit on the committee. The only Board Standing committees are those which are set forth in the By-laws of the corporation and addressed in this policy.

1. Committee expenses will be reimbursed in accordance with Board Policy GP-7.



Policy Name: Audit Committee
Terms of Reference

Policy Type: Governance Process

Number: GP-6.1

Date Approved: June 29, 2005

Date Reviewed: Mar 31, 2010

Date revise: Oct. 28, 2009

1. Product

- 1.1. Options for board decision re: selection of financial auditor and liaison with auditor on behalf of Board, including defining the scope of the audit.
- 1.2. An opinion for the Board, based on evidence required of the external auditor, as to whether the independent audit of the organization was performed in an appropriate manner.
- 1.3. Current information for the board on significant new developments in accounting principles or relevant rulings of regulatory bodies that affect the organization.
- 1.4. A self-monitoring report on the appropriateness of the board's own spending, based on criteria in the board GP policy on board expenses, including periodic random audit of the Governors' expense accounts.
- 1.5. Any significant information arising from the Audit Committee's discussions with the external auditor.
- 1.6. Provide direct inspection of financial planning documents as per Policy EL-2: Financial Planning.

2. Authority

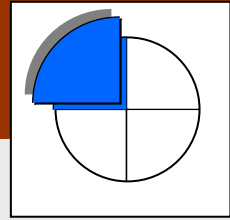
- 2.1. The committee has no authority to change or contravene board policies.
- 2.2. The committee has authority to spend funds required for travel to meetings if meetings are required. Authority to spend up to the amount allocated to the audit in the board's budget.
- 2.3. The committee has authority to use staff resource time normal for administrative support around meetings.
- 2.4. The Committee does not have authority to instruct the CEO or any other staff member, other than to request information required in the conduct of its duties.
- 2.5. The Committee has the authority to meet independently with the organization's external auditors.

3. Composition

- 3.1. The Committee shall be composed of Board Chair and 3 board members appointed by the board, and may include community representatives.
- 3.2. The Committee shall appoint a Chair from among its members.

4. Term of Office

- 4.1. Members shall be appointed for a one year term.



Policy Name: Nominating Committee
Terms of Reference

Number: GP-6.2

Policy Type: Governance Process

Date Approved: June 29, 2005

Date Reviewed: May 26, 2010

Date Revised:

1. Product

- 1.1. A slate of qualified nominees for election to vacant board positions, at least 15 days prior to the Annual General Meeting of the Members of the Corporation.

2. Authority

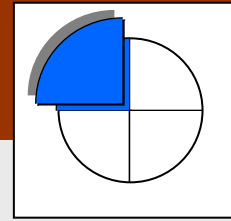
- 2.1. The committee has no authority to change or contravene board policies.
- 2.2. The committee has authority to spend funds required for travel to meetings if meetings are required. Authority to spend up to the amount allocated in the governance budget for advertising.
- 2.3. The committee has authority to use staff resource time normal for administrative support around meetings.
- 2.4. The Committee does not have authority to instruct the CEO or any other staff member, other than to request information required in the conduct of its duties.

3. Composition

- 3.1. The Committee shall be composed of the Chair, the Past Chair, one member of the Corporation appointed by the Board and one member of the Elgin County Medical Association who is a member of the Active Medical Staff of the Hospital.

4. Term of Office

- 4.1. The committee will disband upon completion of its task.



Policy Name: Governance Committee
Terms of Reference

Number: GP-6.3

Policy Type: Governance Process

Date Approved: June 29, 2005

Date Reviewed: May 26, 2010

Date Revised: November 25, 2009

1. Product

- 1.1. A coordinated education plan for the board, designed to enhance their governance effectiveness.
- 1.2. A current Governance Action Plan
- 1.3. Current Bylaws
- 1.4. Draft governance budget prior to September meeting

2. Authority

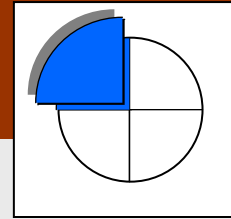
- 2.1. The committee has no authority to change or contravene board policies.
- 2.2. The committee has authority to spend funds required for travel to meetings if meetings are required. No authority to spend or commit other organization funds.
- 2.3. The committee has authority to use staff resource time normal for administrative support around meetings.
- 2.4. The Committee does not have authority to instruct the CEO or any other staff member, other than to request information required in the conduct of its duties.

3. Composition

- 3.1. The Committee shall be composed of the Chair, the Vice-Chair, Chief of Staff, President, and 2 other board members appointed by the board.

4. Term of Office

- 4.1. Members shall be appointed for a one-year term.



Policy Name: Ownership Linkage Committee
Terms of Reference

Number: GP-6.4

Policy Type: Governance Process

Date Approved: January 25, 2006

Date Reviewed: Oct. 28, 2009

Date Revised: Oct 28, 2009

1. Product

- 1.1. An evaluation of the effectiveness of the linkage plan by June 30 annually, with input from the Board.
- 1.2. An updated ownership linkage plan, annually by October 31, with input from the board.
- 1.3. An organized written presentation of information collected from groups within the ownership, in a format useful to the board for Ends deliberations, by June 1 annually.

2. Authority

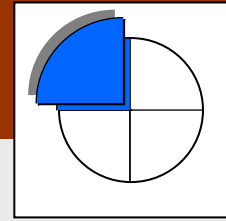
- 2.1. The committee has no authority to change board policies.
- 2.2. The committee has authority to spend funds required for travel to meetings if meetings are required.
- 2.3. The Committee has authority to commit up to \$1,000 per annum for external assistance in ownership linkage activities.
- 2.4. The Committee has authority to use staff resource time normal for administrative support around meetings, as well as administrative support included in the board's ownership linkage plan.

3. Composition

- 3.1. The Committee shall be composed of three Board Members plus Board Chair, and may include community representatives.
- 3.2. The Committee will elect a Chair.

4. Term of Office

- 4.1. Members shall be appointed for a one year term.



Policy Name: Quality, Risk & Safety Committee
Terms of Reference

Number: GP-6.5

Policy Type: Governance Process

Date Approved: Nov. 28, 2007

Date Reviewed: Sep 23, 2009

Date Revised: Sep 23, 2009

1. Product

- 1.1. With input from Medical Advisory Committee (MAC), establish improvement targets after review and analysis of hospital standardized mortality rate (HSMR) information quarterly. Recommend improvement targets to the Board of Directors.
- 1.2. Review reports of action plans from MAC / Senior Management Team (SMT) with respect to HSMR improvement targets.
- 1.3. Review and analyze reports from Executive Team (ET) and SMT on hospital wait time data and analyze reports on the number of patients whose wait time has been reassessed and their status as a result of waiting longer than the priority IV target timeframe for each service area.
- 1.4. Review and analyze patient satisfaction scores recommending improvement targets and reviewing reports of action plans with respect to targets.
- 1.5. Review, analyze and follow-up sentinel events recommending improvement targets and reviewing reports on action plans with respect to targets
- 1.6. Recommend quality, risk and safety policy development and/or revision to the Board.
- 1.7. Review and analyze Annual Hospital Report annually recommending improvement targets to Board of Governors
- 1.8. Review and analyze Safer Healthcare Now reports as presented to the Ministry of Health recommending improvement targets to the Board of Governors

2. Authority

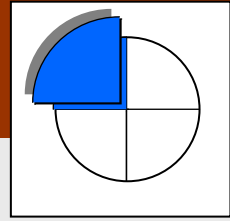
- 2.1. The committee has no authority to change or contravene board policies.
- 2.2. The committee has authority to spend funds required for travel to meetings if meetings are required.
- 2.3. The committee has authority to use staff resource time normal for administrative support around meetings.
- 2.4. The committee does not have authority to instruct the CEO or any other staff member, other than to request information required in the conduct of its duties.

