

**BOARD MANUAL**

<b>SUBJECT: Reporting on Compliance</b>		<b>NUMBER: 1-C-20</b>
<b>SECTION: Legal Structure</b>	<b>APPROVED BY: Board of Directors</b>	
<b>DATE: November 26, 2014</b>	<b>REVISED/REVIEWED: May 30, 2018, April 28, 2021</b>	

**Policy**

To assist the Directors in meeting their fiduciary obligations, the Directors need to be reassured that the risk of claims against Cambridge Memorial Hospital (“CMH”) and / or the Directors personally has been mitigated. The President and CEO shall ensure that processes and operating policies are in place to ensure compliance with government legislation, regulations and/or bylaws (federal/provincial/municipal), statutory filings and any associated risks identified and mitigated. The President and CEO shall report to the Board in accordance with the provisions of this policy.

**Procedure**

1. The President and CEO shall report to the Board on a quarterly basis on CMH’s compliance with respect to the preparation of accurate financial statements and that CMH has, as required by-law, paid all:
  - (a) Salary, wages and vacation pay owing to CMH employees.
  - (b) Remittances for employee income tax deductions, Canada Pension Plan (CPP) and Employment Insurance (EI) premiums and contributions.
  - (c) Workplace Safety and Insurance Board (WSIB) premiums;
  - (d) Employer Health Tax (EHT).
  - (e) Harmonized Sales Tax (HST).
  - (f) If applicable, remittances for required deductions for payments to non-residents.

The Certificate of Compliance will be in the form set out in Appendix A.

2. The President and CEO shall report to the Board, through the appropriate committee where applicable, on an annual or bi-annual basis on CMH’s compliance with respect to the maintenance of applicable insurance and compliance with legislative obligations, including the following:

- (a) Compliance with health & safety legislation and regulations (Audit Committee).
- (b) Compliance with environmental legislation and regulations (Audit Committee).
- (c) Compliance with all other legislation or regulations applicable to operation of CMH (Audit Committee).
- (d) All property, casualty and liability insurance is in place and coverage is suitable and in accordance with risk, the indemnity amount is sufficient in light of risk, all premiums have been paid and the policy is up-to-date (Resource Committee).
- (e) Directors' and Officers' liability insurance is in place and coverage is suitable and in accordance with risk, the indemnity amount is sufficient in light of risk, all premiums have been paid and the policy is up-to-date (Resource Committee).

The Certificate of Compliance will be in the form set out in Appendix B.

3. In accordance with the *Broader Public Sector Accountability Act, 2010*, the President and CEO shall prepare and submit to the Board for approval all required CEO attestations on CMH's compliance with:
  - (a) The completion and accuracy of reports required on the use of consultants.
  - (b) Compliance with the prohibition on engaging lobbyist services using public funds.
  - (c) Compliance with expense claim directives consistent with the Broader Public Sector Directives.
  - (d) Compliance with the perquisite directives issued by the Broader Public Sector Directives.
  - (e) Compliance with the procurement directives issued by Broader Public Sector Directives.
  - (f) Such other requirements as may be established under the *Broader Public Sector Accountability Act, 2010* from time to time.

CMH will post all approved attestations that are required to be posted on its website.

4. In accordance with the commitment to the *Future of Medicare Act 2004* the President and CEO shall prepare and submit to the Board for approval all

required CEO attestations on CMH's compliance with the H-SAA and M-SAA with Ontario Health/Ministry of Health.

Appendix A

Quarterly Report

TO: The Board of Directors, Cambridge Memorial Hospital

Date:

Reporting Period:

RE: CEO Certificate of Compliance

I have reviewed, or caused to be reviewed, such files, books of account and records of CMH and have made, or caused to be made, such enquiries of the financial, accounting and other personnel of CMH as I have determined necessary for the purposes of this certificate.

In my capacity as President and CEO, and for the reporting period identified above, I hereby attest that to the best of my knowledge, except as set out below:

- (a) Salaries, Wages and Benefits – CMH has met all of its obligations in respect of the payment of all employee salaries and wages, vacation pay, holiday pay, termination pay, severance pay and benefits.
- (b) Statutory Deductions – CMH has met all of its obligations in respect of the deduction, withholding and / or remittance of funds under the Income Tax Act (Canada), the Income Tax Act (Ontario), the Employer Health Tax Act (Ontario) (EHT), the Excise Tax Act (Canada) (HST), Workplace Safety and Insurance Act (Ontario) (WSIB), the Employment Insurance Act (Canada) (EI), the Canada Pension Plan Act (Canada) (CPP) and If applicable, remittances for required deductions for payments to non-residents.
- (c) Financial Statements – the CMH financial statements, as at the date of their preparation were accurate and complete in all material respects.

Exceptions: NIL or [describe exceptions]

[name], President and CEO

Appendix B  
Annual Report

TO: The Board of Directors, Cambridge Memorial Hospital

Date:

Reporting Period:

RE: CEO Certificate of Compliance

I have reviewed, or caused to be reviewed, such files, books of account and records of CMH and have made, or caused to be made, such enquiries of the financial, accounting and other personnel of CMH as I have determined necessary for the purposes of this certificate.

In my capacity as President and CEO, and for the reporting period identified above, I hereby attest that to the best of my knowledge, except as set out below:

1. Insurance:
  - (a) All property, casualty and liability insurance is in place and coverage is suitable and in accordance with risk, the indemnity amount is sufficient in light of risk, all premiums have been paid and the policy is up-to-date;
  - (b) Directors' and Officers' liability insurance is in place and coverage is suitable and in accordance with risk, the indemnity amount is sufficient in light of risk, all premiums have been paid and the policy is up-to-date;
  - (c) CMH is not in default with respect to any provisions contained in any insurance policy; and
  - (d) CMH has provided all notices and presented all claims under any insurance policy in accordance with the notice periods established by the insurer.
  
2. Compliance:
  - (a) CMH is in compliance, in all material respects, with applicable health & safety legislation and regulations

- (b) CMH is in compliance, in all material respects, with applicable environmental legislation and regulations
- (c) CMH is in compliance, in all material respects, with all other applicable legislation or regulations applicable to operation of CMH

Exceptions: NIL or [describe exceptions]

[name], President and CEO