

BOARD MANUAL

SUBJECT: Governance Committee Terms of Reference	NO.: 2-A-16
SECTION: Structure, Roles and Responsibilities	
APPROVED BY: Board of Directors	DATE: October 2, 2024

1. Application

These Terms of Reference shall apply to the Governance Committee (the “**Committee**”) of the Cambridge Memorial Hospital (the “**Corporation**”). All capitalized terms not defined herein have the meaning set out in the Corporation’s By-Laws.

2. Composition

- (a) The Committee shall be composed of the following voting members:
 - (i) up to four elected (4) Directors one of whom shall sit as Chair of the Committee; and
 - (ii) up to three (3) members from the broader community who are appointed by the Board upon the recommendation of the Governance Committee.
- (b) Non-voting resources to the Committee will include:
 - (i) the President and Chief Executive Officer and;
 - (ii) other staff resources, as directed by the Committee.

3. Meetings

The Committee shall:

- (a) meet at least four (4) time annually.
- (b) conduct all or part of any meeting in the absence of management, and, at a minimum, conduct such a session at each regularly scheduled Committee meeting.
- (c) invite to its meetings any Director, member of management or such other persons as it considers appropriate in order to carry out its duties and responsibilities.
- (d) exclude from its meetings any persons it considers appropriate in order to carry out its responsibilities.

4. Specific Duties and Responsibilities

(a) Board and Committee Structure and Composition

The Committee shall make recommendations to the Board with respect to the appropriate structure and composition of the Board and its committees, consistent with policy 2-D-20, so they may fulfill their functions and comply with all legal requirements and all relevant Board policies. The Committee shall:

- (i) recommend to the Board criteria for the composition of the Board and its committees, including total size, independence of Directors and the number and role of the ex-officio voting and non-voting Directors on the Board and its committees;
- (ii) recommend to the Board criteria for the tenure of Directors;
- (iii) recommend to the Board each year the allocation of Board members and non-Director committee members to each of the applicable Board committees, and where a vacancy occurs at any time in the membership of any committee, recommend to the Board a member to fill such vacancy;
- (iv) recommend the appointment of committee chairs to the Board; and
- (v) recommend the appointment of non-director committee members to Board committees.

(b) Nominations for Election to the Board and Appointment to other Boards

The Committee shall:

- (i) undertake the nominating process;
- (ii) provide recommendations to the Board as to the appointment of its Officers; and
- (iii) recommend to the Board the appointment of the Corporation's Directors to other organizations or groups, including but not limited to, the Cambridge Memorial Hospital Foundation, Cambridge Memorial Hospital Volunteer Association, Patient and Family Advisory Council (PFAC), Medical Advisory Council (MAC), and the Cambridge North Dumfries Ontario Health Team (CND OHT).

(c) Resignation and Removal of Directors

The Committee shall:

- (i) Undertake the review, and when warranted, recommend the removal of a Director, Officer or non-director committee member as outlined in policy 2-D-45 Removal of a Director, Officer, or Committee Member.

(d) Director and Committee Orientation

The Committee shall:

- (i) be responsible for monitoring that new Directors, and non-director committee members receive an orientation to their role as a Board or committee member as outlined in policy 2-D-30 Board and Board Committee Orientation.

(e) Evaluations

The Committee shall:

- (i) establish, revise as necessary, and facilitate an effective process for the ongoing evaluation of the performance and effectiveness of the:

- Board
- Committees
- Board Chair
- Committee Chairs
- Individual Directors
- non-director committee members

as outlined in policy 2-D-40 Evaluation of Board, Committee, and Individual Performance.

- (ii) report to the Board the results of the annual evaluation processes and, based on those results, recommend any action plans that the Committee considers appropriate; and
- (iii) conduct an annual evaluation of the Committee in which the members of the Committee review the Committee's performance for the preceding year for the purpose, among other things, of assessing whether it fulfilled the purposes and responsibilities stated in these Terms of Reference.

(f) Corporate Governance

The Committee shall:

- (i) develop and, where appropriate, recommend to the Board for approval corporate governance policies aimed at fostering high standards of corporate governance, including ongoing review and assessment of the Corporation's governing and constating documentation, including letters patent, supplementary letters patent, by-laws and Board policies and procedures;

- (ii) keep informed of the latest regulatory requirements, trends and guidance in corporate governance and update the Board on corporate governance issues as necessary; and
- (iii) review every 3 years and update, when required, the indemnity agreement to be signed by all directors and committee members and confirm that the Directors and Officers liability insurance has been reviewed by the Resource Committee.

(g) Board Functioning

The Committee shall:

- (i) be responsible for considering and assessing the functioning of the Board;
- (ii) recommend issues to be discussed at Board meetings and committee meetings;
- (iii) be responsible for reviewing the Terms of Reference for any committee in conjunction with the Board or the relevant committee or any task force that the Board may wish to establish from time to time; and
- (iv) monitor the quality of the relationship between management and the Board and recommend improvements.

(h) Relationship Management, Community Engagement and Advocacy

The Committee shall:

- (i) Consider and advise the Board on Board policies and directions related to governance relationships, partnerships and community engagement with the current external environment and the hospital's mission, vision, values and strategic directions; and
- (ii) Support the Board on activities related to strategic governance partnerships, community engagement and advocacy.

(i) Board Independence

The Committee shall be responsible to assess and facilitate the independent functioning of the Board as set out in Board Policy

(j) Conduct and Ethical Behaviour

The Committee shall:

- (i) review, and where appropriate, recommend for approval policies in respect of ethical, personal, and business conduct at the Corporation, including the Corporation's conduct and ethics policies. The Committee shall also monitor any actual, perceived, or potential conflicts of interest brought to its attention; and
- (ii) oversee and monitor compliance with policies in respect of ethical, personal, and business conduct including, where appropriate, any waiver from such policies.

(k) Oversight of Risk

The Committee shall, on behalf of the Board, ensure that management has an adequate policy in place for integrated risk management. The Committee shall review the integrated risk management policy on a regular basis, but not less than every three (3) years.

In addition, the Committee shall:

- (i) oversee risk management in the following assigned category – regulatory; and
- (ii) oversee the progress and completion of plans to mitigate risks identified through the integrated risk management priority setting process and report annually to the Audit Committee.

5. General

The Committee shall:

- (a) report to the Board on material matters arising at Committee meetings following each meeting of the Committee;
- (b) maintain minutes or other records of meetings and activities of the Committee;
- (c) have the authority, upon approval by the Board, to engage appropriate independent legal counsel, consultants, or other advisors with respect to fulfilling its responsibilities, the funding for which shall be provided by the Hospital;
- (d) conduct an annual evaluation of the Committee in which the Committee members review the Committee's performance for the preceding year for the purpose, among other things, of assessing whether it complied with these Terms of Reference;
- (e) review and assess the adequacy of these Terms of Reference at least every (3) three years and submit any proposed amendments to this charter to the Board for approval;
- (f) provide an orientation for new Committee members; and
- (g) perform such other functions and tasks as may be assigned from time to time by the Board.

DEVELOPED: September 28, 2011		
REVISED/REVIEWED:		
November 28, 2012	June 25, 2014	January 28, 2015
May 24, 2017	November 27, 2019	June 26, 2024
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