3. Composition

- 3.1. The committee shall be composed of Board Chair, Chief of Staff, President of Medical Staff, Chief Executive Officer, Chief Nursing Officer, a minimum of two appointed board members, one of whom shall serve as Chair, and may include Board appointed members of the community.

4. Term of Office

- 4.1. Members shall be appointed for a one year term.



Policy Name: Board and Committee Expenses

Number: GP-7

Policy Type: Governance Process

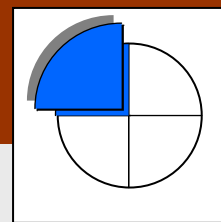
Date Approved: June 29, 2005

Date Reviewed: Nov 28, 2007

Date Revised: Jan. 25, 2006

Governors shall be reimbursed for expenses incurred in attending Board and board committee meetings, as well as any meeting attended at the direction of the Board.

1. Expenses shall be reimbursed as follows:
 - 1.1. Mileage allowance claims shall be paid at a rate consistent with the rate established by the CEO for staff mileage.
 - 1.2. Using the most cost-effective form of travel is encouraged. Associated travel costs such as parking and taxi fare will be reimbursed.
 - 1.3. Reasonable accommodation will be reimbursed.
 - 1.4. All reasonable and customary meal expenses will be reimbursed. It is the responsibility of the person(s) approving the expenses to determine reasonableness.
 - 1.5. All out of pocket expenses over \$25.00 shall be supported by receipts.
 - 1.6. Registration fees for conferences, workshops and external meetings attended with board approval will be reimbursed. In time-sensitive situations approval of the board Chair must be obtained.
2. Board member expense accounts shall be approved by the Chair. Board Chair's expense accounts shall be approved by the Board Vice-Chair.
3. Expense claims shall be submitted on the standard board expense account claim form within 30 days.



Policy Name: Code of Conduct

Number: GP-8

Policy Type: Governance Process

Date Approved: June 29, 2005

Date Reviewed: Sep 23, 2009

Date Revised: Sep 23, 2009

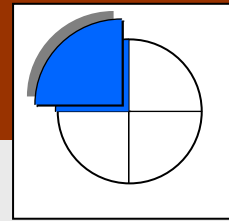
The Board expects of itself and its Governors ethical, businesslike and lawful conduct. This includes proper use of authority and appropriate decorum when acting as Governors. It expects its Governors to treat one another and staff members with respect, co-operation and a willingness to deal openly on all matters.

1. Governors must have loyalty to the ownership, unconflicted by loyalties to staff, other organizations or any personal interest as a consumer.
2. Governors are accountable to exercise the powers and discharge the duties of their office honestly and in good faith. Governors shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
3. Governors must avoid a conflict of interest with respect to their fiduciary responsibility. (See Conflict of Interest Policy GP-9.)
4. Governors will respect board confidentiality.
5. Governors shall not attempt to exercise individual authority over the organization.
 - 5.1. Governors' interaction with the CEO or with staff must recognize the lack of authority vested in individuals except when explicitly Board-authorized.
 - 5.2. Governors' interaction with the public must recognize that no Board Member may speak for the Board except to repeat explicitly stated Board decisions.
 - 5.3. Governors shall refer requests from the media to the Chair.
 - 5.4. Except for participation in Board deliberation about whether the CEO has achieved reasonable interpretation of Board policy, Governors will not express individual judgments of performance of employees of the CEO.
6. Governors shall be generally familiar with the incorporating documents, by-laws, regulations, and policies of the organization as well as the rules of procedure and proper conduct of a meeting so that any decision of the Board may be made in an efficient, knowledgeable and expeditious fashion.
7. Governors will be properly prepared for board deliberation.
8. Governors are encouraged to regularly take part in educational activities that will assist them in carrying out their responsibilities.
9. As part of their obligations to the stakeholders, and their contribution to the effectiveness of the Board, Governors are expected, as per STEGH By-law (see 9.1 below) to attend meetings on a regular and punctual

basis. If, in the opinion of the Board Development Committee, a Governor is not fulfilling these obligations (absent extenuating circumstances), the Board Chair will discuss the situation with the Governor with the intent of effecting a correction. If, after discussion, the situation is not remedied, the Board development Committee may bring forward a motion to the Board, which would determine any further action, up to including asking for the Governor's resignation.

9.1 STEGH By-law: The office of a Governor may be vacated by a simple majority resolution of the Board if a Governor is absent for three (3) consecutive meetings of the Board, or if a Governor is absent for one quarter (1/4) or more of the meetings of the Board in any twelve (12) month period.

10. Governors shall ensure that unethical activities not covered or specifically prohibited by the foregoing or any other legislation are neither encouraged nor condoned.
11. A Governor who is alleged to have violated the Code of Conduct shall be informed in writing by the Chair and shall be allowed to present his or her views of such alleged breach at the next Board meeting. The complaint must have first been received in writing by the Chair and the complaining party must be identified to the Board. If the complaining party is a Governor, he or she and the respondent Governor shall absent themselves from any vote upon resolution of censure or other action that may be brought by the Board. Governors who are found to have violated the Code of Conduct may be subject to censure.



Policy Name: Conflict of Interest

Number: GP-9

Policy Type: Governance Process

Date Approved: June 29, 2005

Date Reviewed: March 26, 2008

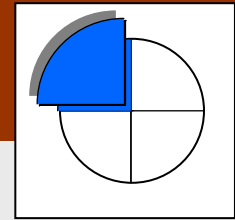
Date Revised: June 24, 2009

Governors must avoid actual or potential conflict of interest, including but not limited to those conflicts identified in the definition of "Conflict of Interest" in this policy.

- (a) Every Governor who, either directly or through one of his/her Associates, has or thinks he/she may potentially have a Conflict of Interest with respect to a proposed or current contract, transaction, matter or decision of the Corporation shall disclose the nature and extent of the interest at a meeting of the Board.
- (b) The declaration of interest shall be disclosed at the meeting of the Board at which the contract, transaction, matter or decision is first raised.
- (c) If the Governor (or his/her Associates) becomes interested in a contract, transaction, matter or decision after the Board meeting at which it is first raised, the Governor shall make a declaration at the next Board meeting following the Governor's perception or apprehension of a conflict.
- (d) In the case of an existing contract, transaction, matter or decision the declaration shall be made at the first meeting of the Board after the member becomes a Governor or the interest comes into being.
- (e) After making such a declaration no interested Governor shall vote or be present at the vote or during the discussions, or otherwise attempt to influence the voting on a contract, transaction, matter or decision, nor shall the member be counted in any required quorum with respect to the vote.
- (f) If a Governor has made a declaration of conflict of interest in compliance with this By-Law the Governor is not accountable to the Corporation for any profit he/she may realize from the contract, transaction, matter or decision.
- (g) If the Governor fails to make a declaration of his/her interest in a contract, transaction, matter or decision as required by this By-Law, this shall be considered grounds for termination of his/her position as a Governor of the Corporation.
- (h) The failure of any Board member to comply with the Conflict of Interest By-Law of the Corporation does not, in or of itself, invalidate any contract, transaction, matter or decision undertaken by the Board of the Corporation.
- (i) If a Governor believes that any other Governor is in a Conflict of Interest position with respect to any contract, transaction, matter or decision, the Governor shall have the concern recorded in the minutes. Thereafter, at the request of the Governor who recorded the initial concern, the Board shall, after the Governor alleged to have a conflict has absented himself from the room, vote on whether the Governor alleged to have a Conflict of Interest is, in the opinion of the Board, in a Conflict of Interest. If the Board so finds the person in a Conflict of Interest, the Board member shall absent himself during any subsequent discussion or voting process relating to or pertaining to the conflict. The question of whether

or not a Governor has a Conflict of Interest shall be determined by a simple majority of the Board and shall be final.

- (j) If the Board finds that the person is not in conflict, the Board will then vote on the contract, transaction, matter or decision and the votes of each Governor shall be recorded.
- (k) Every declaration of a Conflict of Interest and the general nature thereof shall be recorded in the minutes by the Board.
- (l) Where the number of Governors who, by reason of the provisions of this policy are prohibited from participating in a meeting is such that at that meeting, the remaining members are not of sufficient number to constitute a quorum, then, notwithstanding any other provision in this By-Law, the remaining number of members shall be deemed to constitute a quorum, provided such number is not less than three.
- (m) Where in the circumstances mentioned in paragraph (l) above, the remaining number of members who are not prohibited from participating in the meeting is less than three, the President and CEO may apply to a judge on an ex parte basis for an order authorizing the Board to give consideration to, discuss and vote on the matter out of which the interest arises.



Policy Name: Investment in Governance

Number: GP-10

Policy Type: Governance Process

Date Approved: June 29, 2005

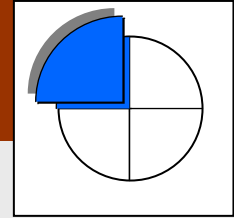
Date Reviewed: June 25, 2008

Date Revised:

Because poor governance costs more than learning to govern well, the Board will invest in its governance capacity.

1. Candidates for Board membership shall be provided with information that clearly outlines the role of the Board, the necessary qualifications and the Board's expectations of Governors.
2. The Board recognizes that continual updating of skills and awareness of new issues are vital to a member's contribution to the Board. Therefore, it is expected that:
 - 2.1. New Governors shall receive a complete orientation to ensure familiarity with the hospital's issues and structure, the Board's process of governance, and the Board's policies.
 - 2.2. Governors shall have ongoing opportunity for continued training and education to enhance their governance capabilities.
3. Outside monitoring assistance will be arranged so that the board can exercise sufficient control over organizational performance. This includes, but is not limited to fiscal audit.
4. The Board will establish and be accountable for an annual budget for its own governance functions, which shall include, in addition to the costs of Board and Board Committee Meetings, funds for:
 - 4.1. Governor attendance at conferences and conventions.
 - 4.2. Improvement of its governance function.
 - 4.3. Costs of fiscal audit and any other outside monitoring assistance required.
 - 4.4. Costs of methods such as focus groups and surveys to ensure the Board's ability to listen to owner viewpoints and values.
5. The Board will establish governance process policies that will serve as measurable standards against which the Board's performance can be evaluated.
 - 5.1. Under the leadership of the chair, at least annually the Board will conduct a self-evaluation. As a result of this evaluation, the Board will establish a governance action plan with specific goals and objectives for improvement of identified areas.
 - 5.2. The Board will monitor its adherence to its own Governance Process policies regularly. Upon the choice of the Board, any policy can be monitored at any time. However, at minimum, the Board will both review the policies, and monitor its own adherence to them, according to the following schedule:

Policy	Monitor Compliance	Review Policy
GP Global Governance Process	Annually	Annual year 1, then every 3 years
GP-1 Governing Style	Annually	Annual year 1, then every 3 years
GP-2 Board Vision and Values	Annually	Annual year 1, then every 3 years
GP-3 Board Job Contributions	Annually	Annual year 1, then every 3 years
GP-4 Chair's Role	Annually	Annual year 1, then every 3 years
GP-5 Board Committee Principles	Annually	Annual year 1, then every 3 years
GP-6 Board Committee Structure	Annually	Annual year 1, then every 3 years
GP-6.1 Audit Committee Terms of Reference	Annually	Annual year 1, then every 3 years
GP-6.2 Nominating Committee Terms of Reference	Annually	Annual year 1, then every 3 years
GP-6.3 Board Development Ctte Terms of Reference	Annually	Annual year 1, then every 3 years
GP-6.4 Ownership Linkage Ctte Terms of Reference	Annually	annual year 1, then every 3 years
GP-7 Board and Committee Expenses	Annually	Annual year 1, then every 3 years
GP-8 Code of Conduct	Annually	Annual year 1, then every 3 years
GP-9 Conflict of Interest	Annually	Annual year 1, then every 3 years
GP-10 Investment in Governance	Annually	Annual year 1, then every 3 years
GP-11 Board Linkage With Ownership	Annually	Annual year 1, then every 3 years
GP-12 Board Linkage With Other Organizations	Annually	Annual year 1, then every 3 years
GP-13 Board Planning Cycle and Agenda Control	Annually	Annual year 1, then every 3 years
GP-14 Governance Succession Planning	Annually	Annual year 1, then every 3 years
GP-15 Handling of Operational Complaints	Annually	Annual year 1, then every 3 years
GP-16 Special Rules of Order	Annually	Annual year 1, then every 3 years
GP-17 Closed and In Camera Meetings	Annually	Annual year 1, then every 3 years
BC Global Board-CEO Relationship	Annually	Annual year 1, then every 3 years
BC-1 Unity of Control	Annually	Annual year 1, then every 3 years
BC-2 Accountability of the CEO	Annually	Annual year 1, then every 3 years
BC-3 Delegation to the Chief Executive Officer	Annually	Annual year 1, then every 3 years
BC-4 Monitoring Executive Performance	Annually	Annual year 1, then every 3 years



Policy Name: Board Linkage with Ownership

Number: GP-11

Policy Type: Governance Process

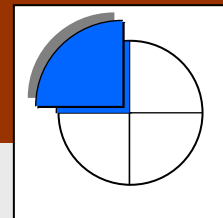
Date Approved: June 29, 2005

Date Reviewed: September 24, 2008

Date Revised:

The “owners” of the St. Thomas Elgin General Hospital are defined as the residents of St. Thomas and Elgin County. The Board shall be accountable for the Hospital to its owners as a whole. The Board shall act on behalf of the owners as a whole, rather than being advocates for specific geographic areas or interest groups.

1. When making governance decisions, Governors shall maintain a distinction between their personal interests as “customers” of the Hospital’s services, and their obligation to speak for others as a representative of the “owners” as a whole. As the agent of the owners, the Board is obligated to identify and know what the owners want and need.
2. The Board shall gather data in a way that reflects the diversity of the ownership. It shall meet with, gather input from, and otherwise interact with the broad base of communities, and acknowledge diversity. It shall recognize that diversity assures a broad base of wisdom, and shall seek to make decisions considering that input.
3. Collection of input from the ownership may be accomplished through a variety of methods, including, but not limited to, meetings with the ownership, surveys, and advisory committees.



Policy Name: Board Linkage with Other Organizations

Number: GP-12

Policy Type: Governance Process

Date Approved: June 29, 2005

Date Reviewed: September 24, 2008

Date Revised:

The Board shall identify other organizations with which it requires good working relationships in order to share and enhance its role as “owner representative” in determining the most appropriate Ends.

1. Relationships With Other Organizations

1.1. The Board shall establish mechanisms for maintaining open communication with other organizations regarding Ends policy development. Such mechanisms may include, but are not limited to:

1.1.1. Inviting representatives of the Boards of those organizations to Board meetings.

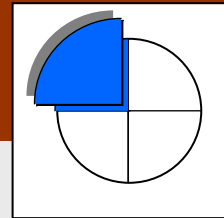
1.1.2. Meeting jointly with other Boards on occasion.

2. Appointments to External Policy or Advisory Committees

2.1. Upon request for hospital appointments to external committees concerned with policy level issues, the Board will assess whether such representation is appropriate within the Board’s stated policies and current priorities. If this assessment is positive, the Board will appoint appropriate representatives. Issues of confidentiality, information sharing and administrative support shall be clarified for the appointee by the hospital Board Chair and/or CEO.

2.2. The hospital’s appointee shall provide information reports as appropriate, to be determined by the Board at the time of appointment.

2.3. Since the appointee is representing the Board, the appointee shall be kept informed of current Board policies that might affect deliberations of the Committee in question. Any representations made on behalf of the Board shall adhere to the stated policies of the Board. Any issues requiring the statement of a new policy position on the part of the Board shall be brought to the Board for decision.



Policy Name: Board Planning Cycle and Agenda Control

Number: GP-13

Policy Type: Governance Process

Date Approved: June 29, 2005

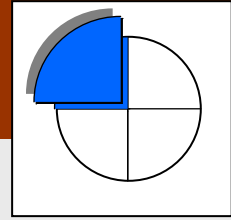
Date Reviewed: November 26, 2008

Date Revised: May 31, 2006

To accomplish its job products with a governance style consistent with board policies, the board will follow an annual agenda which (a) completes a re-exploration of Ends policies annually and (b) continually improves board performance through board education and enriched input and deliberation.

1. The Board shall maintain control of its own agenda by developing an annual schedule which includes, but is not limited to:
 - 1.1. Considered review of the Ends prior to the end of September, in order allow the CEO to build a budget.
 - 1.2. Consultations with selected groups in the ownership, or other methods of gaining ownership input, prior to the above review.
 - 1.3. Time for education related to Ends determination (for example, presentations relating to the external environment, demographic information, exploration of future perspectives which may have implications, presentations by advocacy groups, and staff).
 - 1.4. Time for monitoring of the Board's own compliance with its Governance Process and Board-CEO Relationship policies, and for review of the policies themselves.
 - 1.5. Time for monitoring compliance by the CEO with Executive Limitations and Ends policies, and for review of the policies themselves. Monitoring reports will be provided and read in advance of the board meeting, and discussion may occur if:
 - reports show policy violations,
 - reports do not provide sufficient information for the board to make a determination regarding compliance, or
 - policy criteria are to be debated.
 - 1.6. Time for education about the process of governance.
2. Based on the outline of the annual schedule, the Board delegates to the Chair the authority to fill in the details of the meeting content. The detailed agenda shall be prepared jointly by the Board Chair and the CEO. Potential agenda items shall be carefully screened to ensure that they relate to the Board's job description, rather than simply reviewing staff activities. Screening questions shall include:
 - 2.1. Clarification as to whether the issue clearly belongs to the Board. Issues that belong to the CEO will not be included.
 - 2.2. Identification of what category an issue relates to - Ends, Executive Limitations, Governance Process, Board-CEO Relationship.
 - 2.3. Review of what the Board has already said in this category, and how the current issue is related.

3. Throughout the year, the Board will attend to Consent Agenda items as expeditiously as possible. When an item is brought to the Board via the Consent Agenda, provided that compliance with all of the criteria in Executive Limitations has been demonstrated, the Board will not discuss the item prior to approval. An exception will be made only if a majority of the Board votes to remove the item from the Consent Agenda for discussion.



Policy Name: Governance Succession

Number: GP-14

Policy Type: Governance Process

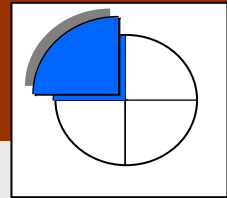
Date Approved: June 29, 2005

Date Reviewed: Dec 17, 2008

Date Revised:

In keeping with the Board's commitment to excellence in governance, the Board shall strive to solicit for positions on the Board candidates who have a diversity of skills, and characteristics that will enable them to govern, not to manage, the organization. These characteristics include:

1. Commitment to linking with the ownership. Understanding that they stand in for an ownership of diverse people; willing to actively seek to access and understand that diversity.
2. Ability to think in terms of systems and context — to see the big picture.
3. Interest in and capability to discuss the values underlying the actions taken in the organization, and to govern through the broader formulations of these values.
4. Willingness to delegate the operational detail to the CEO.
5. Ability and willingness to deal with vision and the long term, rather than day-to-day details.
6. Ability and willingness to participate assertively in deliberation, while respecting the opinions of others.
7. Willingness and commitment to honour board decisions.



Policy Name: Handling of Operational Complaints

Number: GP-15

Policy Type: Governance Process

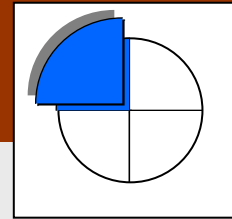
Date Approved: June 29, 2005

Date Reviewed: Dec 17, 2008

Date Revised:

To ensure that the board fulfills its accountability to the ownership, but does not interfere in matters it has delegated to the CEO, the following process shall be followed in the case of a board member receiving a complaint regarding an operational matter.

1. The Board Member shall not offer any evaluative comments or solutions.
2. The Board Member shall explain to the individual that the Board has delegated certain responsibilities to the CEO, and that the Board holds the CEO accountable. Ask the individual to contact the CEO.
3. The Board Member shall inform the CEO or individual designated by the CEO of the complaint, and request that it be handled.
4. The Board Member shall ask the individual to contact him or her again if the matter has not been addressed within a reasonable time period.
5. All written operational complaints addressed to the board shall be acknowledged by the Board Chair, forwarded to the CEO for response and copied to the board members for information only.



Policy Name: Special Rules of Order

Number: GP-16

Policy Type: Governance Process

Date Approved: June 29, 2005

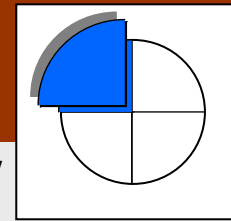
Date Reviewed: February 25, 2009

Date Revised: June 24, 2009

Board meetings will be conducted in an orderly, effective process, led and defined by the chair.

1. All by-law obligations respecting board meetings must be satisfied.
2. Board meetings shall be called to order at the time specified in the notice of meeting and upon satisfaction of quorum.
3. Meeting order and decorum shall be maintained and all members treated with dignity, respect, courtesy, and fairness during discussion and debate and in all other respects.
4. Board members must keep their comments relevant to the issue under consideration.
5. Board meetings will be conducted at a level of informality considered appropriate by the chair, including that discussion of a matter may occur prior to a proposal that action be taken on any given subject.
6. Proposals that the board take action, or decide a particular matter, shall (unless otherwise agreed to by unanimous consent) be made by main motion of a board member, discussed, and then voted on. Motions require a second to proceed to discussion and subsequent vote.
 - 6.1. The chair of the board may not to the same extent as any board member, make motions, engage in debate, or vote on any matter to be decided, except if by written ballot demanded by any voting member. If there is an equality of votes, the motion is lost.
 - 6.2. A motion to amend a main motion may be amended but third level amendments are out of order.
 - 6.3. A motion to refer to a committee, postpone, or table, may be made with respect to a pending main motion, and if carried shall set the main motion (the initial proposal) aside accordingly.
7. Board members may speak to a pending motion on as many occasions, and at such length, as the chair may reasonably allow.
8. A vote on a motion shall be taken when discussion ends but any board member may, during the course of debate, move for an immediate vote (close debate) which, if carried, shall end discussion and the vote on the main motion shall then be taken.
9. A majority vote will decide all motions before the board excepting those matters in the by-laws which oblige a higher level of approval.
10. A motion to adjourn a board meeting may be offered by any board member or, on the conclusion of all business, adjournment of the meeting may be declared by the chair.
11. A board member may request to have his or her vote on the record.
12. When further rules of order are to be developed by the board, the board will consider the *Robert's Rules of Order Newly Revised* as a resource guide.

13. If all the Governors present at the meeting consent and in accordance with the Board's policy on electronic meetings adopted from time to time by the Board, a meeting of a Governors or a meeting of a committee of the Board may be held by conference telephone, electronic or other communication facilities as to permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and the Governor or committee member participating in the meeting by those means is deemed to be present at the meeting.



Policy Name: Closed and In Camera Meetings

Number: GP-17

Policy Type: Governance Process

Date Approved: June 29, 2005

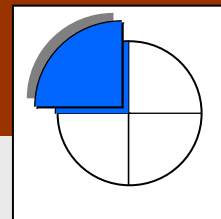
Date Reviewed: March 25, 2009

Date Revised:

The Board may exclude the public from a meeting if it considers it necessary to protect the interests of the public or a person and the desirability of avoiding disclosure outweighs the desirability of public disclosure of the information. The Board and senior staff shall maintain confidentiality respecting all discussions undertaken by the Board in a closed meeting. The Board may also choose to hold in camera meetings from which staff is excluded.

1. Items discussed in a closed meeting are items of a confidential nature, disclosure of which could reasonably be expected to be harmful to:
 - Personal privacy, including human resource issues.
 - Individual and/or public safety
 - Business interests of a third party
 - Financial or economic interest of the Board and its affiliates, including local public body confidences
 - The integrity and security of computer systems
 - The integrity and protection of security systems
 - Policy advice as provided in Ontario privacy legislation, including the “Privacy Act”
 - Litigation matters and solicitors’ legal advice
2. Items that may be considered in a closed meeting include:
 - Internal governance matters of the Board
 - Property acquisitions or disposals
 - Drafts of resolutions, bylaws or other legal instruments such as rules and regulations
3. Attendance at closed and in camera sessions.
 - 3.1 All board members with the exception of those who are deemed to be in conflict of interest as defined in GP-9.
 - 3.2 The CEO shall attend all closed meetings, and all in-camera meetings, except where issues of his/her performance or compensation are being discussed, at which time he/she may be excluded from the proceedings at the direction of the Chair.
 - 3.3 Senior staff will be included in in-camera discussions at the discretion of the Chair.
 - 3.4 The Board Recording Secretary may be requested to attend closed and in-camera sessions, or the board may appoint a board member to record proceedings.
4. Reporting Decisions made in Closed Session
 - 4.1 The board will identify which decisions made in closed session are to be reported in the open session.
5. Board Committees
 - 5.1 Board committee meetings will be closed to public.

BOARD OF DIRECTORS POLICY



Policy Name: Requests for Presentations to Board

Number: GP-18

Policy Type: Governance Process

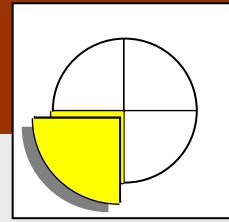
Date Approved: May 31, 2006

Date Reviewed: May 27, 2009

Date Revised:

Requests to make presentations to the board from individuals who represent portions of the ownership will be considered as follows:

1. Requests shall be in writing, including the purpose of the presentation, and must be submitted at least 14 days prior to any board meeting.
2. The board retains the right to determine if the subject of the requested presentation is relevant to board policy, or whether it would be more appropriately addressed by administration.
3. Those making presentations shall provide a written brief at least 7 business days in advance of the scheduled presentation.
4. In the interests of effective and timely decision making, the board retains the right to limit the number of presentations made on a policy issue by the same group, and the total number of groups which will be heard on a given issue.
5. Groups shall be limited to 2 presenters, and presentations should not exceed 15 minutes. Question period may follow at the Board's pleasure.
6. The board will review the merits of the presentation and shall determine if policy additions or amendments are appropriate.
7. If the board determines that policy additions or amendments are required, it shall make the necessary change in a timely manner.
8. In making its decision, the board shall always discharge its responsibility to act on behalf of the owners as a whole.
9. If the administration has made a decision based on the previous policy, the board may request administration to reconsider its decision on the basis of the amended policy, if feasible and appropriate.
10. The board will provide a timely response to presentations but shall not commit to responding at the same meeting in which the presentation is made.



Policy Name: Global Board-CEO Relationship

Number: BC

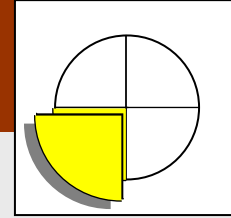
Policy Type: Board-CEO Relationship

Date Approved: June 29, 2005

Date Reviewed: Oct. 28, 2009

Date Revised:

The board's sole official connection to the operational organization, its achievements and conduct will be through a Chief Executive Officer, titled President.



Policy Name: Unity of Control

Number: BC-1

Policy Type: Board-CEO Relationship

Date Approved: June 29, 2005

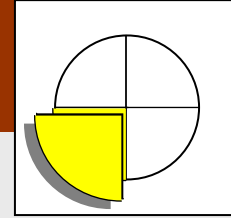
Date Reviewed: Oct. 28, 2009

Date Revised:

Only officially passed motions of the board are binding on the CEO.

Accordingly:

1. Decisions or instructions of individual Governors, officers, or committees are not binding on the CEO except in rare instances when the board has specifically authorized such exercise of authority.
2. In the case of Governors or committees requesting information or assistance without board authorization, the CEO can refuse such requests that require, in the CEO's opinion, a material amount of staff time or funds or are disruptive.
3. Only the board acting as a body can employ, terminate, discipline, or change the conditions of employment of the CEO.



Policy Name: Accountability of the CEO

Number: BC-2

Policy Type: Board-CEO Relationship

Date Approved: June 29, 2005

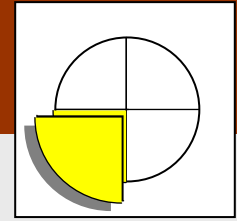
Date Reviewed: Oct. 28, 2009

Date Revised:

The CEO is the board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the board is concerned, is considered the authority and accountability of the CEO.

Accordingly:

1. The board will never give instructions to persons who report directly or indirectly to the CEO.
2. The board will refrain from evaluating, either formally or informally, any staff other than the CEO.
3. The board will view CEO performance as identical to organizational performance, so that organizational accomplishment of board stated Ends and compliance with Executive Limitations will be viewed as successful CEO performance. Therefore the CEO's job contributions shall be accomplishment of the Ends while maintaining compliance with the Executive Limitations.



Policy Name: Delegation to the CEO

Number: BC-3

Policy Type: Board-CEO Relationship

Date Approved: June 29, 2005

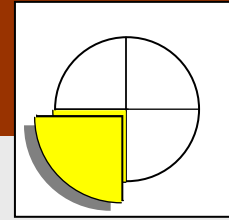
Date Reviewed: April 28, 2010

Date Revised:

The board will instruct the CEO through written policies, which prescribe the organizational Ends to be achieved, and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.

Accordingly:

1. The board will develop policies instructing the CEO to achieve certain results, for certain recipients at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels, and will be called Ends policies.
2. The board will develop policies, which limit the latitude the CEO may exercise in choosing the organizational means. These policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called Executive Limitations policies.
3. As long as the CEO uses *any reasonable interpretation* of the Board's Ends and Executive Limitations policies, the CEO is authorized to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities.
4. The board may change its Ends and Executive Limitations policies, thereby shifting the boundary between board and CEO domains. By doing so, the board changes the latitude of choice given to the CEO. But as long as any particular policy is in place, the board will respect and support the CEO's choices. This does not prevent the Board from obtaining information from the CEO about the delegated areas, except for confidential data.



Policy Name: Monitoring CEO Performance

Number: BC-4

Policy Type: Board-CEO Relationship

Date Approved: June 29, 2005

Date Reviewed: Oct. 31, 2007

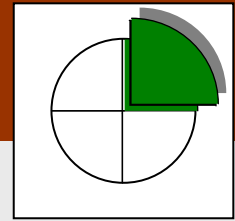
Date Revised: May 31, 2006

Systematic and rigorous monitoring of CEO job performance will be solely against the only expected CEO job outputs: organizational accomplishment of Ends and organizational operation within the boundaries established in Executive Limitations.

1. The purpose of monitoring is simply to determine the degree to which Board policies are being fulfilled. Only information which does this will be considered to be monitoring. Monitoring will be as automatic as possible, using a minimum of Board time so that meetings can be used to create the future rather than to review the past.
2. A given policy may be monitored in one or more of three ways:
 - 2.1. Internal report: Disclosure of compliance information by the CEO, along with his or her explicit interpretation of Board policy, and justification for the reasonableness of interpretation.
 - 2.2. External report: Discovery of compliance information by an impartial, external auditor, inspector or judge who is selected by and reports directly to the Board. The external party will first be provided with the CEO's explicit interpretation of the policy and justification for the reasonableness of interpretation.. The report must assess the reasonableness of the interpretation of Board policy, and compliance with it. The basis for assessment is *not* the standards of the external party, unless the Board has previously indicated that party's opinion to be the standard.
 - 2.3. Direct Board Inspection: Discovery of compliance information by designated board member(s), a committee or the Board as a whole. This is a Board inspection of documents, activities or circumstances directed by the Board that assesses compliance with policy, with access to the CEO's justification for the reasonableness of his/her interpretation. Such an inspection is only undertaken at the instruction of the Board, and with the CEO's knowledge.
3. In every case, the standard for compliance shall be *any reasonable CEO interpretation* of the board policy being monitored. The Board is the final arbiter of reasonableness, but will always judge with a "reasonable person" test rather than interpretations favoured by Governors or even the board as a whole.
4. Upon the choice of the Board, any policy can be monitored by any of the above methods at any time. For regular monitoring, however, each *Ends* and *Executive Limitations* policy will be classified by the Board according to frequency and method.
5. A formal evaluation of the CEO by the Board will occur annually, based on the achievement of the Board's *Ends* Policies and non-violation of its *Executive Limitations* policies. This formal evaluation will be conducted by cumulating the regular monitoring data provided during the year and the board's recorded acceptance or non-acceptance of the reports, and identifying performance trends evidenced by that data.

Revised June 2010

	Policy	Method	Frequency	Reviewed By
E	Mega End	Internal Report	Annually (May)	Executive Team
E-1	Confidence Hospital Health Care Needs Will Be Met	Internal Report	Annually (March)	Executive Team
E-2	Positive health care experience	Internal Report	Annually (April)	Executive Team
EL	General Executive Constraint	Internal Report	Annually (June)	Paul
EL-1	Treatment of Employees, Volunteers, And Professional Staff	Internal Report	Annually (February)	Malcolm, Brenda & Laura
EL-2	Financial Planning	Direct Inspection	Quarterly (Oct, Jan, May)	Audit Ctte
EL-3	Financial Condition	Internal Report & External Audit	Monthly Annually (May)	Malcolm, Tonya
EL-4	Asset Protection	Internal Report & External Audit	Annually (May) Annually (May)	Malcolm, Audit Ctte
EL-5	Treatment of Clients	Internal Report	Quarterly (Sept, Dec, Mar, Jun)	Brenda, Nancy
EL-6	Compensation and Benefits	Internal Report	Annually (November)	Malcolm, Laura
EL-7	Communication and Support to the Board	Direct Inspection	Annually (June)	Board
EL-8	Emergency Loss of CEO Services	Internal Report	Annually (May)	Paul
EL-9	Public Image	Direct Inspection	Annually (November)	Board



Policy Name: Mega End

Number: E

Policy Type: Ends

Date Approved: June 29, 2005

Date Reviewed: May 26, 2010

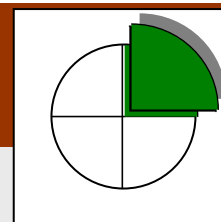
Date Revised:

St. Thomas-Elgin General Hospital exists so there will be

Optimal health outcomes for those entrusted to our care at an efficiency better than the average of peer hospitals.

In pursuit of this vision, St. Thomas-Elgin General Hospital exists so

- Community residents have confidence their hospital care needs will be met
- Patients have a positive health care experience



Policy Name: Confidence Hospital Care Needs Will Be Met **Number:** E-1

Policy Type: Ends

Date Approved: June 29, 2005

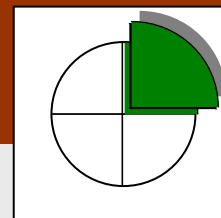
Date Reviewed: May 26, 2010

Date Revised: May 31, 2006

Community residents have confidence their hospital care needs will be met.

This End is further interpreted to include, but not limited to:

1. Timely local access to care now and in the future.
2. Locally available care for conditions with sufficient volume for cost-effective and safe delivery.
 - 2.1 Expectant parents can be confident of access to obstetrical services.
 - 2.2 Residents can be confident of rapid access to high quality appropriate emergency services.
 - 2.2.1 Wait times are no longer than Canada-wide standards for each triage category.
3. Patients' experience of discharge to community or other agencies is seamless.



Policy Name: Optimal Health Care Experience

Number: E-2

Policy Type: Ends

Date Approved:

June 29, 2005

Date Reviewed:

May 26, 2010

Date Revised:

Dec. 14, 2006

Patients have an optimal health care experience

This End is further interpreted to include, but not limited to:

1. Health outcomes are better than comparators.
Optimal recovery from illness or injury.

Timely diagnosis and return to health as soon as possible.

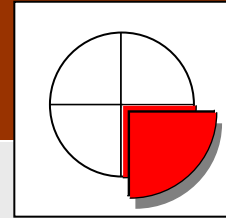
Optimal childbirth experience.

Dignified end-of-life experience.
2. People have knowledge and skills to prevent illness and injury.
Hospital patients have knowledge and skills to prevent recurrence of illness.

People with chronic diseases have skills to manage.

ST. THOMAS-ELGIN GENERAL HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: General Executive Constraint

Number: EL

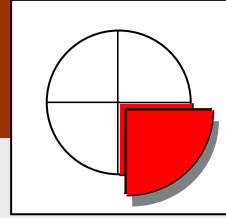
Policy Type: Executive Limitations

Date Approved: June 29, 2005

Date Reviewed: Dec. 16, 2009

Date Revised:

The CEO shall not cause or allow any practice, activity, decision or organizational circumstance which is either imprudent, illegal, in violation of commonly accepted business and professional ethics, or in violation of relevant legislation and regulations.



Policy Name: Treatment of Employees, Volunteers & Professional Staff

Number: EL-1

Policy Type: Executive Limitations

Date Approved: June 29, 2005

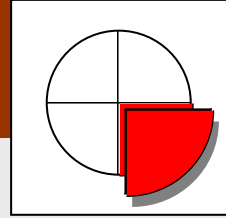
Date Reviewed: Dec. 16, 2009

Date Revised:

The CEO shall not cause or allow working conditions for employees, professional staff, or volunteers that are unfair, undignified, unsafe, disorganized, or unclear.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. Operate without written human resource policies and procedures that at minimum clarify expectations and working conditions for employees, provide for effective handling of grievances, and protect against wrongful conditions, such as nepotism and grossly preferential treatment for personal reasons.
 - 1.1. Allow employees to be unaware of the performance standards by which they will be assessed.
2. Operate without policies and procedures in place to prevent employees, professional staff, and volunteers from exposure to harassment.
3. Operate without an effective employee, volunteer, and professional staff recognition, education, and development process.
4. Allow employees, volunteers, and professional staff to be unprepared to deal with emergency situations.
5. Permit a culture that is not reflective of organizational values.
6. Fail to acquaint employees, professional staff, and volunteers with the CEO's interpretation of their protections under this policy.



Policy Name: Financial Planning

Number: EL-2

Policy Type: Executive Limitations

Date Approved: June 29, 2005

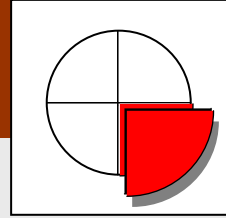
Date Reviewed: Feb. 24, 2010

Date Revised:

Budgeting for any fiscal period or the remaining part of any fiscal period shall not deviate materially from Board-stated Ends priorities in allocation of resources, be fiscally irresponsible, nor fail to be derived from a multi-year plan.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. Permit budgeting that omits credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
2. Fail to develop a balanced budget, along with its impact on the potential to achieve the Ends, and, if a balanced budget is unable to achieve the Ends, an alternate budget that would achieve the Ends.
3. Budget in a way that risks incurring those situations or conditions described as unacceptable in the Board policy "Financial Condition."
4. Implement a deficit budget without prior Board approval.
5. Provide less than determined annually by the Board for the Board's direct use during the year, such as costs of fiscal audit, Board development, Board and committee meetings, and Board legal fees.
6. Ignore the building of organizational capability sufficient to achieve Ends in future years.



Policy Name: Financial Condition

Number: EL-3

Policy Type: Executive Limitations

Date Approved: June 29, 2005

Date Reviewed: June 24, 2010

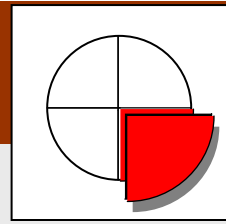
Date Revised:

With respect to the actual, ongoing financial conditions and activities, the CEO shall not cause or allow fiscal irresponsibility, or a material deviation of actual expenditures from Board priorities established in *Ends* policies.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. Expend more funds than have been received in the fiscal year to date unless the debt guideline below is met.
 - 1.1. Exceed the Board-authorized line of credit on a short-term basis to cover operating expenses.

Incur long-term debt except as pre-approved by the Board.
2. Use any long-term reserves.
3. Fail to settle payroll and debts in a timely manner.
4. Fail to aggressively pursue receivables after a reasonable grace period.
5. Allow tax payments or other government ordered payments or reports to be overdue or inaccurately filed.
6. Fail to designate appropriate administrative signing authorities.



Policy Name: Asset Protection

Number: EL-4

Policy Type: Executive Limitations

Date Approved: June 29, 2005

Date Reviewed: Dec. 13, 2007

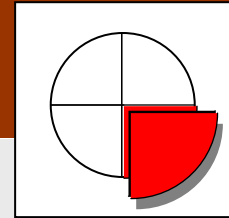
Date Revised:

The CEO shall not allow assets to be unprotected, inadequately maintained or unnecessarily risked. Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. Fail to insure against theft, fire and casualty losses to a prudent replacement value.
2. Fail to insure against liability to Governors, employees and individuals engaged in activities on behalf of the hospital, or the hospital itself in an amount comparable to the average for similar organizations.
3. Unnecessarily expose the St. Thomas Elgin General Hospital, its Governors or staff to claims of liability.
4. Allow unbonded or uninsured personnel access to material amounts of funds.
5. Receive, process or disburse funds under controls insufficient to meet the Board-appointed auditor's standards.
6. Cause or allow plant and equipment to be subjected to improper wear and tear or insufficient maintenance.
7. Operate without an emergency plan, which shall be readily available to all staff, and reviewed at least annually with all staff.
8. Make purchases without due consideration to quality, after-purchase service, value for dollar, and opportunity for fair competition, including making every effort for community suppliers to compete. Orders shall not be split to avoid these criteria. The CEO shall not:
 - 8.1. Make any purchase wherein normally prudent protection has not been given against conflict of interest.
 - 8.2. Make purchases without due consideration to community businesses.
 - 8.3. Make any capital purchase of over \$500,000 unless it was included in the original capital plan, or any capital purchase or commitment over \$ 500,000 that exceeds the originally planned amount by more than 20 %.
9. Compromise the independence of the Board's audit or other external monitoring or advice. Engaging parties already chosen by the Board as consultants or advisers is unacceptable.
10. Fail to protect intellectual property, information and files from loss or significant damage.
11. Invest or hold operating capital in insecure instruments, including uninsured checking accounts and bonds of less than AA rating, or in non-interest bearing accounts except where necessary to facilitate ease in operational transactions.

12. Use endowment funds for other than their intended purpose.

13. Acquire, encumber or dispose of land or buildings.



Policy Name: Treatment of Clients

Number: EL-5

Policy Type: Executive Limitations

Date Approved: June 29, 2005

Date Reviewed: Feb. 27, 2008

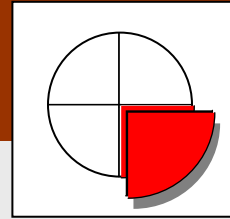
Date Revised: Feb. 28, 2007

The CEO shall not cause or allow conditions, procedures or decisions that are unsafe, disrespectful, unnecessarily intrusive, that fail to provide adequate confidentiality or privacy, or that otherwise jeopardize the quality of care or service to clients or potential clients.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. Cause or allow conditions, procedures or circumstances that are unsafe or disrespectful.
 - 1.1. Permit employees and volunteers to work without adequate orientation to the hospital's relevant policies and procedures.
 - 1.2. Allow any service area to operate without appropriate and properly functioning equipment.
 - 1.3. Operate without policies to protect clients from abuse.
 - 1.4. Deliver services in a manner that is insensitive to clients' culture and beliefs.
 - 1.5. Minimize, withhold or ignore information to clients or families regarding safety or risk.
 - 1.6. Initiate or perpetuate contractual relationships with parties that do not respect the values of the hospital.
2. Fail to maintain accreditation by the Canadian Council on Health Services Accreditation.
3. Permit client confidentiality to be compromised.
 - 3.1. Use methods of collecting, reviewing, storing or transmitting client information that fail to protect against improper access to the information elicited.
 - 3.2. Fail to provide appropriate privacy in facilities.
 - 3.3. Operate without policies that protect client rights and confidentiality during clinical research.
4. Fail to select a physician to fill the function of Chief of Staff, and bring that selection to the Board for approval via the Consent Agenda.
5. Fail to ensure via the Chief of Staff that the quality of care provided by medical staff is consistent with generally accepted standards.
 - 5.1. Permit medical staff credentialing and re-credentialing processes that are inconsistent with Hospital Bylaws.

- 5.2. Operate without appropriate measures to ensure that the quality of services offered by all physicians is evaluated on a regular basis, at least annually, and that corrective actions are taken when problems are identified.
- 5.3. Operate without implementing and maintaining appropriate measures to review and manage the use of resources by physicians.
- 5.4. Fail to ensure that the members of the professional staff comply with all relevant laws, regulations, and standards, and with policies of the Hospital.
- 5.5. Permit professional staff to provide services without adequate orientation to the hospital's relevant policies and procedures.
- 5.6. Permit a professional staff culture that is not reflective of organizational values.
6. Operate without written agreements with academic institutions, in order to protect the hospital from students functioning beyond the boundaries of their competence or working without appropriate orientation and supervision.
7. Fail to establish with clients a reasonable understanding of what may be expected and what may not be expected from the service offered.
8. Fail to provide a way for persons to be heard who believe they have not been treated appropriately under this policy.



Policy Name: Compensation and Benefits

Number: EL-6

Policy Type: Executive Limitations

Date Approved: June 29, 2005

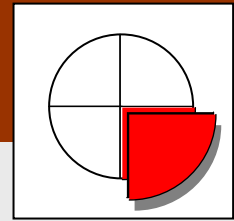
Date Reviewed: April 30, 2008

Date Revised: April 30, 2008

With respect to employment, compensation and benefits to employees, professional staff, consultants, contract workers and volunteers, the CEO shall not cause or allow jeopardy to fiscal integrity or public image.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. Change his/her own compensation and benefits.
2. Promise or imply permanent or guaranteed employment.
3. Establish current compensation and benefit policies that deviate materially from the geographic or professional market for the skills employed.



Policy Name: Communication and Support to the Board

Number: EL-7

Policy Type: Executive Limitations

Date Approved: June 29, 2005

Date Reviewed: Oct. 29, 2008

Date Revised: Feb. 28, 2007

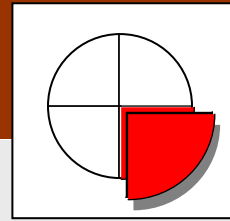
The CEO shall not permit the board to be uninformed or unsupported in its work.

Further, without limiting the scope of the above statement by the following list, the CEO shall not fail to:

1. Make available to the Board adequate information to support informed Board choices, including relevant environmental scanning data, a representative range of employee, professional staff and external points of view, significant issues or changes within the external environment which may have a bearing on any existing Board policies, along with alternative choices and their respective implications.
2. Submit the required monitoring data (see policy on Monitoring Executive Performance) in a timely, accurate and understandable fashion, including explicit CEO interpretations and evidence of compliance with the Board policies being monitored.
3. Provide reports to the Board that reflect patient safety issues including any changes or improvements that come from incident investigations.
4. Inform the Board of anticipated adverse media coverage, changes in executive personnel, lawsuits against the organization, publicly visible external and internal changes or events, major contracts or contracts with high public visibility.
5. Advise the Board if, in the CEO's opinion, the Board is not in compliance with its own policies on Governance Process and Board-CEO Relationship, particularly in the case of board behaviour which is detrimental to the work relationship between the Board and the CEO.
6. Provide information to the Board as a whole except (a) for fulfilling individual requests for information or (b) for responding to officers or committees duly charged by the Board.
7. Supply for the consent agenda all items delegated to the CEO, yet required by law or contract to be board-approved, along with the monitoring assurance pertaining to the item(s).
8. Provide reasonable administrative support for board activities.
 - 8.1. Ensure that information presented to the board is timely, accurate, complete and in a form that clearly differentiates between monitoring, decision-making, and general background information.
 - 8.2. Provide a timely, secure mechanism for official board, officer or committee communications.
 - 8.3. Provide the board meeting agenda package at least 5 days prior to the board meeting.
9. Report in a timely manner actual or anticipated non-compliance with any policy of the Board.

ST. THOMAS-ELGIN GENERAL HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Emergency Loss of CEO Services

Number: EL-8

Policy Type: Executive Limitations

Date Approved: June 29, 2005

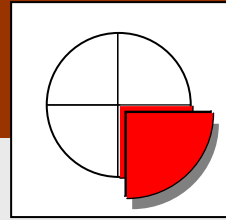
Date Reviewed: Jan 28, 2009

Date Revised:

The CEO shall not fail to ensure that there is sufficient organizational capacity for the competent operation of the organization to continue in the event of emergency loss of CEO services.

ST. THOMAS-ELGIN GENERAL HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Public Image

Number: EL-9

Policy Type: Executive Limitations

Date Approved: June 29, 2005

Date Reviewed: Jan 28, 2009

Date Revised:

The CEO shall not operate without an effective corporate communications strategy, nor endanger the Hospital's public image or credibility.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. Change the Hospital's name or substantially alter its identity in the community.
2. Permit presentations to be made to the media that inaccurately portray Board policy.
3. Fail to make information regarding Board decisions available and easily accessible to the public.